



DERIVATIVES

Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	6,29,078	15,719.65
Vol Futures	0	0
Stock Futures	7,54,304	19,212.90
Index Options	72,40,008	1,56,276.71
Stock Options	3,77,524	9,982.97
F&O Total	90,00,914	2,01,192.23

FII Derivatives Statistics

	OI at end of the day			Inflow / Outflow	
	Buy	Sell	Contract Amount		
Index futures	1543.243	1593.299	1042680	22650.55	-50.0555
Index options	15668.94	15956.24	4085760	98236.49	-287.299
Stock futures	2762.825	1724.458	1871295	46963.68	1038.367
Stock options	1535.274	1650.834	111609	2744.813	-115.56
	Net Inflow/Outflow (Cr)			585.45	

Securities in Ban Period

CENTURYTEX

Nifty Future/Option Trading Guide

NIFTY	Short term	Medium term
Support	7777	7500
Resistance	8000	8181

Nifty View for the Day

Now it has to hold above 7880 levels to move towards 7950 and 8000 levels while support exists at 7777 zones.

Quote for the day

"THE EXPERT IN ANYTHING WAS ONCE A BEGINNER."

Activity Tracking

Stocks (Long Position)	Remarks
Colpal, Rpower, DLF	
Powergrid, Tatamtdvr, Kotakbank	Suggesting strength in these counter
Wipro, Crompgreav, Southbank	
Stocks (Short Covering)	Remarks
Jswenergy, Jppower, OFSS	
Heromotoco, Abirlanuvo, Lichsgfin	Suggesting strength in these counter
Centurytex, CESC, Tatacomm	
Stocks (Short Position)	Remarks
Petronet, Godrejind, UPL	
Voltas, Eichermot, Havells	Suggesting weakness in these counter
Bharatforg, Dabur, HDIL	
Stocks (Long Liquidation)	Remarks
BEL, Amtekauto, Hindzinc	
IFCI, Justdial, Wockpharma	Suggesting weakness in these counter
Apollotyre, Apollohosp, Pageind	

Activity in F&O

Nifty September future closed positive at 7896.30 levels. Nifty Future OI decreased by 1.98% with a rise in price by 0.87%. It closed at a discount of 3 point as compared to the discount of 1 point in previous trading session. Market witnessed buying interest in Banking, IT, Auto and Power sector stocks while selling pressure was seen in Consumer Durables, Oil & gas and Realty sector stocks. The market turnover increased by 28.82% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it also increased by 26.67%.

Indication & Outlook

Put Call Ratio based on Open Interest of Nifty moved up from 0.93 to 0.95 levels as compared to previous trading session. Historical Volatility of Nifty fell down from 28.56 to 27.98 levels and Implied Volatility also fell down from 28.28 to 27.76 levels.

Conclusion

Nifty future opened on a strong note with the gap up of around 70 points and managed to regain its 7900 levels. It has been making higher lows and gave the highest daily close of last two weeks. Hereafter the positive move may be witnessed towards 7950 and 8000 levels if index manages to hold above 7880 zones while holding below 7850 may take it to 7777 levels. Looking at the option data, maximum Put OI is at 7800 followed by 7500 strike while maximum Call OI is at 8200 followed by 8000 strike. Bank Nifty opened positive and headed towards 17000 levels. It outperformed the broader market and ended the day with the gains of around 205 points. Now it needs to hold above 16800 levels to move towards 17250 levels, while support is at 16800 and 16650 levels.

Future STT Call



SKSMICRO : Rs. 451

Execution Price Range	Stop Loss	Target
Sell Between Rs. 460 to Rs. 465	472	435

SKSMICRO has been witnessing sustained pressure from last couple of weeks and finding strong hurdle near to 477-480 zones. It has added fresh built up of short position in last couple of trading sessions and weak price structure may take it to 435 and recent low of 425 zones. It has negated its positive momentum so a profit booking decline cannot be ruled out for next couple of sessions. One can sell the stock on bounce back move with stop loss of 472 for the downside target of 435 levels.

Future STT Call



LUPIN : Rs. 1850

Execution Price Range	Stop Loss	Target
Buy Between Rs. 1820 to Rs. 1838	1790	1910

LUPIN has been consolidating from last five weeks and holding the support base even after the volatile market scenario. It is defensive as well as a strong counter which is continuously holding the support and is well placed to start fresh rally towards 1910 and the higher levels. Recently it has taken multiple supports near to 1755 and 1790 zones. Thus recommending buying the stock with the stop loss of 1790 for the upside target of 1910 levels.

