



### DERIVATIVES

#### Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	318605	25,619.31
Stock Futures	1188376	85,010.36
Index Options	7071421	576165
Stock Options	555787	42,166.09
<b>F&amp;O Total</b>	<b>9134189</b>	<b>728960.77</b>

#### FII Derivatives Statistics

			OI at end of the day		Inflow / Outflow
	Buy	Sell	Contract	Amount	
Index futures	4861.37	4619.94	355105	26534.51	241.43
Index options	65106.66	66064.50	1206358	91285.95	-957.84
Stock futures	19258.65	19326.19	818912	55842.06	-67.54
Stock options	6408.85	6543.62	165964	11420.79	-134.77
Net Inflow/Outflow (Cr)					<b>-918.72</b>

#### Securities in Ban Period

BEML, DLF, GMRINFRA, HDIL, INDIACEM, IBREALEST, JSWENERGY, RELCAPITAL 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
DLF, Chennai, Techm RDEL, Sreinfra, Cumminsind ICIL, Hindpetro	Suggesting strength in these counter
Stocks (Short Covering)	Remarks
Rblbank, Balkrishnaind, Dishtv OIL, Ramcocem, Engineersind Muthootfin, Mcx, Lichsgfin	Suggesting strength in these counter
Stocks (Short Position)	Remarks
NTPC, Jetairways, IDBI Pcjewellers, Tatapower, Marico Mothersumi, Infibeam, IDFC	Suggesting weakness in these counter
Stocks (Long Liquidation)	Remarks
Sintex, Relcapital, Pidilitind Shreecem, Kajariacem, Indiacem Grasim, UBL, Cholafin	Suggesting weakness in these counter

#### Activity in F&O

Nifty future closed on a negative note at 9917.05 levels. Nifty future open interest increased by 2.96% with a rise in price by 0.44%. It closed at a premium of 4 point as compared to premium of 16 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 50% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it increased by 51%.

#### Indication

Put Call Ratio based on Open Interest of Nifty fell from 1.22 to 1.09 levels as compared to previous session. Historical Volatility was up from 11.87 to 12.78 levels but Implied Volatility moved up from 12.79 levels to 13.05 levels as compared to previous session.

#### Conclusion

Nifty August Future opened on a negative note and after the initial consolidation the bear dragged the market towards 9782.70 levels. It witnessed strong selling interest at every minor rise and finally the session ended on a negative note with the loss of around 118 points. India Vix was up around 7%. On the option front, maximum Put OI is at 9800 strike followed by 9700 strike while maximum Call OI is at 9900 followed by 10000 strike. We have seen put writing in 9900 & 9800 strikes while, call unwinding was seen at 9700 and 9800 strikes. Bank Nifty opened on a negative note and traded in line with nifty. It was trading below its 24200 zones for the most part of the day and finally it ended the session on a lower note. Now it has support near to 24100 zones then 23900 while on the upside hurdles are seen at 24600 then 24800 zones.

### Graphic Snapshot



### 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	-
JISJALEQS	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 BUTTERFLY 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.
- $\text{Max Profit} = \text{Strike Price of Short Call} - \text{Strike Price of Lower Strike Long Call} - \text{Net Premium Paid} - \text{Commissions Paid}$
- $\text{Max Loss} = \text{Net Premium Paid} + \text{Commissions Paid}$
- $\text{Upper Breakeven Point} = \text{Strike Price of Higher Strike Long Call} - \text{Net Premium Paid}$
- $\text{Lower Breakeven Point} = \text{Strike Price of Lower Strike Long Call} + \text{Net Premium Paid}$

**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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