



DERIVATIVES

Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	6,22,591	17,974.43
Vol Futures	0	0
Stock Futures	10,07,320	29,289.41
Index Options	81,31,300	1,88,961.43
Stock Options	5,75,355	15,899.95
F&O Total	1,03,36,566	2,52,125.22

FII Derivatives Statistics

	OI at end of the day			Inflow / Outflow
	Buy	Sell	Contract	
Index futures	1727.13	1578.35	1000250.00	25833.35
Index options	14137.12	15468.12	2478724.00	78356.39
Stock futures	4278.99	4224.56	1782558.00	49439.88
Stock options	2234.34	2314.44	129858.00	3559.66
	Net Inflow/Outflow (Cr)			-1207.89

Securities in Ban Period

IBREALEST

Nifty Future/Option Trading Guide

NIFTY	Short term	Medium term
Support	8150	7850
Resistance	8330	8500

Nifty View for the Day

Now it has to hold above 8225-8250 zones to witness buying towards 8330+ zones.

Q2 FY'16 Result

ASIANPAINT & INFRA TEL

Activity Tracking

Stocks (Long Position)	Remarks
Castrolind, TVSmotor, Bajaj-auto	
Vedl, Pageind, Relcapital	Suggesting strength in these counter
Suntv, IFCl, Star	
Stocks (Short Covering)	Remarks
Infy, Hindzinc, Cipla	
Hindunilvr, Bajfinance, Exideind	Suggesting strength in these counter
Lichsgfin, KSCL, Bhartiartl	
Stocks (Short Position)	Remarks
Srtransfin, Federalbnk, Oil	
Canbk, HDIL, KTKbank	Suggesting weakness in these counter
Andhrabank, Sksmicro, Unionbank	
Stocks (Long Liquidation)	Remarks
Pidlite, Ajantapharm, Apollotyre	
Ucobank, Biocon, Amarajabat	Suggesting weakness in these counter
Bankbaroda, BPCL, Gail	

Activity in F&O

Nifty October future closed positive at 8262.30 levels. Nifty Future OI increased by 0.60% with a marginal rise in price by 0.10%. It closed at premium of 9 points as compared to the discount of 7 points of previous trading session. Market witnessed selling pressure in Capital goods, Oil & gas and Realty stocks while buying interest was seen in Metal, IT and Auto sector stocks. The market turnover increased by 32.79% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it also increased by 33.44%.

Indication & Outlook

Put Call Ratio based on Open Interest of Nifty moved up from 1.04 to 1.05 levels as compared to previous trading session. Historical Volatility of Nifty fell down from 19.41 to 18.82 levels and Implied Volatility also fell down from 14.73 to 14.10 levels.

Conclusion

Nifty future opened on a subdued note and after heading towards 8300 levels in the wee hours of the trade it failed to sustain the higher levels and drifted towards 8215 levels. The index ended on a flattish note but managed to hold 8200 mark even after supply at higher levels. Now it has to hold above 8225-8250 zones to witness buying towards 8330 zones. While, if it sustains below 8200 then it may again get stuck in range from 8080 to 8200 levels. On the Option front, maximum Put OI is at 8200 followed by 8100 strike whereas maximum Call OI is at 8300 followed by 8200 strike. Bank Nifty future opened on a dull note and underperformed the broader market for third consecutive trading sessions. It ended the session with the loss of around 130 points. Now it has immediate support near 17500 followed by 17250 zones while next hurdle exists at around 18000 then 18250 zones.

Future STT Call



AMBUJACEM : Rs. 209

Execution Price Range	Stop Loss	Target
Sell Between Rs. 212 to Rs. 214	218	202

AMBUJACEM has recently failed to surpass the immediate hurdle of 215 and started to decline from last two trading sessions with built up of short and liquidation of long position. The stock has dull price behavior and witnesses selling pressure at every small bounce back. We are expecting this behavior to continue which may drag it to 204 and lower levels. So, one can sell the stock with the stop loss of 218 for the downside target of 202 levels.

Future STT Call



DISHTV : Rs. 109

Execution Price Range	Stop Loss	Target
Buy Between Rs. 255 to Rs. 258	104	113

DISHTV has recently taken support near to 103 levels and moving upwards with built up of long position followed by short covering activities. We have seen buying in most of the media counter and expecting dish TV to outperform and head towards 113 and 115 levels. Thus recommending the traders to buy the stock with the stop loss 104 for the upside immediate target of 113 levels.