Graphic Snapshot

Futures

%Price Gainers		%Price Losers		Active Futures		%Volume Gainers		% Rollovers	
YESBANK	3.84	AMTEKAUTO	-4.77	NIFTY	485,771	DIVISLAB	224.86	IOB	22.45
SAIL	3.09	MCLEODRUSS	-4.33	BANKNIFTY	142,372	DABUR	198.10	NMDC	19.27
AMBUJACEM	2.73	HINDPETRO	-3.77	YESBANK	37,218	TVSMOTOR	184.48	RPOWER	17.26
JPASSOCIAT	2.72	EICHERMOT	-3.14	LT	30,173	BHARTIARTL	164.39	RELINFRA	14.68
PFC	2.58	DABUR	-2.97	AXISBANK	27,346	RPOWER	129.81	SAIL	14
%OI Gainers		%OI Losers		%Premiums		%Discounts		OI % of Mkt. Limit	
COLPAL	39.80	JSWENERGY	-16.73	UNITECH	0.84	IOB	-2.29	CENTURYTEX	84.16
DIVISLAB	30.95	BEL	-9.49	GMRINFRA	0.82	CROMPGREAV	-1.83	CEATLTD	79.45
RPOWER	20.15	MINDTREE	-7.80	JPASSOCIAT	0.53	COLPAL	-1.69	WOCKPHARMA	78.91
PETRONET	17.19	AMTEKAUTO	-6.35	SOUTHBANK	0.50	EXIDEIND	-1.68	AMTEKAUTO	77.13
S&P500	15.71	JPOWER	-6.23	ENGINERSIN	0.43	TVSMOTOR	-1.41	JINDALSTEL	75.22

Options

Most Active (Calls)		%Volume gainers (Calls)		Most Active (Puts)		%Volume gainers (Puts)	
NIFTY,24-SEP-15,C,8000	659304	TVSMOTOR,24-SEP-15,C,250	8,275	NIFTY,24-SEP-15,P,7800	561,418	YESBANK,24-SEP-15,P,760	8,955
NIFTY,24-SEP-15,C,8100	452692	NIFTY,31-DEC-15,C,8800	5,250	NIFTY,24-SEP-15,P,7700	494,860	HDFC,24-SEP-15,P,1200	8,450
NIFTY,24-SEP-15,C,7900	447191	BHARATFORG,29-OCT-15,C,1000	3,800	NIFTY,24-SEP-15,P,7500	388,825	UNITECH,24-SEP-15,P,7.5	8,150
NIFTY,24-SEP-15,C,8200	440857	NIFTY,31-DEC-15,C,8700	3,733	NIFTY,24-SEP-15,P,7600	376,107	HINDUNILVR,24-SEP-15,P,840	3,900
NIFTY,24-SEP-15,C,8300	321567	HINDPETRO,24-SEP-15,C,7801	794	NIFTY,24-SEP-15,P,7900	263,013	INDUSINDBK,24-SEP-15,P,900	2,027
%OI Gainers (Calls)		%OI Losers (Calls)		%OI Gainers (Puts)		%OI Losers (Puts)	
BHARATFORG,29-OCT-15,C,1000	3,200	HEROMOTOCO,24-SEP-15,C,2350	-59	UNITECH,29-OCT-15,P,7.5	13,500	HINDUNILVR,24-SEP-15,P,840	-56
NIFTY,29-OCT-15,C,10000	844	ITC,24-SEP-15,C,320	-46	YESBANK,29-OCT-15,P,680	11,000	NIFTY,24-SEP-15,P,7650	-45
UPL,24-SEP-15,C,480	670	BHARTIARTL,24-SEP-15,C,350	-39	HINDUNILVR,29-OCT-15,P,800	833	SUNPHARMA,24-SEP-15,P,800	-38
BHARATFORG,24-SEP-15,C,950	509	M&M,24-SEP-15,C,1200	-37	YESBANK,24-SEP-15,P,760	547	UNITECH,24-SEP-15,P,7.5	-37
RELIANCE,29-OCT-15,C,940	410	HEROMOTOCO,24-SEP-15,C,2400	-37	BANKNIFTY,24-SEP-15,P,16300	334	JUSTDIAL,24-SEP-15,P,900	-36

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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