



daring derivatives



January 20, 2010

Derivatives Summary

- Nifty (January) future discount has increased from 3.70 points to 4.95 points and 4.00 lakh shares were added in open interest.
- Total open interest in the market was Rs116,918 crore and Rs1,063 crore were added in open interest.
- Nifty call option added 22.50 lakh shares in open interest, whereas put option added 4.10 lakh shares in open interest.
- Yes Bank (18%), Titan Industries (17%), GTL Infrastructure (17%), Patel Engineering (17%), and Tata Chemicals (15%) were the top open interest gainers in the market.
- Uco Bank (-17%), Great Eastern Shipping (-16%), Rolta India (-11%), and Nagarjuna Construction Company (-11%) were the top open interest losers in the market.

Market View

Flunking 5280

Lacklustre in the first half and almost free fall in the second half sum up trading in Nifty today. Taking cues from mixed bag of global markets, Nifty, started the day on a flat note and remained in a narrow range of 5250-5275 amid very high volatility. However, bulls failed to fortify the move above 5275, resulting in womb to tomb selling in all the counters and “free fall” and Nifty finally ended the session losing all its momentum and shine at 5226 with a loss of 49 points. Volumes in Nifty futures were significantly higher than the previous trading volumes. Around 4.00 lakh shares were added in open interest with decrease in the cost of carry, indicating creation of fresh short position at higher levels. On the option front, implied volatility has increased marginally, indicating that the market will continue to remain very volatile.

NIFTY SNAPSHOT			
	Current	Previous	% Change
Nifty (Curr. MTH)	5220.7	5271.15	-0.96%
Nifty CoC	-3.84%	-2.56%	-50.05%
OI	27137150	26738900	1.49%
Vol	19356450	17455950	10.89%
PCR(OI)	1.29	1.34	-3.73%
PCR (VOL)	1.04	1.15	-9.57%

MOST ACTIVE INDEX CALL OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
5300 C	18.36%	17.36%	6782100	14.29%
5200 C	18.92%	18.28%	3867000	28.28%
5400 C	18.02%	16.99%	4682550	-2.03%
5500 C	19.13%	17.19%	2680600	4.56%
5300 feb C	20.23%	19.80%	1013600	21.95%

MOST ACTIVE INDEX PUT OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
5200 P	19.49%	19.00%	5489000	-9.53%
5300 P	17.95%	17.24%	2565100	-14.52%
5100 P	21.23%	20.72%	4648800	0.10%
5000 P	23.48%	23.25%	4906800	-2.44%
4900 P	25.61%	25.96%	3081850	3.50%

MOST ACTIVE STOCK FUTURES				
Strike	Curr. CoC	Pre. CoC	Curr. OI	OI Chg%
SBIN	2.80%	14.47%	3942576	-6.75%
ICICIBANK	-8.90%	-6.55%	10469200	-6.35%
HDIL	11.02%	13.18%	10780272	-1.31%
RELCAPITAL	5.15%	12.38%	4638180	-2.33%
RELIANCE	-1.68%	-2.99%	11102100	1.56%

FII'S FUTURE & OPTIONS ACTIVITY (IN CRS) 18 JAN			
	Buy	Sell	Difference
INDEX FUTURES	1214.19	1466.21	-252.02
INDEX OPTIONS	1940.69	1562.01	378.68
STOCK FUTURES	2067.70	2167.86	-100.16
STOCK OPTIONS	21.56	35.24	-13.68
TOTAL	5244.14	5231.32	12.82

MOST ACTIVE STOCK CALL OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELIANCE 1110 C	33.50%	33.16%	1326600	11.53%
UNITECH 90 C	50.71%	45.65%	7947000	21.46%
TATASTEEL 640 C	35.89%	38.58%	899992	18.27%
CHAMBLFERT 70 C	51.73%	50.01%	1162650	-7.42%
ICICIBANK 880 C	37.90%	37.61%	376950	34.96%

MOST ACTIVE STOCK PUT OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELIANCE 1095 P	31.49%	31.85%	145800	-18.32%
UNITECH 85 P	45.59%	47.78%	1269000	-17.54%
ICICIBANK 860 P	35.93%	36.78%	225050	8.61%
INFOSYSTCH 2650 P	16.50%	21.04%	285800	-0.35%
TATASTEEL 640 P	35.77%	38.70%	294140	-0.52%

Derivative Calls

Date	Scripts	Buy/Sell	Initiation Range	Stoploss	Target	Time frame	Remark
13-01-10	ICICI Call 840	Buy	24.7	15	50	Expiry	Close @ 21.90
05-01-10	Unitech Call 85	Buy	5	3.5 (Closing Basis)	10	Expiry	Close @ 4.50

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