



DERIVATIVES

Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	5,23,874	14,168.64
Vol Futures	0	0
Stock Futures	8,14,897	21,602.67
Index Options	45,14,432	1,02,659.89
Stock Options	3,96,355	10,395.87
F&O Total	62,49,558	1,48,827.07

FII Derivatives Statistics

	OI at end of the day				Inflow / Outflow
	Buy	Sell	Contract	Amount	
Index futures	1455.549	878.9083	998193	22377.92	576.6402
Index options	6400.051	6029.441	2140116	66684.82	370.6105
Stock futures	1844.529	2475.898	1783885	46458.65	-631.369
Stock options	1505.999	1568.812	105676	2869.922	-62.8127
	Net Inflow/Outflow (Cr)				253.06

Securities in Ban Period

NIL

Nifty Future/Option Trading Guide

NIFTY	Short term	Medium term
Support	8055	7850
Resistance	8250	8330-8350

Nifty View for the Day

Now, it has to hold above 8120 zones to start the next upswing towards 8250 and 8280 zones

Q2 FY'16 Result

INDUSINDBK

Activity Tracking

Stocks (Long Position)	Remarks
Justdial, OFSS, Ucobank	
Tatacomm, Auropharma, Cairn	Suggesting strength in these counter
Syndibank, IOB, Hcltech	
Stocks (Short Covering)	Remarks
Indiacem, Dreddy, L&TFH	
Jindalstel, PTC, Adaniports	Suggesting strength in these counter
Ultracemco, Hindalco, Pageind	
Stocks (Short Position)	Remarks
Mindtree, Cadilac, NMDC	
Infratel, Jswenergy, Tv18brdcst	Suggesting weakness in these counter
BEML, Ibulhsgfin, BPCL	
Stocks (Long Liquidation)	Remarks
IRB, KSCL, Hindzinc	
DHFL, Kotakbank, Relcapital	Suggesting weakness in these counter
SRF, MRF, HDIL	

Activity in F&O

Nifty October future closed positive at 8157.25 levels. Nifty Future OI increased by 0.28% with a fall in price by 0.46%. It closed at premium of 28 points as compared to the premium of 17 points of previous trading session. Market witnessed buying interest in Consumer Durable and Metal sector stock while selling pressure was seen in FMCG, Healthcare, Banking and Realty sector stocks. The market turnover decreased by 9.79% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it also decreased by 9.48%.

Indication & Outlook

Put Call Ratio based on Open Interest of Nifty fell down from 1.03 to 1.02 levels as compared to previous trading session. Historical Volatility of Nifty fell down from 24.10 to 23.46 levels but Implied Volatility moved up from 18.31 to 18.45 levels.

Conclusion

Nifty future opened on a flattish note and failed to cross its 8200 mark in the absence of buying activity. It negated the positive move of previous consecutive five trading sessions and ended the day with the loss of around 55 points. Now, it has to hold above 8120 zones to start the next upswing towards 8250 and 8280 zones else momentum may fizzle out and index may gain get stuck in a trading range or tumble down towards next support of 8080 and 8050 zones. On the Option front, maximum Put OI is at 8100 followed by 7900 strike whereas maximum Call OI is at 8300 followed by 8200 strike. Bank Nifty opened positive but failed to continue with the positive move and underperformed the broader market. It ended the session with the loss of around 150 points. Now it has immediate support near the 17400 followed by 17250 zones while next hurdle exists at around 18000 zones and above that a fresh leg of rally cannot be ruled out in the market.

Future STT Call



JSWENERGY : Rs. 89.60

Execution Price Range	Stop Loss	Target
Sell Between Rs. 92 to Rs. 93	95	86

JSWENERGY has failed to cross its strong hurdle of 95 levels in the last week and now turning to the lower levels. Although it is trading in a broader range from last six trading session with negative bias but added significant built up of short position and now holding below 89 may negate its immediate momentum and push the stock towards its next support of 84 and 82 levels. Thus recommending selling the stock with the stop loss of 95 for the downside immediate target of 86 levels.

Future STT Call



JUSTDIAL : Rs. 997

Execution Price Range	Stop Loss	Target
Buy Between Rs. 975 to Rs. 985	950	1040

JUSTDIAL is turning from the lower levels after forming an attractive price pattern. It has been holding the support base from last ten trading sessions and this support base is shifting to higher levels. According to its recent price behavior it is well placed to start next round of rally towards 1040 and much higher levels. Even after the consolidation it is now adding built up of long position which also supports our positive stance on the counter. One can buy the stock with the stop loss 950 for the upside immediate target of 1040 levels.

