



DERIVATIVES

Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	9,80,922	23,947.72
Vol Futures	0	0
Stock Futures	16,17,134	41,120.66
Index Options	96,76,356	2,13,504.86
Stock Options	4,40,270	11,668.79
F&O Total	1,27,14,682	2,90,242.03

FII Derivatives Statistics

	OI at end of the day		Inflow /		Outflow
	Buy	Sell	Contract	Amount	
Index futures	5194.621	7031.051	1285062	27994.62	-1836.43
Index options	19999.34	18073.86	4021554	98438.3	1925.479
Stock futures	10399.33	10082.22	1945357	49657.4	317.1034
Stock options	1654.289	1702.464	107678	2689.375	-48.1745
	Net Inflow/Outflow (Cr)				357.9784

Securities in Ban Period

NIL

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

"THE MOST CERTAIN WAY TO SUCCEED IS TO JUST TRY ONE MORE TIME."

Activity Tracking

Stocks (Long Position)	Remarks
PTC, IDBI, Amtekauto	
ALBK, Apollotyre, Jpassociat	Suggesting strength in these counter
Suntv, IFCI, HDIL	
Stocks (Short Covering)	Remarks
Petronet, Jppower, Rpower	
IOB, Justdial, PFC	Suggesting strength in these counter
GAIL, Kotakbank, RECLTD	
Stocks (Short Position)	Remarks
Bhartiartl, Mothersumi, Titan	
Relinfra, Bharatforg, DHFL	Suggesting weakness in these counter
IDEA, Asianpaints, Apollohosp	
Stocks (Long Liquidation)	Remarks
Hcltech, Sunpharma	
Grasim, Tatasteel	Suggesting weakness in these counter
Lupin, Boschltd, L&TFH	

Activity in F&O

Nifty September future closed negative at 7980.05 levels. Nifty Future OI increased by 4.13% with a marginal fall in price by 0.03%. It closed at premium of 3 points as compared to the premium of 1 point in previous trading session. Market witnessed buying interest in Capital goods, Realty and Power sector stocks while selling pressure was seen in Oil & Gas and FMCG sector stocks. The market turnover decreased by 19.34% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it also increased by 18.24%.

Indication & Outlook

Put Call Ratio based on Open Interest of Nifty fell down from 1 to 0.99 level as compared to previous trading session. Historical Volatility of Nifty fell down from 27.60 to 26.76 levels and Implied Volatility also fell down sharply from 20.80 to 17.89 levels.

Conclusion

Nifty future opened with a gap down of around 70 points and plunged towards 7900 levels. However, it witnessed buying interest on declines and recovered most of the losses then closed near to high levels. Looking at the option data, maximum Put OI is at 7800 followed by 7500 strike while maximum Call OI is at 8000 followed by 8200 strike. If the bulls manage to hold the index above 7950 levels, then the bounce back move may continue towards 8050-8080 zones, while if it fails to hold 7920-7900 zones then bears may again propel the market to drift towards 7850 zones. Bank Nifty opened on a positive note and outperformed the broader market as it traded in northward direction throughout the day. It headed towards 17550 levels and ended the session with the gains of around 150 points. Now if it manages to hold above 17500 then momentum may continue towards 17850-18000 levels while if it fails to hold 17250 levels then profit booking may be seen towards 17000 levels.

Future STT Call



TATASTEEL : Rs. 227

Execution Price Range	Stop Loss	Target
Sell Between Rs. 231 to Rs. 233	237	221

TATASTEEL has been making lower top - lower bottom formation from last one year. Recently it bounced back from 200 to 244 levels but this recovery seems to be short lived as bears are again taking grip in the counter. It is falling down from last two trading sessions even after recovery in the broader market which shows inherent weakness in the counter. One can sell the stock with the stop loss of 237 for the downside target of 221 levels.

Future STT Call



IDFC : Rs. 139

Execution Price Range	Stop Loss	Target
Buy Between Rs. 135.50 to Rs. 137	133	144

IDFC has made a strong bottom formation with rising trading volumes from last three trading sessions. It crossed immediate hurdle of 132 and 135 zones and witnessed short covering move. As per the recent data and price behavior it is well placed to see the next round of momentum towards 144 and higher levels. One can go long in the counter with the stop loss of 133 for the upside target of 144 levels.

