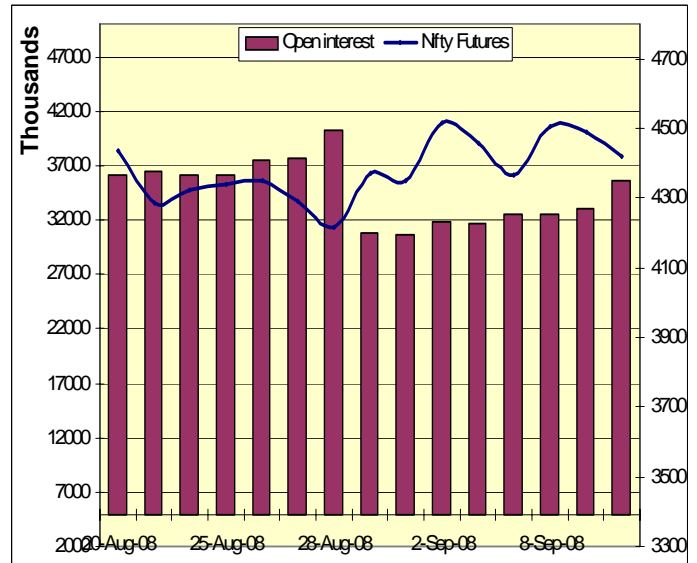


Sep 11, 2008

Comments

- Nifty futures and Minitfy futures added open interest by 7.76% and 48.31% respectively as market closed at 4400.25 levels.
- Nifty futures premium has decreased from 20.35 points to 17.00 points.
- PCR-OI has decreased from 1.27 levels to 1.15 levels. 4500 call option continued to add huge OI while there has been some unwinding in 4300, 4400 and 4500 puts.
- Implied volatility has increased from 32.00% to 33.58%. Call IV's are trading at 32.33% while put IV's are at 34.82%.
- Total open interest of market is at Rs. 83,608 crores and stock futures open interest is at Rs. 27,472 crores.
- Stocks trading at significant positive cost of carry are KTKBANK, MATRIXLABS, IVRPRIME, BIRLACORPN and SUNTV.

Nifty Vs OI



OI Gainers

| Scrip | OI | OI Change (%) | Price | Price Change (%) |
|------------|---------|---------------|---------|------------------|
| ASIANPAINT | 400 | 100.00 | 1204.85 | 0.77 |
| CANBK | 894400 | 45.19 | 219.75 | -1.70 |
| CORPBANK | 73200 | 43.53 | 280.05 | -1.06 |
| BIRLACORPN | 1319200 | 33.79 | 166.90 | 3.66 |
| ABGSHIP | 14300 | 30.00 | 356.10 | -4.08 |

View

- FII's have formed fresh short positions in index future, have shorted stock futures and are net sellers in cash market segment.
- Lehman Brothers, US 4th largest Investment Bank posted a loss of \$3.9bn in its 3rd quarter. This has led to further selling in emerging markets especially Asia. We might take cues from them and open down 60-70 odd points as suggested by SGX Nifty.
- Huge formation of short positions in Index and some shorts were visible in index heavy weights too. 4500 call saw humungous writing and is clearly emerged as resistance for the market. Today after gap down opening we may trade in a narrow range but the strategy adopted should be selling on rise.
- RELIANCE may breach its immediate support of 2050-2060 levels. We might see psychological support of 2000 getting tested today. Huge formation of short suggests that its matter of time that stock might trade below that level too. Hold short positions, cut long. Fresh short only on rise.

OI Losers

| Scrip | OI | OI Change (%) | Price | Price Change (%) |
|------------|--------|---------------|--------|------------------|
| J&KBANK | 1800 | -25.00 | 525.45 | 0.65 |
| MIC | 434000 | -20.51 | 138.60 | -0.14 |
| JINDALSAW | 347000 | -9.87 | 631.25 | 4.54 |
| WALCHANNAG | 353500 | -9.34 | 284.55 | -3.61 |
| PURVA | 396000 | -9.28 | 188.95 | -4.09 |

Put-Call Ratio

| Scrip | PCR-OI | PCR-VOL |
|-----------|--------|---------|
| NIFTY | 1.15 | 0.76 |
| RELIANCE | 0.27 | 0.29 |
| ICICIBANK | 0.23 | 0.33 |
| LT | 0.07 | 0.19 |
| RCOM | 0.12 | 0.07 |

