



The Strategist

DERIVATIVES

	Market Statistics	
Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	2,09,836	12,017.99
Vol Futures	0	0
Stock Futures	4,40,084	22,992.47
Index Options	14,83,467	89,251.58
Stock Options	2,07,889	11,396.08
F&O Total	23,41,276	1,35,658.11

FII Derivatives Statistics

		OI at end of the day Inflow /			
	Buy	Sell	Contract	Amount	Outflow
Index futures	1124.299	1418.273	282544	16800.79	-293.973
Index options	10660.02	10853.44	1015025	60728.84	-193.417
Stock futures	2789.557	2824.036	928697	46721.84	-34.4793
Stock options	1437.663	1353.333	48441	2427.196	84.33
Net Inflow/Out	flow (Cr)				-437.53

Securities in Ban Period

NIL

Nifty Future/Option Trading Guide						
NIFTY	Short term	Medium term				
Support	8000	7850				

8330

8180

Resistance

Niftv	View fo	r the	Dav

Now it needs to hold above its 8065-8080 levels to continue the bounce back move and head towards 8120 and 8180 levels

Q2 FY'16 Result

ARVIND, CASTROLIND, CIPLA, OFSS & TATAGLOBAL

Activity Tracking					
Stocks (Long Position)	Remarks				
Marico, UBL, PFC					
IDBI, Jisjaleqs, Ashokley	Suggesting strength in these counter				
Tatamtrdvr, Southbank, DLF					
Stocks (Short Covering)	Remarks				
Unionbank, Apollohosp, Cadilahc					
Relinfra, petronet, Hexaware	Suggesting strength in these counter				
Orientbank, Bajfinance, NCC					
Stocks (Short Position)	Remarks				
Canbk, Arvind, IRB					
Apollotyre, IGL, Ceatltd	Suggesting weakness in these counter				
Pidilite, Cairn, Adanient					
Stocks (Long Liquidation)	Remarks				
Sksmicro, NTPC, Mcleodruss TechM, Ambujacem, Relcapital	Suggesting weakness in these counter				
Indiacem, Ucobank, Ajantpharm					

Activity in F&O

Nifty November future closed negative at 8070.05 levels. Nifty Future OI decreased by 0.57% with a fall in price by 0.21%. It closed at a premium of 30 points as compared to 27 points of previous trading session. Market witnessed selling pressure in Healthcare, Banking, Consumer Durables and Power sector stocks while buying interest was seen in Auto and Metal sector stocks. The market turnover increased by 3.28% in terms of number of contracts traded vis-àvis previous trading day and in terms of rupees it iccreased by 3.76%.

Indication & Outlook

Put Call Ratio based on Open Interest of Nifty fell down from 0.90 to 0.89 levels as compared to previous trading session. Historical Volatility of Nifty fell down from 15.80 to 15.37 levels but Implied Volatility moved up from 18.10 to 18.11 levels.

Conclusion

Nifty future opened above its 8100 levels and headed towards its 8150 levels in the wee hours of trade. However it shed most of the early morning gains and fell towards 8055 levels. Finally the day ended with on a flattish note. Now it needs to hold above its 8065-8080 levels to continue the bounce back move and head towards 8120 and 8180 levels. However if it fails to hold 8050 levels then the index may come under the grip of bears and drift towards 7980-7950 levels. On the Option front, maximum Put OI is at 8000 followed by 7900 strike, whereas maximum Call OI is at 8500 followed by 8400 strike. Bank Nifty opened positive but failed to sustain the opening gains and fell towards 17250 levels. It ended in the negative zone with the loss of around 105 points. Now it has support near to 17000 zones while hurdle is at 17500 then 17800 levels.



SYNDICATE BANK: Rs. 92.40					
Execution Price Range	Stop Loss	Target			
Sell Between Rs. 94 to Rs. 95	97	89.50			
SYNDICATE BANK failed to cross a strong hurdle of 97-98 zones and has					
been making lower top - lower bottom formation. It is witnessing built up of					
short position and we are expecting this weakness to continue for next coming					
sessions. So, one can sell the stock with the stop loss of 97 for the downside					
target of 89.50 levels.					



INDUSIND BANK: Rs. 913						
Execution Price Range	Stop Loss	Target				
Buy Between Rs. 898 to Rs. 907	885	940				
INDUSINDBNK is holding its positive stance and taking support at its rising						
trend line. It is consolidating in a range from last six trading sessions even						
after a profit booking decline in the broade	r market which ir	ndicates that the				
major trend of the stock is intact to positive. Thus recommending the traders to						
buy the stock with the stop loss 885 for the	e upside immedia	ate target of 940				
levels.						

