

## Smart Trades

SCRIP (NSECode)	BHARTIARTL	DABUR
BSE Code	532454	500096
Bloomberg Code	BHARTI	DABUR
Maturity	Nov Futures	Nov Futures
LTP	335.95	102.95
Action	BUY	BUY
Initiation zone	CMP-330	CMP-99.5
Target zone	345	110
Stop loss	327	98.5

## Derivatives

### Daily Comment

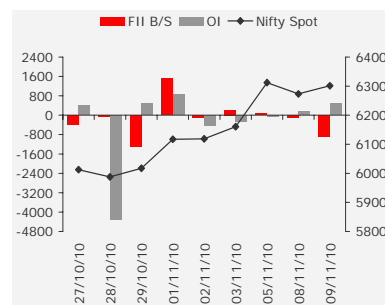
Nifty Nov futures were trading at a premium of 31-32 points to the spot Nifty. The Implied Volatility on Nifty Nov Options of ATM strike calls were at 12.55 and for puts were at 19.11. PCR for Nifty based on Open Interest was at 1.39 & PCR for the day based on volumes was 1.07 for the market. FII's were net sellers to the tune of Rs. 480.33 Crores on Tuesday. FII open interest in Index Futures has increased by Rs. 485.39 Crores.

### FII figures for 09/11/2010 (Rs. In Crs.)

Product	Buy	Sell	Net	OI
INDEX FUTURES	826.60	1712.17	-885.58	17147.20
INDEX OPTIONS	4721.91	4564.77	157.14	55951.87
STOCK FUTURES	1434.80	1174.47	260.34	43727.92
STOCK OPTIONS	645.27	657.50	-12.23	989.78
Total	7628.58	8108.91	-480.33	117816.78

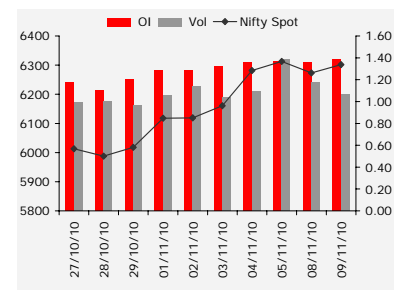
Source: nseindia.com

### FII Activity



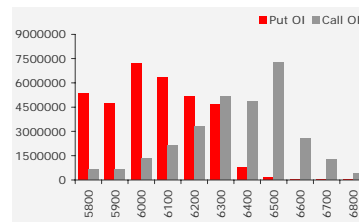
Source: nseindia.com

### Nifty PCR



Source: nseindia.com

### Nov Expiry



Source: nseindia.com

Top 5 stock Options				
Scrip	Strike	CA/PA	IV	Volume
TATAMOTORS	1300	CA	48.0	6271
SBIN	3500	CA	34.04	4965
SBIN	3400	CA	33.62	4108
IFCI	80	CA	45.59	3999
RELIANCE	1120	CA	30.58	3067

Source: Bloomberg

### OI Movement

Scrip	Price	Price change	OI change	% OI Change
TVSMOTOR	83.30	7.20	4124000	120.16
JETAIRWAYS	898.35	88.65	512500	89.99
SKUMARSYNF	87.40	6.55	1428000	49.24
GAIL	499.70	2.45	-95000	-3.47
HEXAWARE	92.65	-0.85	-76000	-3.56
KSOILS	61.95	0.50	-1292000	-3.79

Source: nseindia.com

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<b>Scrip Name</b>	<b>UCOBANK</b>
Contract Size	2000
BSE Code	532505
NSE Code	UCOBANK
Bloomberg code	UCO
Future Price	142.00
Expiry	25 NOV 2010

Option Trades	Action Buy/Sell	Option Type	Strike Price
Option Trade 1	B	C	150.00
Option Trade 2	S	P	130.00

Source: www.nseindia.com

<b>MAXIMUM PROFIT</b>	Unlimited	Above Rs.150.00
<b>MAXIMUM LOSS</b>	Rs.2300	B/w Rs.130.00- Rs.150.00
<b>Hedge</b>	Sell 1 lot of future	Below Rs.130.00

Source: www.nseindia.com

## UCO BANK Limited

### Outlook

UCO BANK Limited have seen rise in price with increase in Open Interest. Investor, who feels that stock can move above Rs.150.00 in month of NOV, may opt for the strategy.

### Strategy

The strategy consists of making Synthetic long future with 1 lot 150.00 CA and 1 lot of 130.00 PA. Buying one lot of 150.00 CA will cost Rs 2.90 and selling one lot of 130 PA will fetch Rs.1.75. Net premium outflow on the complete strategy is 1.15. The premium is LTP at NSE for the month of November.

### Leveraging cost

The SPAN Margin on the complete strategy would be approx Rs. 60,000. Initial outflow is estimated to be Rs.2300 for the strategy. The strategy would end up giving a decent returns in terms of the investment made.

### Conclusion

The profit on the above strategy would be unlimited above Rs.150.00. However one needs to hedge by selling one lot of future below Rs.130.00.

## Strategy Payoff



## Tina Khetan

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Option trades	Option trade1	Option trade2	Net Premium
Action: Buy/Sell	B	S	
Option Type	C	P	
Lot size	2,000	2,000	
Strikes/Price	150.00	130.00	
Option Premium	2.90	1.75	
Days to expiry	15	15	
Debit/Credit	(5,800.00)	3,500.00	(2,300.00)
Greeks	-	-	
Moneyness	At the Money	Out the Money	

## Advisory Group

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