Graphic Snapshot

Futures				
%Price Gainers	%Price Losers	Active Futures	%Volume Gainers	% Rollovers
IDBI 16.68	MOTHERSUMI -7.70	NIFTY 796,332	IDBI 509.98	JSWSTEEL 48
JPASSOCIAT 12.63	L&TFH -2.55	BANKNIFTY 183,645	ADANIPOWER 402.41	IDBI 46.03
AMTEKAUTO 7.43	BHARATFORG -2.39	RELIANCE 73,012	UBL 376.46	JUBLFOOD 42.88
JPOWER 7.38	UPL -1.89	HDFCBANK 62,710	PTC 315.33	AUROPHARMA 42.85
DISHTV 6.22	ADANIEXPORTS -1.83	SBIN 55,362	RPOWER 252.94	SKSMICRO 40.34
%OI Gainers	%OI Losers	%Premiums	%Discounts	OI % of Mkt. Limit
PTC 60.35	PETRONET -9.29	UNITECH 0.79	COLPAL -1.80	CEATLTD 94.59
IDBI 34.48	JPOWER -7.54	JPOWER 0.77	HEXAWARE -1.21	AMTEKAUTO 86.26
AMTEKAUTO 24.87	RPOWER -6.89	JSWENERGY 0.70	TATACOMM -1.20	JINDALSTEL 85.32
ALBK 19.80	IOB -5.60	IDFC 0.57	NMDC -1.01	WOCKPHARMA 83.73
APOLLOTYRE 19.11	JUSTDIAL -5.14	SOUTHBANK 0.47	PTC -0.81	JPASSOCIAT 79.99
Options				
Most Active (Calls)	%Volume gainers (Calls)	Most Active (Puts)	%Volume gainers (Puts)	
NIFTY,24-SEP-15,C,8000 1116029	NIFTY,29-OCT-15,C,8350 29,800	NIFTY,24-SEP-15,P,7900 1,064,089	IDBI,24-SEP-15,P,65	63,850
NIFTY,24-SEP-15,C,8100 796475	MOTHERSUMI,24-SEP-15,C,260 18,900	NIFTY,24-SEP-15,P,7800 740,769	IDBI,24-SEP-15,P,67.5	33,500
NIFTY,24-SEP-15,C,7900 600067	IDBI,24-SEP-15,C,67.5 12,219	NIFTY,24-SEP-15,P,8000 489,063	IDBI,24-SEP-15,P,62.5	23,400
NIFTY,24-SEP-15,C,8200 527862	RPOWER,24-SEP-15,C,47.5 0,800	NIFTY,24-SEP-15,P,7700 489,047	RPOWER,24-SEP-15,P,42.5	18,100
NIFTY,24-SEP-15,C,8300 223632	IDBI,29-OCT-15,C,7010 0,040	NIFTY,24-SEP-15,P,7600 279,176	TATAMOTORS,29-OCT-15,P,310	16,300
%OI Gainers (Calls)	%OI Losers (Calls)	%OI Gainers (Puts)	%OI Losers (Puts)	
STAR,29-OCT-15,C,1200 5,750	IDBI,24-SEP-15,C,60 -63	IDFC,29-OCT-15,P,140 5,480	BANKNIFTY,24-SEP-15,P,16300	-59
MOTHERSUMI,29-OCT-15,C,280 4,000	IDBI,24-SEP-15,C,62.5 -58	IDBI,24-SEP-15,P,65 3,100	HDIL,24-SEP-15,P,80	-55
MOTHERSUMI,24-SEP-15,C,260 2,900	CEATLTD,24-SEP-15,C,1220 -52	IDBI,24-SEP-15,P,62.5 2,875	TATAMOTORS,24-SEP-15,P,460	-48
IDBI,29-OCT-15,C,70 2,600	BANKNIFTY,24-SEP-15,C,18900 -50	HINDUNILVR,29-OCT-15,P,780 2,700	VOLTAS,24-SEP-15,P,230	-37
MOTHERSUMI,24-SEP-15,C,270 1,444	PFC,24-SEP-15,C,230 -43	IDFC,29-OCT-15,P,130 1,911	KOTAKBANK,24-SEP-15,P,660	-35

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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