



daring derivatives



March 09, 2007

Derivatives Summary

- The discount in the Nifty (March) futures decreased to -8.65 points from -27.4 points and the futures shed around 19.61 lakh shares in the open interest.
- The total open interest in the market is Rs52,336 crore and there was an addition of Rs1,700 crore in the open interest during the day.
- The Nifty 50 stocks added 31,229 shares in the open interest.
- UTI Bank (23%), Patni (22%), IPCL (19%), BPCL (17%), Maruti (17%) & ITC (11%) were the top open interest gainers in the market.
- BHEL (-11%) was the top open interest loser in the market.
- SRF (99%), IFCI (90%) & Essar Oil (86%) are close to their market wide position limits.

Market View

The market opened on a positive note and remained flat for the first hour of the trading session. It witnessed strong momentum and rallied thereafter and closed the day with handsome gains of 3.72%. We witnessed significant amount of short covering as well as addition of fresh long positions towards the end of the day. The volumes in the Nifty futures were relatively lower than the volumes on the previous trading day and the futures shed around 19.61 lakh shares in the open interest on the long side. On the options front the implied volatility of both the calls and puts declined, indicating that the market may stabilise at these levels. The market is likely to open on a positive note and should face stiff selling pressure around 3800 where a significant amount of open interest is open. The key support levels for the Nifty are 3730 and 3690 and there will be a resistance around 3800.

NIFTY SNAPSHOT			
	Current	Previous	% Change
Nifty (Mar)	3768.80	3599.45	4.70%
Nifty CoC	-3.98%	-12.53%	-68.25%
OI	35869350	37830700	-5.18%
Vol	71955900	93870300	-23.35%
PCR(OI)	0.98	0.95	3.16%
PCR (VOL)	1.00	0.91	9.89%

MOST ACTIVE INDEX CALL OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
3700 C	27.99%	30.78%	2103550	4.93%
3800 C	27.01%	28.33%	2596800	12.61%
3600 C	33.11%	33.14%	758650	-4.06%
3900 C	26.70%	29.55%	1849700	2.74%
4000 C	27.26%	30.02%	2632700	4.50%

MOST ACTIVE INDEX PUT OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
3600 P	32.37%	30.75%	1962250	22.51%
3700 P	29.63%	28.81%	2622950	9.76%
3500 P	34.37%	33.21%	1876300	18.15%
3800 P	28.07%	30.50%	2936750	-2.73%
4000 P	29.16%	21.29%	2298100	0.00%

MOST ACTIVE STOCK FUTURES				
Strike	Curr. CoC	Pre. CoC	Curr. OI	OI Chg%
RELIANCE	2.60%	2.45%	12029250	-0.42%
SBIN	9.55%	-6.28%	5645000	4.20%
TATASTEEL	0.41%	2.21%	22616550	0.37%
CENTURY TEX	-3.77%	-1.30%	7397125	3.61%
RCOM	1.20%	2.22%	13341300	-1.74%

FII'S FUTURE & OPTIONS ACTIVITY (IN CRS) 06 MARCH			
	Buy	Sell	Difference
INDEX FUTURES	2367.78	1619.85	747.93
INDEX OPTIONS	401.77	443.16	-41.39
STOCK FUTURES	653.27	317.83	335.44
STOCK OPTIONS	0	0	0.00
TOTAL	3422.82	2380.84	1041.98

MOST ACTIVE STOCK CALL OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELIANCE 1320 C	27.32%	28.67%	221100	-3.91%
SAIL 100 C	72.66%	57.05%	1069200	-5.71%
RPL 70 C	29.20%	32.18%	3065250	-2.97%
TATASTEEL 420 C	38.83%	39.66%	219375	6.21%
IPCL 280 C	61.86%	42.78%	228800	210.45%

MOST ACTIVE STOCK PUT OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELIANCE 1290 P	28.41%	26.59%	162300	58.42%
BATAINDIA 120 P	105.39%	92.00%	138600	428.00%
SATYAM 430 P	40.73%	39.01%	72600	132.69%
TATASTEEL 400 P	41.36%	41.85%	68175	65.57%
SAIL 100 P	31.82%	59.36%	275400	61.90%

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