



### DERIVATIVES

#### Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	5,30,283	14,536.46
Vol Futures	0	0
Stock Futures	8,40,716	22,435.30
Index Options	57,57,666	1,31,160.45
Stock Options	5,17,048	13,347.13
<b>F&amp;O Total</b>	<b>76,45,713</b>	<b>1,81,479.34</b>

#### FII Derivatives Statistics

	OI at end of the day				Inflow / Outflow
	Buy	Sell	Contract	Amount	
Index futures	1932.338	2036.945	993104	24466.64	-104.607
Index options	9194.983	8445.359	2228053	70901.53	749.6242
Stock futures	2515.539	2711.553	1803173	48274.55	-196.014
Stock options	1738.931	1745.066	132078	3567.415	-6.135
	<b>Net Inflow/Outflow (Cr)</b>				<b>442.87</b>

#### 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 hold above 8180 levels to continue the buying interest towards 8250 and 8280 levels. While holding below 8100 zone may drag it towards psychological 8000 zones.

#### Q2 FY'16 Result

RELIANCE

#### Activity Tracking

Stocks (Long Position)	Remarks
Indiacem, Jswenergy, Marico	
NCC, Ucobank, Tatamotors	Suggesting strength in these counter
Lichsgfin, Mothersumi, Apollotyre	
Stocks (Short Covering)	Remarks
Tatamtrdvr, Mleodruss, Hexaware	
Maruti, Enginersin, Albk	Suggesting strength in these counter
Vedl, Lupin, Syndibank	
Stocks (Short Position)	Remarks
Mindtree, TV18brdcst, Havells	
Hindzinc, Abirlanuvo, Oil	Suggesting weakness in these counter
UBL, PTC, Bataindia	
Stocks (Long Liquidation)	Remarks
KSCL, BEML	
Wipro, Cadilahc	Suggesting weakness in these counter
Auropharma	

#### Activity in F&O

Nifty October future closed positive at 8187 levels. Nifty Future OI increased by 3.24% with a rise in price by 0.81%. It closed at premium of 8 points as compared to the premium of 14 points of previous trading session. Market witnessed buying interest across the board except in IT sector stocks. The market turnover decreased by 24.48% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it also decreased by 27.68%.

#### Indication & Outlook

Put Call Ratio based on Open Interest of Nifty remained constant at 1 level as compared to previous trading session. Historical Volatility of Nifty fell down from 21.13 to 20.83 levels and Implied Volatility also fell down from 16.38 to 15.85 levels.

#### Conclusion

Nifty future opened on a positive note and continued to trade in northward direction moving towards the 8210 levels. It earned around 70 points at the close of the session and negated the negativity of last three trading sessions with decline in volatility. Now, it needs to hold above 8150 levels to continue the buying interest towards 8200 and 8250 levels. While if it fails to hold 8100-8080 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 positive and consolidated in the first half of the session. It witnessed a minor decline in the last hour but revived from the lower levels and ended the session with the gain of around 180 points. Now it has immediate support near 17500 followed by 17250 zones while next hurdle exists at around 18000 zones.

Future STT Call



**HINDZINC : Rs. 146**

**Execution Price Range                      Stop Loss                      Target**

**Sell Between Rs. 148.50 to Rs. 150.50                      153                      141**

HINDZINC failed to cross the hurdle of 155 levels. Although it is trading in a range from last five trading session but added built up of short position and holding below 153 may negate its immediate momentum and push the stock towards its next support of 141 and lower levels. Thus recommending to sell the stock with the stop loss of 153 for the downside target of 141 levels.

Future STT Call



**STATE BANK : Rs. 250**

**Execution Price Range                      Stop Loss                      Target**

**Buy Between Rs. 244 to Rs. 247                      241                      257**

SBIN has been making higher lows from last six weeks and has formed an attractive bullish pattern. It is moving upside with built up of long position and rising in open interest by around 13% and gave the highest daily close of last 30 trading sessions. Thus recommending the traders to buy the stock with the stop loss 241 for the upside immediate target of 257 levels.

