



### DERIVATIVES

#### Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	568953	47,570.93
Stock Futures	2507547	190916.83
Index Options	13007099	1168531.85
Stock Options	911275	77,631.17
<b>F&amp;O Total</b>	<b>16994874</b>	<b>1484650.78</b>

#### FII Derivatives Statistics

			OI at end of the day		Inflow / Outflow
	Buy	Sell	Contract	Amount	
Index futures	8483.70	8998.43	261527	20767.12	-514.73
Index options	93222.08	91158.15	802189	63502.23	2063.93
Stock futures	33742.12	32905.18	869673	60193.03	836.95
Stock options	7171.42	7210.55	3543	264.70	-39.13
<b>Net Inflow/Outflow (Cr)</b>					<b>2347.02</b>

#### Securities in Ban Period

IBREALEST

#### Nifty Future/Option Trading Guide

NIFTY	Short term	Medium term
<b>Support</b>	10050	9685
<b>Resistance</b>	10400	10600

#### Nifty View for the Day

Now the support is around 10050 then 9950 while resistance is at 10400 then 10600 levels.

#### Quote for the Day

"DON'T BE BUSY, BE PRODUCTIVE"

#### Activity Tracking

Stocks (Long Position)	Remarks
Mcdowell-N, Castrolind, Jswenergy	
MRPL, Tatachem, Ibrealest Infratel	Suggesting strength in these counter
Stocks (Short Covering)	Remarks
Bankindia, Infy, PNB	
Unionbank, IOC, IRB IDBI, PFC, BPCL	Suggesting strength in these counter
Stocks (Short Position)	Remarks
BEML, Apollotyre, Ibulhsgfin Star	Suggesting weakness in these counter
Stocks (Long Liquidation)	Remarks
Canbk, Powergrid, Bataindia Pageind, Muthootfin, Bergepaint Hexaware, IndianB, Torntpower	Suggesting weakness in these counter

#### Activity in F&O

Nifty future closed on a positive note at 10360.55 levels. Nifty future open interest fell by 26.02% with a rise in price by 0.34%. It closed at a premium of 17 points as compared to discount of 5 point of previous trading session. Market witnessed selling pressure IT & Banking sector stocks while buying interest was seen in Auto, Metal, Realty, Media and Pharma sector stocks. The market turnover increased by 21% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it increased by 23%.

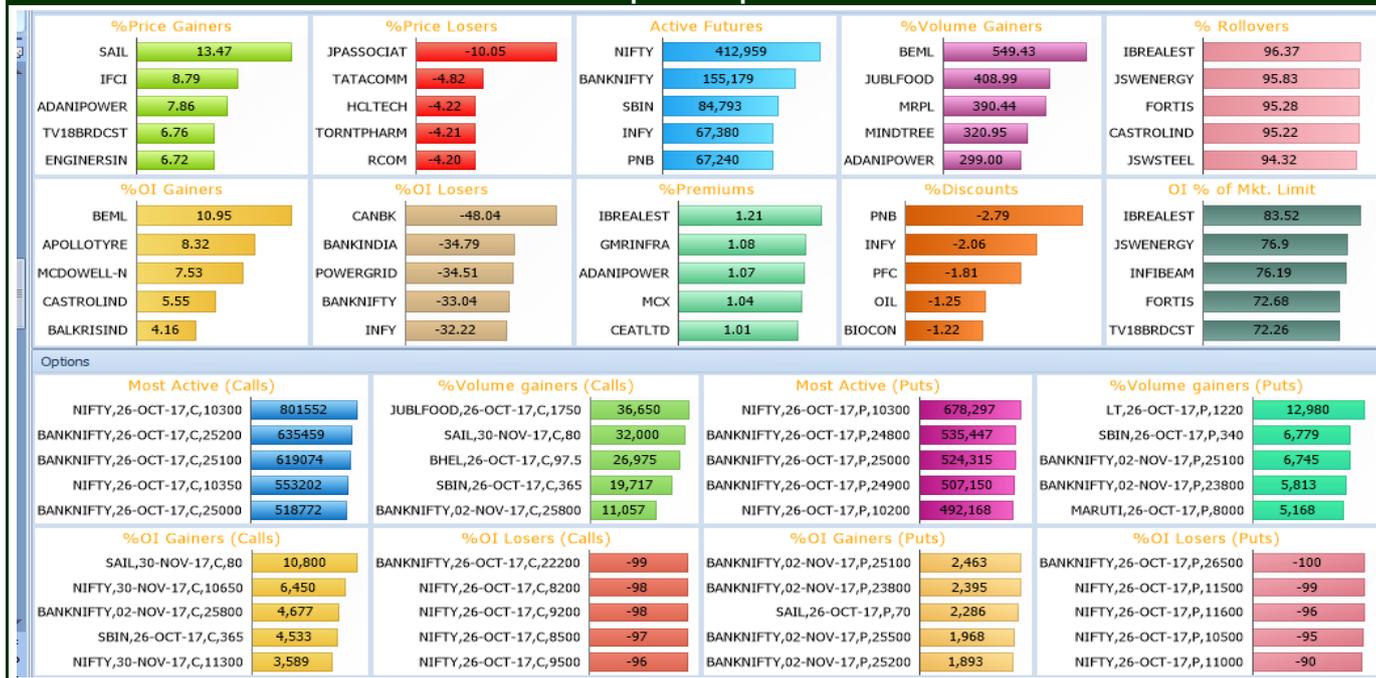
#### Indication

Put Call Ratio based on Open Interest of Nifty started the new series at 1.40 levels. Historical Volatility fell from 12.15 to 12.03 and Implied Volatility fell from 12.10 levels to 11.94 levels as compared to previous session.

