



## DERIVATIVES

### Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	5,36,910	16,199.11
Vol Futures	0	0
Stock Futures	10,04,199	29,871.64
Index Options	73,88,192	1,74,718.51
Stock Options	4,70,050	13,251.97
<b>F&amp;O Total</b>	<b>93,99,351</b>	<b>2,34,041.24</b>

### FII Derivatives Statistics

	OI at end of the day				Inflow / Outflow
	Buy	Sell	Contract	Amount	
Index futures	4097.23	2247.07	1010423	27434.12	1850.17
Index options	11290.89	11343.10	2435939	78333.49	-52.21
Stock futures	6301.56	6754.51	1726506	49863.29	-452.95
Stock options	1930.39	2117.95	128028	3531.08	-187.56
<b>Net Inflow/Outflow (Cr)</b>					<b>1157.46</b>

### 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 8250-8280 zones to continue buying towards 8350-8380 zones.

### Q2 FY'16 Result

BHARTIARTL, HDFC & UPL

### Activity Tracking

Stocks (Long Position)	Remarks
Jindalstel, Apollotyre, Ucobank	
Cadilalc, Justdial, Tata motors	Suggesting strength in these counter
ACC, Auropharma, IGL	
Stocks (Short Covering)	Remarks
Albk, Cairn, Mindtree	
Srtransfin, Ibulhsgfin, Godrejind	Suggesting strength in these counter
Glenmark, Hindunilvr, OFSS	
Stocks (Short Position)	Remarks
Idea, M&MFin, Marico	
Dabur, Infratel, IRB	Suggesting weakness in these counter
LT, UBL, Suntv	
Stocks (Long Liquidation)	Remarks
Ibrealst, Hindzinc, Bhartiartl	
M&M, Unionbank, Amtekauto	Suggesting weakness in these counter
VEDL, Pidilite, Mcleodruss	

### Activity in F&O

Nifty October future closed positive at 8304.15 levels. Nifty Future OI increased by 3.59% with a rise in price by 0.51%. It closed at premium of 9 points. Market witnessed buying interest Banking, FMCG and Oil & gas sector stocks while selling pressure was seen in Capital Goods and Auto sector stocks. The market turnover decreased by 9.06% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it also decreased by 7.17%.

### Indication & Outlook

Put Call Ratio based on Open Interest of Nifty moved up from 1.05 to 1.06 levels as compared to previous trading session. Historical Volatility of Nifty fell down from 18.82 to 18.40 levels and Implied Volatility also fell down from 14.10 to 12.90 levels.

### Conclusion

Nifty future opened gap up by around 60 points above its 8300 levels and held onto the pleasant opening till the end of the session with decline in volatility index. Now it has to hold above 8250-8280 zones to continue buying towards 8350-8380 zones. While, if it sustains below 8220 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 8000 strike whereas maximum Call OI is at 8300 followed by 8400 strike. A shift in option strike to higher levels is also giving an upper hand to bulls and also indicates that support is shifting to higher levels. Bank Nifty future opened positive and negated the negativity of last three trading sessions. It outperformed the broader market and ended the day with the gains of around 225 points. Now it has immediate support near 17750 followed by 17500 zones while next hurdle exists at around 18250 zones.

## Future STT Call

**VEDANTA : Rs. 102.65****Execution Price Range****Stop Loss****Target****Sell Between Rs. 104 to Rs. 105****107****99.50**

VEDANTA failed to cross the immediate hurdle of 120 levels in the previous week and started to decline 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 99.50 and lower levels. So, one can sell the stock with the stop loss of 107 for the downside target of 99.50 levels

## Future STT Call

**TCS : Rs. 2534****Execution Price Range****Stop Loss****Target****Buy Between Rs. 2483 to Rs. 2508****2445****2595**

TCS is trading in a broader range of 2450 to 2750 levels from last 6 series and it recently negated the negativity of previous two weeks and is making higher highs – higher lows. The stock might see an up move till 2595 and higher levels led by short covering activities. So recommending buying the stock to grab the opportunity of attractive risk reward ratio with the stop loss of 2445 for the upside target of 2595 levels.