Graphic Snapshot

Futures							
<p><b>%Price Gainers</b></p> <ul style="list-style-type: none"> <li>ADANIENT 14.15</li> <li>ZEEL 8.18</li> <li>TATAMOTORS 7.38</li> <li>TATAMTRDVR 7.23</li> <li>IFCI 6.18</li> </ul>	<p><b>%Price Losers</b></p> <ul style="list-style-type: none"> <li>KSCL -3.19</li> <li>UBL -2.24</li> <li>HINDZINC -2.18</li> <li>INFRATEL -2.02</li> <li>TV18BRCST -1.93</li> </ul>	<p><b>Active Futures</b></p> <ul style="list-style-type: none"> <li>NIFTY 401,830</li> <li>BANKNIFTY 127,273</li> <li>TATAMOTORS 54,656</li> <li>ADANIENT 44,673</li> <li>SBIN 27,427</li> </ul>	<p><b>%Volume Gainers</b></p> <ul style="list-style-type: none"> <li>ADANIENT 661.95</li> <li>MINDTREE 379.60</li> <li>PIDILITIND 315.60</li> <li>LICHSGFIN 303.18</li> <li>DHFL 261.52</li> </ul>	<p><b>% Rollovers</b></p> <ul style="list-style-type: none"> <li>NIFTY 18.57</li> <li>ANDHRABANK 17.48</li> <li>NMDC 14.43</li> <li>HINDUNILVR 13.24</li> <li>INDIACEM 12.2</li> </ul>			
<p><b>%OI Gainers</b></p> <ul style="list-style-type: none"> <li>MINDTREE 21.58</li> <li>TV18BRCST 14.09</li> <li>CNXIT 13.18</li> <li>PIDILITIND 11.95</li> <li>INDIACEM 9.96</li> </ul>	<p><b>%OI Losers</b></p> <ul style="list-style-type: none"> <li>DJIA -24.83</li> <li>SRF -5.41</li> <li>KSCL -4.41</li> <li>TATAMTRDVR -4.38</li> <li>MCLEODRUSS -3.87</li> </ul>	<p><b>%Premiums</b></p> <ul style="list-style-type: none"> <li>AMTEKAUTO 0.91</li> <li>GMRINFRA 0.73</li> <li>JPASSOCIAT 0.70</li> <li>SOUTHBANK 0.66</li> <li>UNITECH 0.64</li> </ul>	<p><b>%Discounts</b></p> <ul style="list-style-type: none"> <li>JUSTDIAL -2.69</li> <li>NMDC -2.04</li> <li>GODREJIND -1.66</li> <li>HINDZINC -0.88</li> <li>HINDUNILVR -0.85</li> </ul>	<p><b>OI % of Mkt. Limit</b></p> <ul style="list-style-type: none"> <li>CENTURYTEX 77.27</li> <li>JPASSOCIAT 75.88</li> <li>IBREALST 75.75</li> <li>INDIACEM 75.51</li> <li>JISLJLEQS 73.09</li> </ul>			
Options							
<p><b>Most Active (Calls)</b></p> <ul style="list-style-type: none"> <li>NIFTY,29-OCT-15,C,8200 664952</li> <li>NIFTY,29-OCT-15,C,8300 573497</li> <li>NIFTY,29-OCT-15,C,8400 450071</li> <li>NIFTY,29-OCT-15,C,8500 289907</li> <li>NIFTY,29-OCT-15,C,8100 247324</li> </ul>	<p><b>%Volume gainers (Calls)</b></p> <ul style="list-style-type: none"> <li>ADANIENT,29-OCT-15,C,110 245,000</li> <li>ADANIENT,29-OCT-15,C,105 87,400</li> <li>ADANIENT,29-OCT-15,C,100 27,156</li> <li>TATAMOTORS,29-OCT-15,C,430 14,200</li> <li>ADANIENT,29-OCT-15,C,95 10,362</li> </ul>	<p><b>Most Active (Puts)</b></p> <ul style="list-style-type: none"> <li>NIFTY,29-OCT-15,P,8100 544,663</li> <li>NIFTY,29-OCT-15,P,8000 513,810</li> <li>NIFTY,29-OCT-15,P,8200 383,270</li> <li>NIFTY,29-OCT-15,P,7900 368,924</li> <li>NIFTY,29-OCT-15,P,7800 220,757</li> </ul>	<p><b>%Volume gainers (Puts)</b></p> <ul style="list-style-type: none"> <li>ZEEL,29-OCT-15,P,420 19,500</li> <li>ADANIENT,29-OCT-15,P,90 17,042</li> <li>ZEEL,29-OCT-15,P,410 10,486</li> <li>LICHSGFIN,29-OCT-15,P,490 10,446</li> <li>YESBANK,29-OCT-15,P,760 8,320</li> </ul>	<p><b>%OI Gainers (Calls)</b></p> <ul style="list-style-type: none"> <li>TATAMOTORS,29-OCT-15,C,430 4,600</li> <li>ADANIENT,29-OCT-15,C,105 1,867</li> <li>ADANIENT,29-OCT-15,C,110 1,503</li> <li>ZEEL,29-OCT-15,C,460 1,320</li> <li>MINDTREE,29-OCT-15,C,1400 925</li> </ul>	<p><b>%OI Losers (Calls)</b></p> <ul style="list-style-type: none"> <li>ZEEL,29-OCT-15,C,400 -60</li> <li>AUROPHARMA,29-OCT-15,C,720 -57</li> <li>ZEEL,29-OCT-15,C,390 -56</li> <li>MARUTI,29-OCT-15,C,4300 -44</li> <li>HINDUNILVR,29-OCT-15,C,880 -42</li> </ul>	<p><b>%OI Gainers (Puts)</b></p> <ul style="list-style-type: none"> <li>ADANIENT,29-OCT-15,P,100 9,500</li> <li>ZEEL,29-OCT-15,P,410 8,300</li> <li>ZEEL,29-OCT-15,P,420 5,433</li> <li>ADANIENT,29-OCT-15,P,90 2,091</li> <li>MINDTREE,29-OCT-15,P,1350 1,596</li> </ul>	<p><b>%OI Losers (Puts)</b></p> <ul style="list-style-type: none"> <li>KSCL,29-OCT-15,P,500 -64</li> <li>HINDUNILVR,29-OCT-15,P,740 -39</li> <li>NIFTY,26-NOV-15,P,6900 -37</li> <li>BANKNIFTY,29-OCT-15,P,17900 -34</li> <li>BANKNIFTY,29-OCT-15,P,15200 -33</li> </ul>

**Derivatives Lesson: SHORT STRADDLE STRATEGY**

- A short straddle is a strategy to be adopted when the investor feels the market will not show much movement. He sells a Call and a Put on the same stock / index for the same maturity and strike price. It creates a net income for the investor.
- If the stock / index do not move much in either direction, the investor retains the Premium as neither the Call nor the Put will be exercised. However, incase the stock / index moves in either direction, up or down significantly, the investor's losses can be significant. So this is a risky strategy and should be carefully adopted and only when the expected volatility in the market is limited.
- Max profit = Limited to the premium received.
- Max loss = Unlimited
- Upper Breakeven Point = Strike Price of Short Call + Net Premium Received
- Lower Breakeven Point = Strike Price of Short Put - Net Premium Received

**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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