



2403.78

The Strategist

29 August 2017

Market Statistics				
Product	No. of Contracts	Turnover (Rs.cr)		
Index Futures	155473	13,249.90		
Stock Futures	720964	50,054.90		
Index Options	9832956	912591.51		
Stock Options	524762	37,318.32		
F&O Total	11234155	1013214.64		

FII Derivatives Statistics OI at end of the day Inflow / Sell Contract Amount Buy Outflow Index futures 1429.98 1180.91 342498 25765.59 249.07 55941.59 Index options 53877.83 1241685 94369.76 2063.76 Stock futures 8437.32 8347.17 832227 56933.37 90.15 6281.03 6280.23 171977 11823.56 0.80 Stock options

Securities in Ban Period

Net Inflow/Outflow (Cr)

DLF, GMRINFRA, HDIL, IBREALEST, JPASSOCIAT, JSWENERGY AND JUSTDIAL

Nifty Future/Option Trading Guide

NIFTY	Short term	Medium term	
Support	9700	9400	
Resistance	9930	10050	

Nifty View for the Day

Now it needs to move above 10050 zones to reclaim its upside momentum and support is around 9790 then 9700.

Quote for the Day

"DON'T STOP UNTIL YOU'RE PROUD."

Activity Tracking			
Stocks (Long Position)	Remarks		
Kajariacer, Bergerpaint, Pidilitind,			
Manappuram, Tatapower, Auropharma,	Suggesting strength in these counter		
Torntpharma, Dalmiabha & Bajajfinserv			
Stocks (Short Covering)	Remarks		
Godrejcp, Amarajabat, Colpal,			
Lupin, Maruti, Godrejind,	Suggesting strength in these counter		
Dcbbank, Concor & Oil			
Stocks (Short Position)	Remarks		
Indigo, Bajaj-auto, SRF,			
Nationalalum, IGL, Bharatforge	Suggesting weakness in these counter		
CGpower, Fortis & NTPC			
Stocks (Long Liquidation)	Remarks		
M&mfin, Apollotyre, Bataind,			
Jetairways, Vgaurd, Sintex,	Suggesting weakness in these counter		
Bajfinance, Ofss & Ibulhsgfin			

Activity in F&O

Nifty future closed on a positive note at 9873.25 levels. Nifty future open interest increased by 0.56% with a rise in price by 0.11%. It closed at a premium of 16 point as compared to premium of 10 points of previous trading session. Market witnessed buying interest in Pharma, Metals and IT sector stocks while some bit of selling pressure was seen in FMCG sector stocks. The market turnover increased by 35% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it increased by 42%.

Indication

Put Call Ratio based on Open Interest of Nifty moved up from 1.18 levels to 1.22 levels as compared to previous session. Historical Volatility fell down from 12.31 to 11.94 levels but Implied Volatility moved up from 11.78 levels to 11.94 levels as compared to previous session.

Conclusion

Nifty August Future opened on a positive note and after the initial consolidation the bulls managed to pull the market towards 9875 levels. It witnessed strong buying interest at every minor decline and finally the session ended on a positive note with the gains of around 20 points. India Vix was down by around 5%. On the option front, maximum Put OI is at 9800 strike followed by 9700 strike while maximum Call OI is at 10000 followed by 10100 strike. We have seen put writing at all the strikes in between 9650 to 9900 strikes while, call unwinding was seen at 9700 and 10100 strikes. Bank Nifty opened on a positive note and traded in line with nifty. It was trading above its 24200 zones for the most part of the day and finally it ended the session on a flattish note. Now it has support near to 24000 zones then 23600 while on the upside hurdles are seen at 24600 then 24800 zones.

