



daring derivatives



June 13, 2007

Derivatives Summary

- Nifty (June) futures' discount decreased to 8.65 from 19 and added around 7.86 lakh shares in open interest.
- The total open interest in the market was 63,564 crore and added around 925 crore in open interest.
- Nifty calls added 5.45 lakh shares and puts added around 8.3 lakh shares in open interest.
- Balrampur Chini (19%), Sterlite Optical (19%), Sterling Biotech (13%) and BEL (11%) were the top interest gainers in the market.
- Cummins (-12%) was the top open interest loser in the market.
- Parsvnath (97%), Nagarjuna Fertilizers (91%), BRFL (88%), IDBI (87%), JP Hydro (86%) and Jindal Stainless (86%) are very close to their market wide position limits.

Market View

The market opened on a slightly positive note and remained very volatile all through the session. We witnessed some sharp sell-off in the early half of the session and smart recovery towards the late trade. It finally closed almost at the day's top with a minimal gain of around nine points. Volumes in Nifty futures continued to remain very high and added around 6.3 lakh shares in open interest towards the long side. On the option front, implied volatility of options reduced marginally, indicating that the market is showing signs of strength at lower levels. We continue to witness good buying emerging around 4100 levels. The market is likely to open on a positive note and should cross or touch the crucial resistance level of 4200 in Nifty futures. Key support levels for the Nifty are 4140 and 4100 while resistance will be around 4200 and 4230.

NIFTY SNAPSHOT			
	Current	Previous	% Change
Nifty (Mar)	4153.2	4126.6	0.64%
Nifty CoC	-4.74%	-9.84%	-51.82%
OI	38013900	37227650	2.11%
Vol	33993250	24089200	41.11%
PCR(OI)	1.29	1.28	0.78%
PCR (VOL)	0.87	0.88	-1.14%

MOST ACTIVE INDEX CALL OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
4200 C	24.47%	25.05%	3177350	0.75%
4100 C	25.46%	25.89%	1546550	6.34%
4300 C	23.10%	23.61%	3581300	2.44%
4250 C	23.52%	24.40%	1073300	-3.69%
4150 C	24.63%	25.18%	553750	12.94%

MOST ACTIVE INDEX PUT OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
4100 P	25.40%	26.89%	3077100	-1.82%
4200 P	24.30%	25.18%	4882550	-0.11%
4000 P	27.10%	28.02%	2525050	5.21%
3900 P	29.51%	29.22%	1034400	2.04%
4150 P	25.84%	26.14%	630050	-6.82%

MOST ACTIVE STOCK FUTURES				
Strike	Curr. CoC	Pre. CoC	Curr. OI	OI Chg%
RELIANCE	11.35%	7.41%	7400400	6.48%
SBI	-3.42%	-9.62%	9283500	2.52%
TATASTEEL	3.00%	7.40%	9385875	-4.73%
RCOM	14.63%	5.10%	19673500	3.17%
RELCAP	4.44%	4.70%	5665550	-1.48%

FII'S FUTURE & OPTIONS ACTIVITY (IN CRS) 11 JUNE			
	Buy	Sell	Difference
INDEX FUTURES	1028.27	687.55	340.72
INDEX OPTIONS	129.15	163.41	-34.27
STOCK FUTURES	779.16	502.57	276.59
STOCK OPTIONS	0.14	1.51	-1.37
TOTAL	1936.72	1355.05	581.67

MOST ACTIVE STOCK CALL OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELIANCE 1710 C	32.31%	32.92%	255150	2.66%
SBI 1350 C	34.55%	37.77%	144500	8.85%
RPL 100 C	46.22%	52.44%	4448800	3.99%
TATASTEEL 600 C	36.25%	38.99%	386100	29.12%
IDBI 100 C	52.37%	47.04%	2532000	5.82%

MOST ACTIVE STOCK PUT OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELIANCE 1650 P	29.18%	29.48%	125700	33.65%
TATASTEEL 580 P	37.09%	36.22%	136350	78.76%
SBI 1350 P	35.14%	42.85%	84750	-19.67%
RPL 95 P	35.03%	43.69%	931300	27.52%
RCOM 500 P	37.28%	42.50%	127400	-0.55%

Strategy Tracker

Date	Scripts	Buy/Sell	Strike/Option	Initiation Range	Max Profit	Max. Loss	Time
11-Jun-07	Nifty	Buy	4200 C	71	0.00	0.00	Expiry
		Buy	4100 P	69			

Recommendation Tracker

Date	Scripts	Buy/sell	Initiation Range	Stop loss	Target	Time frame	Remark
12-Jun-07	Nifty	Buy	4122-4123	4099	4155-4170	2-3 Days	Stop loss triggered
07-Jun-07	Air Deccan	Buy	144-145	142	152-160	2-3 Days	Stop loss triggered
06-Jun-07	Nifty	Sell	4267-4270	4288	4230-4200	1-2 days	Target achieved

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