



### DERIVATIVES

#### Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	10,73,915	27,670.69
Vol Futures	0	0
Stock Futures	13,24,916	33,099.38
Index Options	1,27,85,411	2,79,191.02
Stock Options	5,80,103	15,016.65
<b>F&amp;O Total</b>	<b>1,57,64,345</b>	<b>3,54,977.73</b>

#### FII Derivatives Statistics

	OI at end of the day			Inflow /	
	Buy	Sell	Contract	Amount	Outflow
Index futures	5159.64	4689.274	1175749	25676.64	470.3666
Index options	26604.85	23746.79	3968671	97332.25	2858.055
Stock futures	6399.437	5309.525	1897603	48110.64	1089.912
Stock options	2471.432	2687.223	108389	2687.657	-215.791
	<b>Net Inflow/Outflow (Cr)</b>			<b>4202.54</b>	

#### Securities in Ban Period

CENTURYTEX

#### Nifty Future/Option Trading Guide

NIFTY	Short term	Medium term
Support	7777	7500
Resistance	8080	8181

#### Nifty View for the Day

Now it has to hold above 7950 levels to move up towards 8050-8080 zones.

#### Quote for the day

"DON'T WISH FOR IT, WORK FOR IT."

#### Activity Tracking

Stocks (Long Position)	Remarks
Adaniports, Divislab, lbrealest	
Justdial, Amarjabat, Albk	Suggesting strength in these counter
Unionbank, Indusindbk, Hindzinc	
Stocks (Short Covering)	Remarks
Powergrid, Mindtree, IRB	
Ucobank, Jppower, IGL	Suggesting strength in these counter
Tataglobal, Axisbank, Abirlanuvo	
Stocks (Short Position)	Remarks
Sksmicro, Bajfinance, Colpal	
Tatamotors, Voltas, Bharatforg	Suggesting weakness in these counter
Havells, Tatamtrdrv, Mclcodruss	
Stocks (Long Liquidation)	Remarks
ACC	Suggesting weakness in these counter

#### Activity in F&O

Nifty September future closed positive at 7982.55 levels. Nifty Future OI increased by 4.88% with a rise in price by 1.09%. It closed at a premium of 1 point as compared to the discount of 3 points in previous trading session. Market witnessed buying interest in Banking, Healthcare, Realty and Oil & Gas sector stocks while selling pressure was seen in Consumer Durables, FMCG and Capital goods sector stocks. The market turnover increased by 75.14% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it also increased by 76.43%.

#### Indication & Outlook

Put Call Ratio based on Open Interest of Nifty moved up from 0.95 to 1 level as compared to previous trading session. Historical Volatility of Nifty fell down from 27.98 to 27.60 levels and Implied Volatility also fell down sharply from 27.76 to 20.80 levels.

#### Conclusion

Nifty future opened positive and gained for the second straight session. However, it lost some of the early morning gains in the last hour but still managed to end the session with the gains of around 70 points. Now it has to continue to hold above 7950 levels to witness buying activities towards 8050-8080 zones while holding below 7940 may drag the index towards 7900 and 7850 levels. On the Option front, maximum Put OI is at 7800 followed by 7500 strike whereas maximum Call OI is at 8200 followed by 8500 strike. Bank Nifty opened positive above its 17000 levels and headed towards 17650 levels. However it shed some of the early morning gains but still managed to hold its 17250 levels and ended the day with the gains of around 420 points. Now it has to hold above 17250 zones to continue an up move towards immediate strong hurdle of 17650 levels while support exist at around 17000 and 16800 levels.

Future STT Call



**JUBLFOOD : Rs. 1574**

Execution Price Range	Stop Loss	Target
Sell Between Rs. 1588 to Rs. 1604	1628	1530

JUBLFOOD has been making lower highs lower lows from last two trading sessions and continuously witnessing selling pressure from last three series. Recently, it failed to cross its hurdle of 1680 zones and now started to add built up of short position. Thus one can sell the stock with the stop loss of 1628 for the downside target of 1530 levels.

Future STT Call



**ONGC : Rs. 239**

Execution Price Range	Stop Loss	Target
Buy Between Rs. 233 to Rs. 235	230	245

ONGC has taken support near to 52 weeks lows of 220-222 zones and turning from the major support after the weakness of last four weeks. It has formed a strong bullish reversal pattern and now this move may extend towards 245 and higher levels led by short covering activities. One can go long in the counter with the stop loss of 230 for the upside target of 245 levels.