## Graphic Snapshot

Futures									
%Price Gainers		%Price Losers		Active Futures		%Volume Gainers		% Rollovers	
ITC	2.79	IDEA	-7.37	NIFTY	388,869	IOB	265.74	DIVISLAB	60.19
SYNDIBANK	2.69	INFRATEL	-5.26	BANKNIFTY	147,367	IDEA	257.80	IDBI	42.94
AXISBANK	2.69	MOTHERSUMI	-4.61	RELIANCE	52,091	INFRATEL	218.93	JUBLFOOD	42.26
CAIRN	2.62	IRB	-4.21	AXISBANK	43,257	AMTEKAUTO	194.13	BATAINDIA	39.94
CADILAH	2.59	IBREALEST	-3.91	LT	38,977	ASIANPAINT	180.63	SOUTHBANK	39.28
%OI Gainers		%OI Losers		%Premiums		%Discounts		OI % of Mkt. Limit	
BATAINDIA	40.11	ALBK	-12.16	GMRINFRA	0.75	JUSTDIAL	-2.58	IBREALEST	89.47
S&P500	33.98	CAIRN	-7.94	UNITECH	0.65	NMDC	-2.24	IDBI	83.6
ASIANPAINT	25.65	MINDTREE	-7.57	TV18BRDCST	0.46	TVSMOTOR	-1.32	JPASSOCIAT	82.34
IDEA	18.60	SRTRANSFIN	-7.51	AMTEKAUTO	0.46	M&MFIN	-1.05	JISLIAEQS	78.73
M&MFIN	16.57	IBREALEST	-7.00	IOB	0.42	GODREJIND	-0.75	CEATLTD	78.23
Options									
Most Active (Calls)		%Volume gainers (Calls)		Most Active (Puts)		%Volume gainers (Puts)		%OI Gainers (Calls)	
NIFTY,29-OCT-15,C,8400	929264	IDEA,29-OCT-15,C,145	30,300	NIFTY,29-OCT-15,P,8300	806,134	INFRATEL,29-OCT-15,P,380	19,200	PETRONET,29-OCT-15,C,210	3,447
NIFTY,29-OCT-15,C,8300	892135	PETRONET,29-OCT-15,C,210	17,543	NIFTY,29-OCT-15,P,8200	776,623	NIFTY,29-OCT-15,P,6300	10,600	IDEA,26-NOV-15,C,150	1,980
NIFTY,29-OCT-15,C,8500	562035	IDEA,29-OCT-15,C,140	8,223	NIFTY,29-OCT-15,P,8100	656,331	IDEA,29-OCT-15,P,130	4,993	MARUTI,26-NOV-15,C,4500	500
NIFTY,29-OCT-15,C,8200	239252	HDFC,29-OCT-15,C,1380	5,800	NIFTY,29-OCT-15,P,8000	309,689	MOTHERSUMI,29-OCT-15,P,220	3,775	ASIANPAINT,29-OCT-15,C,860	376
NIFTY,29-OCT-15,C,8350	159074	INFRATEL,29-OCT-15,C,400	3,046	NIFTY,29-OCT-15,P,8400	205,732	NIFTY,26-NOV-15,P,9500	3,463	IDEA,29-OCT-15,C,140	374
%OI Gainers (Calls)		%OI Losers (Calls)		%OI Gainers (Puts)		%OI Losers (Puts)			
PETRONET,29-OCT-15,C,210	3,447	ITC,29-OCT-15,C,355	-52	ITC,29-OCT-15,P,355	4,280	NIFTY,30-JUN-16,P,4400	-89		
IDEA,26-NOV-15,C,150	1,980	IBULHSGFIN,29-OCT-15,C,740	-46	HDFC,29-OCT-15,P,1340	3,380	M&MFIN,29-OCT-15,P,240	-72		
MARUTI,26-NOV-15,C,4500	500	ASHOKLEY,29-OCT-15,C,107.5	-45	NIFTY,26-NOV-15,P,9500	1,600	NIFTY,30-JUN-16,P,3700	-62		
ASIANPAINT,29-OCT-15,C,860	376	BAJAJ-AUTO,29-OCT-15,C,2550	-44	ITC,29-OCT-15,P,360	1,213	JSWSTEEL,29-OCT-15,P,820	-55		
IDEA,29-OCT-15,C,140	374	JSWSTEEL,29-OCT-15,C,920	-44	ASIANPAINT,29-OCT-15,P,840	639	IRB,29-OCT-15,P,250	-47		

**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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