



daring derivatives

July 18, 2007

Derivatives Summary

- Nifty (Jul) future discount has decreased to 9.6 from 15.35 points and added around 4.89 lakh shares in open interest.
- Total open interest in the market is 85701 crore and added around 272 crore in open interest.
- Nifty call has added 7.8 lakh shares and has added around 1.9 lakh shares in open interest.
- Allahabad Bank (40%), Karnataka Bank (26%), CESC (18%), NTPC (13%) and Andhra Bank (12%) were the top interest gainers in the market.
- JP Hydro (-14%), Gujarat Ambuja (-12%), BOB (-12%), Nicholas Piramal (-12%) and SCI (-11%) were the top open interest losers in the market.
- Renuka (97%), GMR Infra (96%), IFCI (93%), Essar Oil (92%) and SRF (91%) are very close to their market wide position limits.

Market View

The market opened on a very strong note and made an intraday high of 4550 in the first hour of the trading session itself. But, it shed all its gain towards the end of the day trading and finally closed with a loss of 15 points. Severe profit booking was seen at higher levels especially in the banking sector. Volumes in Nifty futures have increased with an addition of around 5 lakh shares in open interest towards the long side. On the option front, implied volatility of options have decreased by about 1 % with a marginal increase in open interest indicating that the market may see some downside and can test important support levels. Market is likely to open on a flat to negative note and 4440 will act as crucial support zone for the Nifty futures. And if the support zone holds above 4440, we might see the current momentum continuing in the market. Key support levels for the Nifty are 4440. The resistance will be around 4510-4535.

NIFTY SNAPSHOT			
	Current	Previous	% Change
Nifty (July)	4485	4496.8	-0.26%
Nifty CoC	-8.66%	-12.42%	-30.24%
OI	40183000	39693450	1.23%
Vol	21149100	12754250	65.82%
PCR(OI)	1.64	1.61	1.86%
PCR (VOL)	2.12	1.64	29.27%

MOST ACTIVE INDEX CALL OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
4500 C	16.92%	17.55%	1429100	7.68%
4450 C	18.37%	18.70%	829500	-4.66%
4400 C	21.21%	21.23%	1652300	-1.92%
4550 C	15.20%	16.30%	272450	37.84%
4350 C	22.66%	22.37%	1701300	-6.17%

MOST ACTIVE INDEX PUT OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
4500 P	16.56%	18.29%	1727000	32.10%
4400 P	22.05%	22.31%	2858050	-2.42%
4450 P	18.82%	20.11%	809950	2.47%
4300 P	25.02%	26.41%	4306250	-1.69%
4350 P	23.69%	24.64%	2898150	-1.35%

MOST ACTIVE STOCK FUTURES				
Strike	Curr. CoC	Pre. CoC	Curr. OI	OI Chg%
RELIANCE	521.48%	511.48%	10167900	0.86%
DLF	16.46%	27.19%	13898000	1.52%
IDBI	13.57%	20.94%	51417600	2.81%
GMRINFRA	17.99%	31.47%	8643000	7.86%
RCOM	18.09%	4.45%	20545700	-2.46%

FII'S FUTURE & OPTIONS ACTIVITY (IN CRS) 16 JULY			
	Buy	Sell	Difference
INDEX FUTURES	883.44	806.31	77.13
INDEX OPTIONS	364.72	202.31	162.41
STOCK FUTURES	1129.49	1440.61	-311.12
STOCK OPTIONS	11.90	4.34	7.56
TOTAL	2389.55	2453.57	-64.03

MOST ACTIVE STOCK CALL OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELIANCE 1800 C	25.28%	28.72%	422100	-19.35%
IDBI 125 C	62.30%	55.25%	2764800	5.21%
IDEA 130 C	53.48%	52.20%	2578500	15.48%
SATYAM 500 C	50.58%	47.48%	698400	68.45%
RNRL 45 C	82.31%	82.89%	6742450	0.53%

MOST ACTIVE STOCK PUT OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELIANCE 1770 P	22.93%	26.37%	95100	-11.45%
IDBI 120 P	50.91%	47.66%	631200	0.38%
INFOSYS 1920 P	25.59%	26.28%	99600	-10.75%
SBI 1590 P	24.26%	32.43%	87750	5.41%
RNRL 40 P	72.61%	66.85%	1623050	18.23%

Recommendation Tracker

Date	Scripts	Buy/sell	Initiation Range	Stop loss	Target	Time frame	Remark
17-Jul-07	IDEA	Buy	126	124.5	130-133	2-3 Days	SL Triggered
13-Jul-07	NTPC	Buy	157.7	157 (Closing Basis)	167-170	1-2 Days	SL Triggered
10-Jul-07	PFC	Buy	161.5	153	172-175	1-2 Days	Profit Booked @ 167
3-Jul-07	Nifty	Sell	4337-4338	4350	4320-4300	1-2 Days	SL Triggered

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