Graphic Snapshot

Futures				
%Price Gainers	%Price Losers	Active Futures	%Volume Gainers	% Rollovers
CASTROLIND 5.15	FEDERALBNK -12.05	NIFTY 442,426	SRTRANSFIN 2,140.31	DIVISLAB 53.82
VEDL 4.15	IBREALEST -4.78	BANKNIFTY 179,409	S&P500 712.90	AUROPHARMA 34.37
BAJAJ-AUTO 3.71	SRTRANSFIN -4.51	RELIANCE 43,274	KTKBANK 375.41	IDBI 30.35
RELCAPITAL 3.22	GMRINFRA -3.90	HDFCBANK 28,175	BAJAJ-AUTO 351.84	JSWSTEEL 27.56
EXIDEIND 3.20	KTKBANK -3.75	SBIN 27,843	FEDERALBNK 299.62	NIFTY 26.41
%OI Gainers	%OI Losers	%Premiums	%Discounts	OI % of Mkt. Limit
SRTRANSFIN 64.71	PIDILITIND -14.92	UNITECH 0.64	GODREJIND -2.99	IBREALEST 98.08
DRREDDY 27.46	HEROMOTOCO -8.50	NCC 0.49	NMDC -2.62	IDBI 83.29
DJIA 26.14	INFY -6.56	TV18BRDCST 0.45	HINDZINC -2.34	JPASSOCIAT 78.81
BEML 23.05	AJANTPHARM -5.85	IDFC 0.41	TVSMOTOR -1.74	CENTURYTEX 78.4
CASTROLIND 22.85	HINDZINC -4.95	VEDL 0.38	JUSTDIAL -0.84	JISLJALEQS 78.14
Options				
Most Active (Calls)	%Volume gainers (Calls)	Most Active (Puts)	%Volume gainers (Puts)	
NIFTY,29-OCT-15,C,8300 1016691	FEDERALBNK,29-OCT-15,C,62.5 16,825	NIFTY,29-OCT-15,P,8200 1,057,978	BAJAJ-AUTO,29-OCT-15,P,2550 12,600	
NIFTY,29-OCT-15,C,8400 848427	BAJAJ-AUTO,29-OCT-15,C,2700 12,050	NIFTY,29-OCT-15,P,8100 728,656	BAJAJ-AUTO,29-OCT-15,P,2500 7,370	
NIFTY,29-OCT-15,C,8200 558046	UNIONBANK,29-OCT-15,C,170 7,600	NIFTY,29-OCT-15,P,8000 577,310	FEDERALBNK,29-OCT-15,P,50 4,689	
NIFTY,29-OCT-15,C,8500 397345	IBULHSGFIN,29-OCT-15,C,720 5,150	NIFTY,29-OCT-15,P,8300 559,444	RELIANCE,29-OCT-15,P,980 4,244	
BANKNIFTY,29-OCT-15,C,18000 124115	KTKBANK,29-OCT-15,C,125 4,750	NIFTY,29-OCT-15,P,7900 330,866	EXIDEIND,29-OCT-15,P,160 3,500	
%OI Gainers (Calls)	%OI Losers (Calls)	%OI Gainers (Puts)	%OI Losers (Puts)	
BAJAJ-AUTO,29-OCT-15,C,2700 5,900	EXIDEIND,29-OCT-15,C,160 -47	BAJAJ-AUTO,29-OCT-15,P,2500 1,417	DRREDDY,29-OCT-15,P,4300 -71	
FEDERALBNK,29-OCT-15,C,60 5,233	HEROMOTOCO,29-OCT-15,C,2800 -38	FEDERALBNK,29-OCT-15,P,50 1,288	EXIDEIND,29-OCT-15,P,150 -46	
FEDERALBNK,29-OCT-15,C,62.5 3,367	BANKNIFTY,29-OCT-15,C,18700 -37	DRREDDY,29-OCT-15,P,4150 1,149	FEDERALBNK,29-OCT-15,P,60 -38	
FEDERALBNK,29-OCT-15,C,57.5 600	BANKNIFTY,29-OCT-15,C,19100 -37	CAIRN,29-OCT-15,P,145 503	INFY,29-OCT-15,P,1080 -37	
BAJAJ-AUTO,29-OCT-15,C,2650 513	BANKNIFTY,29-OCT-15,C,18800 -36	CAIRN,29-OCT-15,P,140 473	DRREDDY,29-OCT-15,P,4200 -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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