



DERIVATIVES

Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	4,61,001	12,673.25
Vol Futures	0	0
Stock Futures	7,44,279	20,180.27
Index Options	42,42,236	95,191.63
Stock Options	5,02,979	14,088.30
F&O Total	59,50,495	1,42,133.45

FII Derivatives Statistics

	OI at end of the day			Inflow / Outflow
	Buy	Sell	Contract	
Index futures	1885.005	2757.645	970490	23255.54
Index options	6037.036	6956.903	2227933	70029.09
Stock futures	2179.158	2867.543	1801612	47455.38
Stock options	1693.161	1718.216	132504	3566.892
	Net Inflow/Outflow (Cr)			-2505.95

Securities in Ban Period

NIL

Nifty Future/Option Trading Guide

NIFTY	Short term	Medium term
Support	8080	7850
Resistance	8330	8500

Nifty View for the Day

Now, it needs to cross and hold above 8150 levels to witness buying interest towards 8200 and 8250. While holding below 8100 zone may drag it towards psychological 8000 zones.

Q2 FY'16 Result

LICHSGFIN & MINDTREE

Activity Tracking

Stocks (Long Position)	Remarks
BEML, Indiacem, Ibulhsgfin	
Sksmicro, Petronet, Southbank	Suggesting strength in these counter
Cadilahc, Britannia, Wockpharma	
Stocks (Short Covering)	Remarks
ACC, Enginersin, Syndibank	
Marico, Jpassociat, IGL	Suggesting strength in these counter
Ashokley, Lupin, Orientbank	
Stocks (Short Position)	Remarks
Zeel, TV18Brdcst, Hindunilvr	
Ucobank, ICICIBank, Havells	Suggesting weakness in these counter
TCS, Jindalstel, Jswenergy	
Stocks (Long Liquidation)	Remarks
NCC, HDIL, Relinfra	
UBL, Arvind, Hindzinc	Suggesting weakness in these counter
Bajaj-Auto, Tatachem, Tatamotors	

Activity in F&O

Nifty October future closed negative at 8121.40 levels. Nifty Future OI increased by 0.43% with a fall in price by 0.21%. It closed at premium of 14 points as compared to the premium of 7 points of previous trading session. Market witnessed selling pressure in IT, Auto and Metal sector stocks while buying interest was seen in Consumer Durables, Healthcare and Oil & Gas sector stocks. The market turnover increased by 24.16% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it also increased by 22.70%.

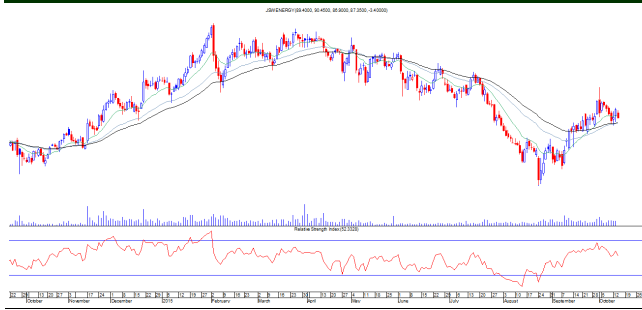
Indication & Outlook

Put Call Ratio based on Open Interest of Nifty fell down from 1.02 to 1 level as compared to previous trading session. Historical Volatility of Nifty fell down from 21.77 to 21.13 levels and Implied Volatility also fell down from 16.65 to 16.38 levels.

Conclusion

Nifty future opened negative and consolidated in previous session's range. The bulls and bears made their share of attempts to drag the index on either side. Finally it ended the session with the loss of around 20 points. Now, it needs to cross and hold above 8150 levels to witness buying interest towards 8200 and 8250. While if it fails to hold 8100 zones then short term trend may get in the grip of profit booking to drag the index towards 8000-7980 zones.. On the Option front, maximum Put OI is at 8000 followed by 7800 strike whereas maximum Call OI is at 8200 followed by 8300 strike. Bank nifty opened negative and continued to trade in line with the broader market. It ended the session with the loss of around 20 points but still managed to hold onto its major support of 17500 levels. Now it has immediate support near 17500 followed by 17250 zones while next hurdle exists at around 18000 zones.

Future STT Call



JSWENERGY : Rs. 87.40

Execution Price Range	Stop Loss	Target
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Sell Between Rs. 89 to Rs. 90	92	84
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JSWENERGY failed to cross the hurdle of 92 levels. Although it is trading in a range from last four trading session but added built up of short position and holding below 89 it may negate its immediate momentum and push the stock towards its next support of 84 and 82 levels. Thus recommending selling the stock with the stop loss of 92 for the downside target of 84 levels.