Futures %Price Gainers wockPharMa 8.89 JPASSOCIAT 8.56 KAJARIACER 8.27 CADILAHC 6.46 DIVISLAB 5.28 %OI Gainers KAJARIACER 44.99	%Price Losers INDIGO -2.51 PETRONET -1.90 BHARATFORG -1.66 BATAINDIA -1.47 APOLLOTYRE -1.46 %OI Losers BANKNIFTY	BANKNIFTY 7 INFY 63 AUROPHARMA 17,54 SBIN 16,58 %Premiu	res % Vol 0,411 KAJARIACER 4,856 CHENNPETRO 1,951 CADILAHC H4 WOCKPHARMA 1 IFCI	680.69 CEN 456.23 372.50	% Rollovers SLENMARK 41.9 NTURYTEX 36.71 DIVISLAB 34.99 PTC 32.38 INFIBEAM 29.77
WOCKPHARMA 8.89 JPASSOCIAT 8.56 KAJARIACER 8.27 CADILAHC 6.46 DIVISLAB 5.28 %OI Galners	INDIGO -2.51 PETRONET -1.90 BHARATFORG -1.66 BATAINDIA -1.47 APOLLOTYRE -1.46 %OI Losers	NIFTY 8 BANKNIFTY 7 INFY 6 AUROPHARMA 17,5 SBIN 16,55 %Premiur	0,411 KAJARIACER 4,856 CHENNPETRO 1,951 CADILAHC WOCKPHARMA 1 IFCI	990.17 G 680.69 CEN 456.23 372.50	SLENMARK 41.9 NTURYTEX 36.71 DIVISLAB 34.99 PTC 32.38
JPASSOCIAT 8.56 KAJARIACER 8.27 CADILAHC 6.46 DIVISLAB 5.28 %OI Gainers	PETRONET -1.90 BHARATFORG -1.66 BATAINDIA -1.47 APOLLOTYRE -1.46 %OI Losers	BANKNIFTY 7 INFY 63 AUROPHARMA 17,54 SBIN 16,58 %Premiu	4,856 CHENNPETRO I,951 CADILAHC WOCKPHARMA II IFCI	680.69 CEN 456.23 372.50	NTURYTEX 36.71 DIVISLAB 34.99 PTC 32.38
KAJARIACER 8.27 CADILAHC 6.46 DIVISLAB 5.28 %OI Gainers	BHARATFORG -1.66 BATAINDIA -1.47 APOLLOTYRE -1.46 %OI Losers	INFY 6 AUROPHARMA 17,5 SBIN 16,58 %Premiu	1,951 CADILAHC WOCKPHARMA I IFCI	456.23 372.50	DIVISLAB 34.99 PTC 32.38
CADILAHC 5.46 DIVISLAB 5.28 %OI Gainers	BATAINDIA -1.47 APOLLOTYRE -1.46 %OI Losers	AUROPHARMA 17,54 SBIN 16,58 %Premiur	WOCKPHARMA I IFCI	372.50	PTC 32.38
DIVISLAB 5.28 %OI Gainers	APOLLOTYRE -1,46 %OI Losers	SBIN 16,58	I IFCI		
%OI Gainers	%OI Losers	%Premiur		331.32	INFIBEAM 29.77
KAJARIACER 44.99	BANKNIFTY -9.69		ns %i	Discounts	OI % of Mkt. Limit
		BERGEPAINT	35 GSFC	-1.25 JSW	VENERGY 95.6
BERGEPAINT 26.47	GODREJCP -8.19	IBREALEST 0.63	RBLBANK	-0.96 G	MRINFRA 93.27
INDIGO 13.36	AMARAJABAT -6.53	SUZLON 0.61	GAIL	-0.48 IN	NDIACEM 92.61
PIDILITIND 13.31	COLPAL -5.79	IDFC 0.55	TVSMOTOR	-0.43	BEML 91.15
MANAPPURAM 8.89	M&MFIN -4.17	INDIANB 0.46	CASTROLIND -0	.20 REL	LCAPITAL 91.11
Options					
Most Active (Calls)	%Volume gainer	s (Calls)	Most Active (Puts)	%\	Volume gainers (Puts)
BANKNIFTY,24-AUG-17,C,24400	029768 NIFTY,31-AUG-17,C,111	00 17,000 BAN	(NIFTY,24-AUG-17,P,24300	748,549 WOCKPHARMA	A,31-AUG-17,P,600 77,400
BANKNIFTY,24-AUG-17,C,24500	WOCKPHARMA,31-AUG-17,C,6	60 8,214 BAN	KNIFTY,24-AUG-17,P,24200	708,207 WOCKPHARMA	A,31-AUG-17,P,580 28,650
BANKNIFTY,24-AUG-17,C,24300 7	793704 WOCKPHARMA,31-AUG-17,C,6	40 7,787 BAN	KNIFTY,24-AUG-17,P,24100	630,984 BANKNIFTY,0	07-SEP-17,P,24000 19,475
BANKNIFTY,24-AUG-17,C,24600 63	35423 WOCKPHARMA,31-AUG-17,C,6				N,31-AUG-17,P,980 8,157
BANKNIFTY,24-AUG-17,C,24700 42	27653 IFCI,31-AUG-17,C,	25 3,276 BAN	KNIFTY,24-AUG-17,P,23900 24	43,324 AUROPHARMA	A,31-AUG-17,P,720 7,789
%OI Gainers (Calls)			%OI Gainers (Puts)		%OI Losers (Puts)
WOCKPHARMA,31-AUG-17,C,620	250 BANKNIFTY,24-AUG-17,C,2400		NKNIFTY,07-SEP-17,P,24000		I-AUG-17,P,24600 -96
BANKNIFTY,31-AUG-17,C,24400	233 BANKNIFTY,24-AUG-17,C,2390				+AUG-17,P,24700 -86
BANKNIFTY,24-AUG-17,C,24400	208 BANKNIFTY,24-AUG-17,C,2410 113 BANKNIFTY,24-AUG-17,C,2380				+AUG-17,P,24500 -80
	113 BANKNIFTY,24-AUG-17,C,2380 113 MARUTI,31-AUG-17,C,755				+AUG-17,P,24300 -47 31-AUG-17,P,1740 -37