Graphic Snapshot

Futures				
%Price Gainers	%Price Losers	Active Futures	%Volume Gainers	% Rollovers
MCLEODRUSS 5.31	INFRATEL -4.66	NIFTY 385,653	MCLEODRUSS 288.47	S&P500 100
SYNDIBANK 2.21	DIVISLAB -3.90	BANKNIFTY 136,744	TATACHEM 263.10	DJIA 95.1
INDIACEM 2.20	CENTURYTEX -3.79	RELIANCE 36,861	MINDTREE 134.05	HINDUNILVR 12.35
UCOBANK 2.20	GLENMARK -3.76	TATAMOTORS 31,003	OFSS 109.83	JUSTDIAL 10.29
ULTRACEMCO 2.14	IBULHSGFIN -3.71	AXISBANK 27,888	SYNDIBANK 104.02	NMDC 8.76
%OI Gainers	%OI Losers	%Premiums	%Discounts	OI % of Mkt. Limit
CNXIT 22.99	DJIA -41.66	JPASSOCIAT 0.79	JUSTDIAL -2.90	CENTURYTEX 76.25
MINDTREE 17.58	INDIACEM -15.46	AMTEKAUTO 0.78	GODREJIND -2.19	JISLJALEQS 71.94
CADILAHC 17.18	IRB -7.44	TV18BRDCST 0.73	NMDC -2.04	JPASSOCIAT 70.52
NMDC 13.42	CIPLA -5.33	GMRINFRA 0.72	TVSMOTOR -1.27	WOCKPHARMA 69.05
INFRATEL 10.90	KSCL -5.15	BHARTIARTL 0.70	BEL -1.00	DISHTV 67.73
Options				
Most Active (Calls)	%Volume gainers (Calls)	Most Active (Puts)	%Volume gainers (Puts)	
NIFTY,29-OCT-15,C,8300 435830	INDUSINDBK,29-OCT-15,C,1040 5,550	NIFTY,29-OCT-15,P,8000 409,508	BANKNIFTY,29-OCT-15,P,15900 819	
NIFTY,29-OCT-15,C,8200 417168	MCLEODRUSS,29-OCT-15,C,180 2,511	NIFTY,29-OCT-15,P,8100 356,475	TATAPOWER,29-OCT-15,P,67.5 424	
NIFTY,29-OCT-15,C,8500 311961	STAR,29-OCT-15,C,1250 2,283	NIFTY,29-OCT-15,P,7900 264,175	BANKBARODA,29-OCT-15,P,190 400	
NIFTY,29-OCT-15,C,8400 308823	ASIANPAINT,29-OCT-15,C,940 1,975	NIFTY,29-OCT-15,P,7800 263,686	STAR,29-OCT-15,P,1200 392	
NIFTY,29-OCT-15,C,8100 170577	CENTURYTEX,29-OCT-15,C,520 1,943	NIFTY,29-OCT-15,P,8200 163,584	ARVIND,29-OCT-15,P,290 343	
%OI Gainers (Calls)	%OI Losers (Calls)	%OI Gainers (Puts)	%OI Losers (Puts)	
MCLEODRUSS,29-OCT-15,C,180 308	HINDALCO,29-OCT-15,C,82.5 -50	M&M,29-OCT-15,P,1280 273	AUROPHARMA,29-OCT-15,P,760 -48	
CIPLA,29-OCT-15,C,740 249	LUPIN,29-OCT-15,C,2300 -41	TATAPOWER,29-OCT-15,P,67.5 193	ITC,29-OCT-15,P,340 -46	
ORIENTBANK,29-OCT-15,C,155 178	HCLTECH,29-OCT-15,C,800 -39	CAIRN,29-OCT-15,P,165 113	KOTAKBANK,29-OCT-15,P,660 -38	
CAIRN,29-OCT-15,C,180 163	NIFTY,29-OCT-15,C,8450 -26	INDIACEM,29-OCT-15,P,75 106	AUROPHARMA,29-OCT-15,P,740 -32	
HINDALCO,29-OCT-15,C,87.5 152	SYNDIBANK,29-OCT-15,C,90 -25	TATASTEEL,29-OCT-15,P,240 87	LUPIN,29-OCT-15,P,2050 -27	

Derivatives Lesson: SHORT STRADDLE STRATEGY

- A short straddle is a strategy to be adopted when the investor feels the market will not show much movement. He sells a Call and a Put on the same stock / index for the same maturity and strike price. It creates a net income for the investor.
- If the stock / index do not move much in either direction, the investor retains the Premium as neither the Call nor the Put will be exercised. However, in case the stock / index moves in either direction, up or down significantly, the investor's losses can be significant. So this is a risky strategy and should be carefully adopted and only when the expected volatility in the market is limited.
- Max profit = Limited to the premium received.
- Max loss = Unlimited
- Upper Breakeven Point = Strike Price of Short Call + Net Premium Received
- Lower Breakeven Point = Strike Price of Short Put - Net Premium Received

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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