Graphic Snapshot

Futures							
<p><b>%Price Gainers</b></p> <p>HDIL 6.57</p> <p>IRB 6.19</p> <p>UCOBANK 5.72</p> <p>AMARAJABAT 5.62</p> <p>ANDHRABANK 5.36</p>	<p><b>%Price Losers</b></p> <p>SKSMICRO -15.43</p> <p>BAJFINANCE -4.59</p> <p>MCLEODRUSS -3.97</p> <p>JUBLFOOD -3.75</p> <p>KSCL -3.40</p>	<p><b>Active Futures</b></p> <p>NIFTY 818,751</p> <p>BANKNIFTY 252,707</p> <p>TATAMOTORS 66,996</p> <p>RELIANCE 52,681</p> <p>LT 46,740</p>	<p><b>%Volume Gainers</b></p> <p>BAJFINANCE 800.59</p> <p>SKSMICRO 796.63</p> <p>NHPC 394.31</p> <p>JISLJALEQS 354.34</p> <p>ADANIAPORTS 335.84</p>	<p><b>% Rollovers</b></p> <p>IOB 25.13</p> <p>NMDC 22.58</p> <p>IBREALEST 22.46</p> <p>RPOWER 19.17</p> <p>TATAGLOBAL 19.06</p>			
<p><b>%OI Gainers</b></p> <p>SKSMICRO 45.52</p> <p>ADANIAPORTS 24.85</p> <p>DIVISLAB 22.28</p> <p>IBREALEST 18.12</p> <p>BAJFINANCE 17.80</p>	<p><b>%OI Losers</b></p> <p>S&amp;P500 -100.00</p> <p>DJIA -100.00</p> <p>POWERGRID 1.46</p> <p>MINDTREE 0.74</p> <p>IRB 0.64</p>	<p><b>%Premiums</b></p> <p>UNITECH 1.64</p> <p>JPASSOCIAT 0.51</p> <p>CAIRN 0.45</p> <p>DABUR 0.44</p> <p>SUNTV 0.43</p>	<p><b>%Discounts</b></p> <p>NMDC -2.57</p> <p>KSCL -2.37</p> <p>IOB -1.97</p> <p>JUSTDIAL -1.83</p> <p>TVSMOTOR -1.63</p>	<p><b>OI % of Mkt. Limit</b></p> <p>WOCKPHARMA 82.35</p> <p>JINDALSTEL 81.26</p> <p>CENTURYTEX 80.84</p> <p>IBREALEST 78.07</p> <p>CEATLTD 78.02</p>			
Options							
<p><b>Most Active (Calls)</b></p> <p>NIFTY,24-SEP-15,C,8000 1134171</p> <p>NIFTY,24-SEP-15,C,8100 1121791</p> <p>NIFTY,24-SEP-15,C,8200 915683</p> <p>NIFTY,24-SEP-15,C,8300 598609</p> <p>NIFTY,24-SEP-15,C,7900 376728</p>	<p><b>%Volume gainers (Calls)</b></p> <p>SKSMICRO,24-SEP-15,C,4000 18,300</p> <p>SKSMICRO,24-SEP-15,C,4200 1,340</p> <p>CIPLA,29-OCT-15,C,7000 7,400</p> <p>BANKNIFTY,29-OCT-15,C,16000 5,550</p> <p>BANKNIFTY,29-OCT-15,C,19500 2,850</p>	<p><b>Most Active (Puts)</b></p> <p>NIFTY,24-SEP-15,P,7900 1,116,218</p> <p>NIFTY,24-SEP-15,P,8000 1,006,191</p> <p>NIFTY,24-SEP-15,P,7800 875,523</p> <p>NIFTY,24-SEP-15,P,7700 564,937</p> <p>NIFTY,24-SEP-15,P,7600 448,177</p>	<p><b>%Volume gainers (Puts)</b></p> <p>HDFCBANK,24-SEP-15,P,1060 58,400</p> <p>SKSMICRO,24-SEP-15,P,380 37,150</p> <p>BANKNIFTY,24-SEP-15,P,17300 30,319</p> <p>BANKNIFTY,24-SEP-15,P,17400 20,306</p> <p>AXISBANK,29-OCT-15,P,520 15,800</p>	<p><b>%OI Gainers (Calls)</b></p> <p>SKSMICRO,24-SEP-15,C,380 28,700</p> <p>BANKNIFTY,29-OCT-15,C,16300 16,000</p> <p>SKSMICRO,24-SEP-15,C,400 12,613</p> <p>SKSMICRO,24-SEP-15,C,420 4,733</p> <p>BANKNIFTY,29-OCT-15,C,19500 2,500</p>	<p><b>%OI Losers (Calls)</b></p> <p>HEROMOTOCO,24-SEP-15,C,2350 -58</p> <p>HCLTECH,24-SEP-15,C,940 -57</p> <p>NIFTY,24-SEP-15,C,7300 -56</p> <p>INDUSINDBK,24-SEP-15,C,840 -52</p> <p>HEROMOTOCO,24-SEP-15,C,2300 -49</p>	<p><b>%OI Gainers (Puts)</b></p> <p>SKSMICRO,24-SEP-15,P,340 27,500</p> <p>SKSMICRO,24-SEP-15,P,360 19,200</p> <p>BANKNIFTY,29-OCT-15,P,18500 14,900</p> <p>BANKNIFTY,29-OCT-15,P,19000 13,100</p> <p>AXISBANK,29-OCT-15,P,520 4,650</p>	<p><b>%OI Losers (Puts)</b></p> <p>MARUTI,24-SEP-15,P,4150 -51</p> <p>NIFTY,24-SEP-15,P,7450 -44</p> <p>POWERGRID,24-SEP-15,P,130 -42</p> <p>BANKNIFTY,24-SEP-15,P,16200 -41</p> <p>SKSMICRO,24-SEP-15,P,440 -41</p>

**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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