



daring derivatives



June 26, 2007

Derivatives Summary

- Nifty (June) futures' discount increased to 15.85 from 11.3 and shed around 30 lakh shares in open interest while Nifty (July) futures' added 39.87 lakh shares in open interest.
- The total open interest in the market is 78,101 crore and added around 2,109 crore in open interest.
- Nifty calls added 6.73 lakh shares and puts added around 9.83 lakh shares in open interest.
- BILT (56%), Nicholas Piramal (24%), Praj Industries (16%), GMR Infra (15%) and Cipla (14%) were the top interest gainers in the market.
- LIC Housing (-12%) was the top open interest losers in the market.
- Parsvnath (92%), JP Hydro (91%), SRF (90%), IDBI (90%), Praj Industries (90%) and Essar Oil (89%) are very close to their market wide position limits.

Market View

The market opened on a negative gap of 11 points and traded in a narrow range of 25 points that is 4238-4263 through out the day. It closed positive with the gain of 7 points. Most of the heavyweights across the entire sector were also trading flat. Volumes in Nifty futures were above average and added 9.9 lakh shares in open interest towards the short side. On the option front, implied volatility of options increased indicating buying in options. The built up of huge open interest is sign of concern but from option's implied volatility it can be seen that there is a good support at 4200 level. The market is likely to open flat and will take further cues from global market. Key support level for the Nifty is 4200 while resistance will be around 4270-4300.

NIFTY SNAPSHOT			
	Current	Previous	% Change
Nifty (Jun)	4242.4	4240.75	0.04%
Nifty CoC	-45.29%	-16.17%	180.12%
OI	43405500	42410950	2.35%
Vol	23413100	21597750	8.41%
PCR(OI)	1.41	1.41	0.00%
PCR (VOL)	1.17	1.03	13.59%

MOST ACTIVE INDEX CALL OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
4200 C	23.43%	19.19%	2578100	2.08%
4250 C	22.57%	18.86%	1695550	5.94%
4300 C	21.00%	17.45%	3429000	3.52%
4350 Jul C	21.27%	20.97%	1175900	35.60%
4200 Jul C	23.20%	23.09%	966100	15.16%

MOST ACTIVE INDEX PUT OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
4200 P	21.51%	19.42%	3986900	2.27%
4200 Jul P	26.62%	25.32%	2522600	21.26%
4250 P	19.57%	18.17%	1371650	18.10%
4100 P	27.79%	21.01%	2806050	0.07%
4300 P	19.25%	16.44%	1295800	-0.45%

MOST ACTIVE STOCK FUTURES				
Strike	Curr. CoC	Pre. CoC	Curr. OI	OI Chg%
RELIANCE	32.76%	23.73%	7718400	-4.11%
SBI	24.38%	15.89%	8202500	-4.85%
RCOM	17.40%	20.74%	17244500	-5.19%
GMRINFRA	7.35%	6.41%	3140000	2.41%
RPL	30.15%	28.43%	41680700	-9.47%

FII'S FUTURE & OPTIONS ACTIVITY (IN CRS) 22 JUNE			
	Buy	Sell	Difference
INDEX FUTURES	1336.59	1549.01	-212.41
INDEX OPTIONS	569.95	347.54	222.42
STOCK FUTURES	1899.08	1831.26	67.81
STOCK OPTIONS	1.65	4.08	-2.43
TOTAL	3807.27	3731.89	75.39

MOST ACTIVE STOCK CALL OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELIANCE 1710 C	33.11%	27.24%	581850	20.84%
RPL 100 C	47.02%	36.61%	5299700	-6.11%
IDBI 110 C	64.10%	54.62%	3552000	10.04%
SBI 1440 C	40.52%	37.94%	202000	22.05%
ICICIBANK 960 C	77.89%	52.90%	308000	104.65%

MOST ACTIVE STOCK PUT OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
SBI 1440 P	32.25%	32.85%	100500	1.77%
RELIANCE 1710 P	23.19%	20.97%	168450	10.86%
RPL 95 P	50.61%	29.75%	1175850	19.80%
SATYAM 460 P	27.32%	21.14%	105600	0.00%
TATASTEEL 600 P	41.16%	29.03%	308475	-4.39%

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
19-Jun-07	Sterlite Industries	Buy	556-557	550 (Closing)	575-585	2-3 Days	Target achieved
19-Jun-07	Adlabs	Buy	541.5	536.5	555-560	1-2 Days	Target achieved
13-Jun-07	Satyam	Buy	482-483	475	496-503	1-2 days	Exit @ 488.3
12-Jun-07	Nifty	Buy	4122-4123	4099	4155-4170	2-3 Days	Stop loss triggered

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