Historical Volatility

| Scrip | HV |
|------------|-------|
| STER | 90.12 |
| JINDALSTEL | 69.05 |
| JSWSTEEL | 65.48 |
| SAIL | 65.22 |
| STRTECH | 60.12 |



FII Statistics for 10-Sep-2008

| Detail | Buy | Sell | Net | Open Interest | | |
|---------------|----------------|----------------|----------------|----------------|-----------------------|---------------|
| | | | | Contracts | Value (Rs. In Cr.) | Change (%) |
| Index Futures | 1875.55 | 1425.27 | 450.28 | 576287 | 12890.65 | -1.59 |
| Index Options | 304.19 | 260.20 | 43.99 | 1052747 | 23475.57 | 1.17 |
| Stock Futures | 424.30 | 1001.71 | (577.41) | 1149072 | 20735.63 | 4.23 |
| Stock Options | 61.74 | 11.99 | 49.75 | 60956 | 1194.48 | 7.71 |
| Total | 2665.77 | 2699.16 | (33.39) | 2839062 | 58296.33 | 1.93 |

Turnover on 10-Sep-2008

| Instrument | No. of Contracts | Turnover (Rs. In Cr.) | Change (%) |
|---------------|------------------|--------------------------|--------------|
| Index Futures | 809,259 | 16,806.28 | 20.91 |
| Stock Futures | 788,417 | 13,833.27 | 10.17 |
| Index Options | 928,773 | 21,048.03 | 28.07 |
| Stock Options | 58,839 | 1,030.21 | -3.49 |
| Total | 2,585,288 | 52,717.79 | 19.93 |

Nifty Spot = 4400.25

Lot Size = 50

Bull Call Spreads

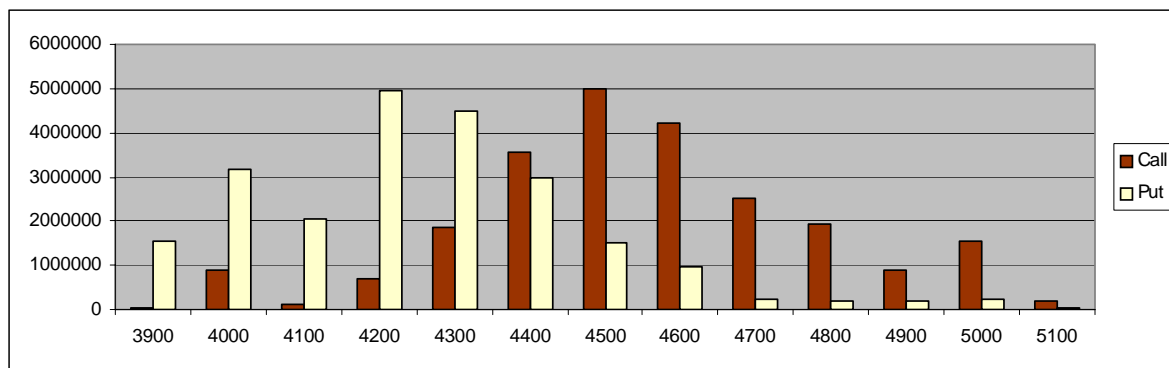
| Action | Strike | Price | Risk | Reward | BEP |
|--------|--------|--------|-------|--------|---------|
| Buy | 4400 | 126.80 | 46.70 | 53.30 | 4446.70 |
| Sell | 4500 | 80.10 | | | |
| Buy | 4400 | 126.80 | 79.55 | 120.45 | 4479.55 |
| Sell | 4600 | 47.25 | | | |
| Buy | 4500 | 80.10 | 32.85 | 67.15 | 4532.85 |
| Sell | 4600 | 47.25 | | | |

Bear Put Spreads

| Action | Strike | Price | Risk | Reward | BEP |
|--------|--------|--------|-------|--------|---------|
| Buy | 4400 | 111.20 | 37.90 | 62.10 | 4362.10 |
| Sell | 4300 | 73.30 | | | |
| Buy | 4400 | 111.20 | 63.45 | 136.55 | 4336.55 |
| Sell | 4200 | 47.75 | | | |
| Buy | 4300 | 73.30 | 25.55 | 74.45 | 4274.45 |
| Sell | 4200 | 47.75 | | | |

Note: Above mentioned Bullish or Bearish Spreads in Nifty (September Series) are given as an information and not as a recommendation.

NIFTY PUT-CALL ANALYSIS





Strategy Tracker

| Strategy Date | Scrip | Strategy | Status |
|---------------|-------|-----------------|----------|
| 01-Sep-08 | NIFTY | Long Put Ladder | Continue |

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