CORPORATE ACTION

Symbol	Purpose	Ex-Date	Record Date
IOC	Annual General Meeting/Dividend - Re 1/- Per Share	18-Aug-17	-
L&TFH	Annual General Meeting/Dividend - Re 0.80 Per Share	18-Aug-17	-
INDIGO	Annual General Meeting/Dividend - Rs 34/- Per Share	18-Aug-17	-
JUBLFOOD	Annual General Meeting/Dividend - Rs 2.50 Per Share	18-Aug-17	-
KSCL	Interim Dividend - Rs 3/- Per Share	18-Aug-17	21-Aug-17
SUNTV	Interim Dividend-Rs 2.50 Per Share	21-Aug-17	22-Aug-17
SAIL	Annual General Meeting	21-Aug-17	-
MCDOWELL-N	Annual General Meeting	22-Aug-17	-
MANAPPURAM	Dividend - Re 0.50 Per Share	22-Aug-17	23-Aug-17
BALRAMCHIN	Annual General Meeting	22-Aug-17	-
BHEL	Annual General Meeting/Dividend - Re 0.78/- Per Share (Book Closure Dates Revised)	23-Aug-17	-
AUROPHARMA	Annual General Meeting	23-Aug-17	-
PIDILITIND	Annual General Meeting/Dividend - Rs 4.75 Per Share	23-Aug-17	-
GRANULES	Interim Dividend - Re 0.25 Per Share	23-Aug-17	25-Aug-17
INDIACEM	Annual General Meeting/Dividend - Re 1/- Per Share	24-Aug-17	-
MARUTI	Dividend - Rs 75/- Per Share	24-Aug-17	-
GAIL	Dividend - Rs 2.70 Per Share	31-Aug-17	-
GSFC	Annual General Meeting/Dividend - Rs 2.20 Per Share	31-Aug-17	-
IBULHSGFIN	Annual General Meeting	31-Aug-17	-
JETAIRWAYS	Annual General Meeting	1-Sep-17	-
SINTEX	Annual General Meeting/Dividend - Re 0.25 Per Share	4-Sep-17	-
HINDALCO	Annual General Meeting/Dividend - Rs 1.10 Per Share	5-Sep-17	-
BALKRISIND	Annual General Meeting/Dividend - Rs 2.50 Per Share	6-Sep-17	-
NBCC	Annual General Meeting/ Dividend - Rs 1.10 Per Share	7-Sep-17	-
GODFRYPHLP	Annual General Meeting/Dividend - Rs 8/- Per Share	7-Sep-17	-
PETRONET	Annual General Meeting/Dividend - Rs 5/- Per Share	7-Sep-17	-
APOLLOHOSP	Annual General Meeting/Dividend - Rs 6/- Per Share	7-Sep-17	-
ENGINERSIN	Annual General Meeting/Dividend - 0.50 Per Share	11-Sep-17	-
OFSS	Annual General Meeting	12-Sep-17	-
REPCOHOME	Dividend - Rs 2/- Per Share	13-Sep-17	-
UBL	Annual General Meeting/Dividend - Rs 1.15 Per Share	14-Sep-17	-
SUZLON	Annual General Meeting	14-Sep-17	-
MGL	Annual General Meeting/Dividend - Rs 11/- Per Share	14-Sep-17	-
RECLTD	Annual General Meeting/Dividend - Rs 2.65 Per Share	14-Sep-17	-
JISLJALEQS	Annual General Meeting/Dividend - Re 0.75 Per Share	14-Sep-17	-
GLENMARK	Annual General Meeting/Dividend - Rs 2/- Per Share	20-Sep-17	-
GRANULES	Annual General Meeting/Dividend - Re 0.25 Per Share (Book Closure Dates Revised)	20-Sep-17	-
KSCL	Annual General Meeting	21-Sep-17	-

Derivatives Lesson: LONG BUTTERLFLY STRATEGY

- The butterfly spread is a neutral strategy that is a combination of a bull spread and a bear spread. It is a limited profit, limited risk options strategy. There are 3 striking prices involved in a butterfly spread and it can be constructed using calls or puts.
- Long butterfly spreads are entered when the investor thinks that the underlying stock will not rise or fall much by expiration. Using calls, the long butterfly can be constructed by buying one lower striking in-the-money call, writing two at-the-money calls and buying another higher striking out-of-the-money call. A resulting net debit is taken to enter the trade.
- Max Profit = Strike Price of Short Call Strike Price of Lower Strike Long Call Net Premium Paid Commissions Paid
- Max Loss = Net Premium Paid + Commissions Paid
- Upper Breakeven Point = Strike Price of Higher Strike Long Call Net Premium Paid
- Lower Breakeven Point = Strike Price of Lower Strike Long Call + Net Premium 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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