#### Conclusion

Nifty Future opened on a positive note and witnessed buying interest at every minor decline and headed towards lifetime high levels. It continued its positive price action of previous session and finally ended the session with the gains of around 32 points. On the option front, maximum Put OI is at 10000 followed by 10200 strike while maximum Call OI is at 10500 followed by 10400 strike. We have seen put writing at 10400 and 10300 strike and call writing was seen in all the strikes between 10000 to 10500 strikes. Bank Nifty opened on a flattish note and witnessed a choppy session but managed to sustain its 25000 levels. It underperformed Nifty and finally ended the session on a flattish note. Now it has support near to 24800 then 24500 levels while on the upside hurdles are seen at 25250 then 25500 zones.

### Graphic Snapshot



### CORPORATE ACTION

Symbol	Purpose	BoardMeetingDate	Symbol	Purpose	BoardMeetingDate
ENGINERSIN	Results	25-Oct-17	ITC	Results	27-Oct-17
VGUARD	Results	25-Oct-17	ITC	Results	27-Oct-17
VGUARD	Results	25-Oct-17	KSCL	Results	27-Oct-17
TATAELXSI	Results	25-Oct-17	ICICIBANK	Results	27-Oct-17
TATACOMM	Results	25-Oct-17	IOC	Results	27-Oct-17
MINDTREE	Results/Dividend	25-Oct-17	BHARATFIN	Results	28-Oct-17
RBLBANK	Results	25-Oct-17	ONGC	Results/Dividend	28-Oct-17
KOTAKBANK	Results	25-Oct-17	ONGC	Results/Dividend	28-Oct-17
M&MFIN	Results	25-Oct-17	BEL	Results	30-Oct-17
HCLTECH	Results/Dividend	25-Oct-17	WOCKPHARMA	Results	30-Oct-17
HINDUNILVR	Results/Dividend	25-Oct-17	TATASTEEL	Results	30-Oct-17
IDFCBANK	Results/Others	25-Oct-17	UPL	Results	30-Oct-17
EXIDEIND	Results/Dividend	25-Oct-17	KAJARIACER	Results	30-Oct-17
BIOCON	Results	26-Oct-17	LICHSGFIN	Results	30-Oct-17
YESBANK	Results	26-Oct-17	LUPIN	Results	30-Oct-17
SREINFRA	Results	26-Oct-17	INFRATEL	Results	30-Oct-17
MCDOWELL-N	Results	26-Oct-17	HDFC	Results	30-Oct-17
JUBLFOOD	Results	26-Oct-17	IDFC	Results	30-Oct-17
L&TFH	Results	26-Oct-17	DRREDDY	Results	31-Oct-17
EQUITAS	Results	26-Oct-17	SYNDIBANK	Results	31-Oct-17
CUMMINSIND	Results	26-Oct-17	KPIT	Results	31-Oct-17
CANBK	Results	27-Oct-17	JSWSTEEL	Results	31-Oct-17
PVR	Results	27-Oct-17	INDIGO	Results	31-Oct-17
MARUTI	Results	27-Oct-17	ESCORTS	Results	31-Oct-17

**Derivatives Lesson: BULL CALL SPREAD**

- A bull call spread is constructed by buying a call option, and selling another out-of-the-money (OTM) call option. Often the call with the lower strike price will be in-the-money while the Call with the higher strike price is out-of-the-money. Both calls must have the same underlying security and expiration month.
- The net effect of the strategy is to bring down the cost and breakeven on a Buy Call (Long Call) Strategy. This strategy is exercised when investor is moderately bullish to bullish, because the investor will make a profit only when the stock price / index rise.
- If the stock price falls to the lower (bought) strike, the investor makes the maximum loss (cost of the trade) and if the stock price rises to the higher (sold) strike, the investor makes the maximum profit.
- $\text{Max Profit} = \text{Strike Price of short call} - \text{Strike Price of Long Call} - \text{Net Premium Paid}$
- $\text{Max Loss} = \text{Net Premium Paid} + \text{Commissions Paid}$
- $\text{Breakeven Point} = \text{Strike Price of Purchased Call} + \text{Net Debit Paid}$

**Trading Laws:**

- A Trader not observing STOP LOSS cannot survive for long.
- Never re-schedule your stop loss, square up first and then take a fresh view.
- Book small losses by buying / selling near support / resistance, and look for big gains, this will maximize the gains.
- Don't try to anticipate the change in main trend, so don't go against trend

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