



DERIVATIVES

Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	9,58,859	23,110.25
Vol Futures	1	0.15
Stock Futures	9,16,330	22,886.21
Index Options	76,17,956	1,62,257.34
Stock Options	4,21,825	10,836.78
F&O Total	99,14,971	2,19,090.73

FII Derivatives Statistics

	OI at end of the day		Inflow /	
	Buy	Sell	Contract	Amount
Index futures	2109.51	1307.61	1053514	21923.40
Index options	16256.58	17850.82	3866652	89330.64
Stock futures	2273.49	2552.18	1851864	44930.76
Stock options	1997.44	2055.64	76618	1888.12
	Net Inflow/Outflow (Cr)			-1129.22

Securities in Ban Period

NIL

Nifty Future/Option Trading Guide

NIFTY	Short term	Medium term
Support	7650	7500
Resistance	7850	7940-8000

Nifty View for the Day

Holding above 7700 may take the index towards 7800 and 7850 levels.

Quote for the day

“WORK ISN'T TO MAKE MONEY; YOU WORK TO JUSTIFY LIFE.”

Activity Tracking

Stocks (Long Position)	Remarks
Jswenergy, DHFL, Wockpharma	
Mothersumi, Syndibank, Abirlanuvo	Suggesting strength in these counter
Ambujacem, Ibrealest, Dishv	
Stocks (Short Covering)	Remarks
Apollotyre, Mindtree, Engineersin	
NMDC, IOB, Hexaware	Suggesting strength in these counter
PNB, Yesbank, Biocon	
Stocks (Short Position)	Remarks
Sksmicro, Amrajabat, Eichermot	
Adaniports, Dabur, Hindunilvr	Suggesting weakness in these counter
Pageind, Rcom, KSCL	
Stocks (Long Liquidation)	Remarks
Amtekauto & Britannia	Suggesting weakness in these counter

Activity in F&O

Nifty September future closed positive at 7719.40 levels. Nifty Future OI increased by 1.47% with a rise in price by 1.91%. It closed at the premium of 31 points as compared to the premium of 16 points of previous session. Market witnessed buying interest across the board except in consumer durables sector stocks. The market turnover increased by 23.04% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it also increased by 25.30%.

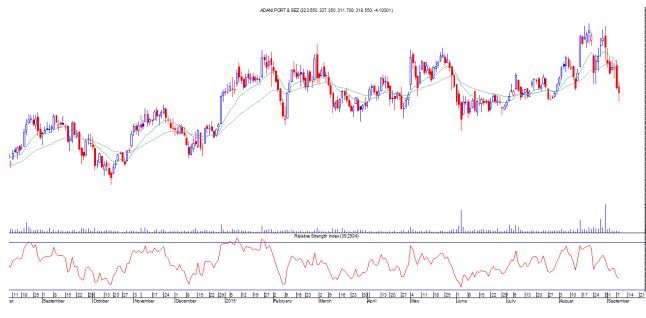
Indication & Outlook

Put Call Ratio based on Open Interest of Nifty remained unchanged at 0.95 levels as compared to previous trading session. Historical Volatility of Nifty moved up from 31.65 to 31.94 levels but Implied Volatility fell down sharply from 31.65 to 25.67 levels.

Conclusion

Nifty opened on a positive note and traded in an upbeat mood throughout the day. It finally saw a much required relief and earned 160 points at the close of the trading session. Now it sustains the bounce back move then bulls may take off the index towards 7800 and 7850 levels. Looking at the option data, maximum Put OI is at 7500 followed by 7200 strike while maximum Call OI is at 8200 followed by 8000 strike. Now it has to hold above 7700 zones to continue this up move towards 7800 and 7850 levels. On the downside immediate support exist at 7650 and below that profit booking may drag it towards 7580 and 7540 levels. Bank Nifty opened strong and rallied upside with the support base buying interest towards 16490 levels. It settled the day with the handsome gains of around 600 points. Now it has to hold above 16400 zones to witness up move towards 16800-17000 levels, while immediate support is seen at 16250 then 16000 levels.

Future STT Call



ADANI PORTS : Rs. 319

Execution Price Range	Stop Loss	Target
Sell Between Rs. 323 to Rs. 326	331	308

ADANI PORTS in the previous week failed to cross 374 levels and now it is forming lower top lower bottom formation from last seven trading sessions. It has formed a weak structure with built up of short position. It is under bears grip as it failed to recover with the broader market thus indicating further weakness in the counter. So, recommending selling the stock with the stop loss of 331 for the downside target of 308 levels.

Future STT Call



LICHSGFIN : Rs. 419

Execution Price Range	Stop Loss	Target
Buy Between Rs. 411 to Rs. 415	402	440

LICHSGFIN has given a breakout from the falling supply trend line and turning from the lower levels. It has taken multiple supports near to 400-402 zones with fresh built up of long position. It looks attractive in terms of risk reward ratio as moving after the recent correction from 512 to 400 levels. Thus recommending to go long in the counter with the stop loss of 402 for the upside target of 440 levels.