				Graphic	: Snapshot				
Futures				•					
W.P.	ics Gamers	tub	or Laners	A00	e Cutates	25.00	ume Gane	W Ru	toren
ITR. MILEOS	6.90	ACAMENT	-1.22	NIFTY	121.904	SOLTHEANS	456.55	SAP\$00	381.922
TATAHOTORS	6.11	CEATLTD	141	SANKNIFTY	121,090	LATEN	373.25	DODA	12.00
HEXAMARIE	5.81	HELEODRUSS	3.23	TATAMOTORS	20,187	IDEI	345.54	NIFTY ISTR	
URA	4.78	ARVINO	12.81	LT	12,411	CAVER	218.01	MARICOLD 47	
TATAMTRONE	1.58	#\$0.	-2.00	HARUTT	12,827	MARICO	255.04	108/181	
100	OI Gainers		It Lovers	541	intiun's		Decounts	01 % 01	Hit, Limit
MANLOO	35.04	UNCONBANK	-5.90	CHRINHRA	0.75	850.	-4,67	JISLIALEQS	++13
SAPSOD	53.48	SKSMICRO	-7.87	JPASSOCIAT	0.76	106	-1.24	JINDALSTEL	41.75
ARVIND	26.22	APOLLOHOSP	-7.12	3403	0.75	BATAINDIA	-921	CEATLID CEATLID	20.15
0.11A 34.0	20	ATPC	4.22	UNITECH	0.66	IMDC	-3.86	CENTURYTER D	75.00
CANEK 14.0	24	CADILAHC	-5.25	LATEN	0.67	GODREIIND	142.31	INDIACEM	8.7
Optors									
1000100	urt Active (Cate)		Noturne Semin	(Citle)	- 14	St Attion (Puts)		NVolume paner	K (Pate)
NIPTY, 26-NOV-D	5,0,8200 \$251	500	THEANK, 26-NOV-15, C, 2	6.660	NIPTY, 26-MOV-12	LP,8000	0,756	JISLIALEQS,26-WOV-15,9;0	\$ \$2,000
NIFTY, 26-MOV-1	5.0.8900 1117	TATAN	OTOR5,26-NOV-15, C, 46	6.000	NIPTY, 26-MOV-1	LP,8100 10 10	535	TATAHOTORS,26-NOV-15, P,40	5.600
NIFTY, 26-NOV-D	1.0.8400 8523	TATAN	TRDVR, 26 MOV-15, C, 28	2,500	NIFTY, 26-NOV-1	(P,7800) 72	100	IDBI, 26-NOV-15, P, 82.	5 1.600
NIFTY, 28-NOV-1	5,C.B100 8336	2.	UBL 26-NOV-15, C, 105	0 2.240	NIPTY, 26-NOV-15	LP,7900 47.	730 C	HINDPETRO,25-MOV-15,P,80	2.060
NIFTY, 26-NOV-1	1.C.8500 7499	11	LINPRA,25-NOV-15,C,48	0 1,960	NIFTY,26-NOV-1	5.P,7750 41.6	65	CANBK, 26-NOV-15, P, 24	2.240
Second Second	01 Geiners (Calls)		NOI Levers (C	ated.		I Games (Puts		NOI Loeirs (Putel
SOUTHBANK,	26-MOV-15,C,25	1,043	ISLIALEQS.26-WDV-15,C	.65	KOTAKBANK,26	MOV-15, P, 620	359	1NPY,26-NOV-15,P,114	0
TATAMOTORS,2	5-NOV-15, C, 460 3	23 HEROP	KOTOCO, 26-NOV-15, C, 28	60 44	CAMBR,25	MOV-15, P, 270	268	AUROPHARMA, 25-NOV-15, P, 84	. 15- 0
RELINFRA, 2	6-NOV-15,C,480 2	61	UBL 26-NOV-15, C, 10	-35	TATAMOTORS.20	HNOV-15, P, 400	233	TECHIN, 30-NOV-15, P, 56	-11
BANKONFTY, 31-1	DEC-15, C, 19000 2	10 10	DIAMARE.26-WOV-15,C3	40 34	CANBE,20	HOV-15, P.240	225	SKSHICR0.26-NOV-15.P.44	11 0
1U8LF00D,25	AKW-15,C,1980 2	SH ORE	INTERVIC26-NOV-15,C.1	-10	1066,26	WOV-15,P,82.5	208	TECHIM, 26-WOV-15, P, 52	IL- 0

Research

Derivatives Lesson: LONG BUTTERLFLY STRATEGY

- The butterfly spread is a neutral strategy that is a combination of a bull spread and a bear spread. It is a limited profit, limited risk options strategy. There are 3 striking prices involved in a butterfly spread and it can be constructed using calls or puts.
- Long butterfly spreads are entered when the investor thinks that the underlying stock will not rise or fall much by expiration. Using calls, the long butterfly can be constructed by buying one lower striking in-the-money call, writing two at-the-money calls and buying another higher striking out-of-the-money call. A resulting net debit is taken to enter the trade.
- Max Profit = Strike Price of Short Call Strike Price of Lower Strike Long Call Net Premium Paid Commissions Paid
- Max Loss = Net Premium Paid + Commissions Paid
- Upper Breakeven Point = Strike Price of Higher Strike Long Call Net Premium Paid

Lower Breakeven Point = Strike Price of Lower Strike Long Call + Net Premium 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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