Future STT Call



CENTURYTEX : Rs. 556

Execution Price Range	Stop Loss	Target
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Buy Between Rs. 545 to Rs. 551	536	574
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CENTURYTEX has formed a bullish pattern and is turning from the lower levels after taking multiple supports at 488-490 levels. It managed to hold the support base with significant rise in trading volumes. Thus showing the potential to move towards 274 and higher levels. So, traders are recommended to buy the stock to get the benefit of attractive risk reward ratio with the stop loss of 536 for the upside target of 574 levels.

Graphic Snapshot

Futures				
%Price Gainers INDIACEM 3.23 SRF 3.15 CENTURYTEX 3.14 AUOPHARMA 2.92 PETRONET 2.81	%Price Losers BHARATFORG -4.96 TCS -4.07 ZEEL -3.54 JSWENERGY -3.52 TV18BRDCST -3.45	Active Futures NIFTY 363,822 BANKNIFTY 96,021 TCS 52,747 HINDUNILVR 36,032 INFY 22,574	%Volume Gainers ZEEL 952.43 HINDUNILVR 751.42 TV18BRDCST 632.67 AMTEKAUTO 306.82 SRF 296.18	% Rollovers NIFTY 17.35 ANDHRABANK 17.02 NMDC 13.54 INDIACEM 12.54 HINDUNILVR 11.25
%OI Gainers ZEEL 33.21 CNXIT 21.97 BEML 17.82 TV18BRDCST 16.40 HINDUNILVR 12.69	%OI Losers NCC -20.23 ACC -14.67 ENGINEERSIN -7.38 SYNDIBANK -6.18 S&P500 -5.91	%Premiums GMRINFRA 0.74 JPASSOCIAT 0.71 UNITECH 0.65 JISLJALEQS 0.60 IBREALEST 0.60	%Discounts JUSTDIAL -4.09 NMDC -1.62 HINDZINC -1.29 TVSMOTOR -1.01 M&MFIN -0.92	OI % of Mkt. Limit CENTURYTEX 77.82 JPASSOCIAT 74.13 JISLJALEQS 73.22 IBREALEST 73.14 DISHTV 72.31
Options				
Most Active (Calls) NIFTY,29-OCT-15,C,8200 496035 NIFTY,29-OCT-15,C,8300 370557 NIFTY,29-OCT-15,C,8400 323023 NIFTY,29-OCT-15,C,8100 255673 NIFTY,29-OCT-15,C,8500 217288	%Volume gainers (Calls) ZEEL,29-OCT-15,C,390 38,933 TCS,29-OCT-15,C,2500 26,038 TCS,29-OCT-15,C,2450 9,750 BHARATFORG,29-OCT-15,C,900 5,731 ZEEL,29-OCT-15,C,400 5,487	Most Active (Puts) NIFTY,29-OCT-15,P,8100 431,187 NIFTY,29-OCT-15,P,8000 376,544 NIFTY,29-OCT-15,P,7900 261,893 NIFTY,29-OCT-15,P,7800 231,861 NIFTY,29-OCT-15,P,8200 172,048	%Volume gainers (Puts) BHARATFORG,29-OCT-15,P,800 50,400 ZEEL,29-OCT-15,P,360 37,900 HINDUNILVR,29-OCT-15,P,740 22,773 ZEEL,29-OCT-15,P,350 6,800 ZEEL,29-OCT-15,P,380 4,751	%OI Gainers (Calls) TCS,26-NOV-15,C,2600 8,000 TCS,29-OCT-15,C,2500 5,426 TCS,29-OCT-15,C,2450 4,500 TCS,29-OCT-15,C,2550 1,124 TCS,26-NOV-15,C,2800 875
%OI Losers (Calls) HINDALCO,29-OCT-15,C,87.5 -42 TCS,29-OCT-15,C,3000 -41 TCS,29-OCT-15,C,2850 -37 CENTURYTEX,29-OCT-15,C,540 -36 IDBI,29-OCT-15,C,87.5 -30	%OI Gainers (Puts) KSCL,29-OCT-15,P,500 1,275 TCS,29-OCT-15,P,2200 850 HINDUNILVR,29-OCT-15,P,740 625 ZEEL,29-OCT-15,P,350 382 ZEEL,29-OCT-15,P,370 319	%OI Losers (Puts) TCS,29-OCT-15,P,2500 -49 TCS,29-OCT-15,P,2550 -49 IGL,29-OCT-15,P,450 -48 CAIRN,29-OCT-15,P,165 -45 TCS,29-OCT-15,P,2600 -44		

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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