Graphic Snapshot

Futures				
%Price Gainers	%Price Losers	Active Futures	%Volume Gainers	% Rollovers
JSWENERGY 9.95	AMTEKAUTO -5.51	NIFTY 741,945	DJIA 375.00	S&P500 99.75
SAIL 8.85	RCOM -3.96	BANKNIFTY 215,575	SAIL 332.83	DJIA 99.53
DLF 7.13	KSCL -3.69	YESBANK 39,169	JPOWER 189.24	NMDC 1.57
YESBANK 7.10	PAGEIND -3.08	SBIN 35,501	DISHTV 179.50	IOB 1.27
CROMPGREAV 6.86	TITAN -3.03	AXISBANK 35,313	HINDUNILVR 154.11	BANKINDIA 0.12
%OI Gainers	%OI Losers	%Premiums	%Discounts	OI % of Mkt. Limit
IBULHSGFIN 29.01	DJIA -12.70	GMRINFRA 0.87	TVSMOTOR -3.81	CENTURYTEX 86.02
JSWENERGY 21.28	APOLLOTYRE -8.00	UNITECH 0.85	RELINFRA -3.16	AMTEKAUTO 76.86
SKSMICRO 21.21	BANKNIFTY -7.08	ADANIPOWER 0.69	PTC -3.14	JINDALSTEL 73.72
DHFL 15.09	MINDTREE -6.77	RPOWER 0.69	RELCAPITAL -2.27	WOCKPHARMA 69.29
AMARAJABAT 13.93	AMTEKAUTO -6.17	ANDHRABANK 0.65	GODREJIND -2.07	IBREALST 68.21
Options				
Most Active (Calls)	%Volume gainers (Calls)	Most Active (Puts)	%Volume gainers (Puts)	
NIFTY,24-SEP-15,C,7800 596867	HINDUNILVR,24-SEP-15,C,800 17,420	NIFTY,24-SEP-15,P,7500 558,240	HINDUNILVR,24-SEP-15,P,740 17,000	
NIFTY,24-SEP-15,C,8000 582654	RCOM,24-SEP-15,C,55 4,892	NIFTY,24-SEP-15,P,7400 451,207	SUNPHARMA,24-SEP-15,P,760 12,075	
NIFTY,24-SEP-15,C,7900 527439	UPL,24-SEP-15,C,520 3,320	NIFTY,24-SEP-15,P,7300 374,252	BHARATFORG,24-SEP-15,P,900 10,400	
NIFTY,24-SEP-15,C,7700 437495	NIFTY,31-DEC-15,C,8600 2,975	NIFTY,24-SEP-15,P,7600 340,713	YESBANK,24-SEP-15,P,700 5,280	
NIFTY,24-SEP-15,C,8100 319716	CEATLTD,24-SEP-15,C,1060 2,533	NIFTY,24-SEP-15,P,7200 337,956	BHEL,29-OCT-15,P,300 3,900	
%OI Gainers (Calls)	%OI Losers (Calls)	%OI Gainers (Puts)	%OI Losers (Puts)	
WOCKPHARMA,24-SEP-15,C,1150 3,000	IOC,24-SEP-15,C,410 -49	BHARATFORG,24-SEP-15,P,900 4,800	CIPLA,24-SEP-15,P,760 -61	
NIFTY,31-DEC-15,C,8700 1,200	ICICIBANK,24-SEP-15,C,250 -47	BHEL,29-OCT-15,P,300 3,450	HINDUNILVR,24-SEP-15,P,820 -55	
HINDUNILVR,24-SEP-15,C,800 836	IOC,24-SEP-15,C,390 -43	SUNPHARMA,24-SEP-15,P,760 1,775	BANKNIFTY,24-SEP-15,P,15100 -54	
ADANI PORTS,24-SEP-15,C,320 680	GAIL,24-SEP-15,C,310 -38	HINDUNILVR,24-SEP-15,P,740 1,400	BANKNIFTY,24-SEP-15,P,14900 -49	
SUNPHARMA,24-SEP-15,C,820 500	WOCKPHARMA,24-SEP-15,C,1350 -38	HINDUNILVR,24-SEP-15,P,760 392	HCLTECH,24-SEP-15,P,880 -42	

Derivatives Lesson: LONG BUTTERFLY 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.
- $\text{Max Profit} = \text{Strike Price of Short Call} - \text{Strike Price of Lower Strike Long Call} - \text{Net Premium Paid} - \text{Commissions Paid}$
- $\text{Max Loss} = \text{Net Premium Paid} + \text{Commissions Paid}$
- $\text{Upper Breakeven Point} = \text{Strike Price of Higher Strike Long Call} - \text{Net Premium Paid}$
- $\text{Lower Breakeven Point} = \text{Strike Price of Lower Strike Long Call} + \text{Net Premium Paid}$

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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