



daring derivatives



April 16, 2007

Derivatives Summary

- The discount in the Nifty (April) futures decreased to 20.45 points from 32.35 points and the futures added around 5 lakh shares in the open interest.
- The Nifty 50 stocks added 66.52 lakh shares in the open interest.
- The total open interest in the market is Rs51,986 crore and there was an addition of around Rs2,358 crore in the open interest during the day.
- Ranbaxy (28%), Bank of India (24%), UTI Bank (21%), BEML (17%) and Crompton Greaves (16%) were the top open interest gainers in the market.
- M&M (-17%), Wockhardt Pharma (-14%) and L&T (-10%) were the top open interest losers in the market.
- IFCI (98%) is close to its market wide position limit.

Market View

The market began the trading session with a positive gap of around 25 points and moved up strongly to 3913 in the first half of the day. In the second half of the session the market came down marginally to 3890 but closed with healthy gains of 88 points at 3917. The volumes in the Nifty futures were good as compared to the average volumes witnessed in the last few trading sessions indicating good participation in the market. The futures added around 8.7 lakh shares in the open interest indicating long accumulation. On the options front, the implied volatility of the call options decreased while the implied volatility of the put options almost remained constant indicating long accumulation in both the calls and puts. The market has responded well to the results of Infosys. The 3920 and 3960 levels will offer some resistance. Global cues will also play a major role but we might see some upward movement in the coming days. The key support levels for the Nifty are 3820 and 3800 and there will be resistance around 3960.

NIFTY SNAPSHOT			
	Current	Previous	% Change
Nifty (Mar)	3896.9	3797.5	2.62%
Nifty CoC	-13.61%	-20.55%	-33.78%
OI	36386200	35512200	2.46%
Vol	60365000	32014000	88.56%
PCR(OI)	1.06	1.02	3.92%
PCR (VOL)	1.25	1.09	14.68%

MOST ACTIVE INDEX CALL OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
3900 C	23.16%	25.22%	2068850	11.26%
3800 C	25.63%	26.27%	2755450	-0.93%
4000 C	22.71%	24.79%	2617200	7.56%
3850 C	23.84%	25.86%	331450	-8.92%
3700 C	27.94%	27.66%	1318150	-10.56%

MOST ACTIVE INDEX PUT OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
3800 P	25.57%	26.33%	3749100	9.40%
3700 P	27.43%	27.53%	2925100	6.01%
3900 P	12.01%	13.67%	1684350	48.79%
3600 P	31.60%	29.56%	2544100	13.50%
3850 P	23.82%	25.83%	389900	244.59%

MOST ACTIVE STOCK FUTURES				
Strike	Curr. CoC	Pre. CoC	Curr. OI	OI Chg%
INFOSYS	-3.12%	-8.68%	3870700	5.70%
RELIANCE	0.46%	-4.38%	8501100	2.63%
SATYAM	-8.39%	1.09%	12117000	8.77%
SBIN	8.75%	6.03%	7664750	4.32%
TATASTEEL	0.26%	6.62%	12041325	2.32%

FII'S FUTURE & OPTIONS ACTIVITY (IN CRS) 12 APRIL			
	Buy	Sell	Difference
INDEX FUTURES	466.82	1259.58	-792.76
INDEX OPTIONS	241.78	53.73	188.05
STOCK FUTURES	393.97	506.03	-112.06
STOCK OPTIONS	1.27	34.44	-33.17
TOTAL	1103.84	1853.78	-749.94

MOST ACTIVE STOCK CALL OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
INFOSYS 2100 C	25.70%	42.06%	364500	16.27%
RELIANCE 1410 C	20.21%	23.01%	415650	54.37%
SAIL125 C	36.92%	46.18%	1252800	6.18%
IDEA100 C	35.63%	138.52%	1080000	-9.30%
SATYAM470 C	45.07%	54.94%	131400	23.03%

MOST ACTIVE STOCK PUT OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
INFOSYS 2010 P	32.31%	50.16%	231200	20.42%
RELIANCE 1350 P	24.10%	26.61%	126750	0.00%
SATYAM 460 P	47.06%	55.63%	109800	161.43%
TATASTEEL500 P	32.84%	31.70%	287550	51.60%
SAIL120 P	42.14%	43.27%	834300	83.93%

Recommendation Tracker

Date	Scripts	Initiation Range	Stoploss	Target	Timeframe	Remark
10-Apr-07	Nifty Buy	3815	3804	3840-3860	1-2 Days	SI Triggered
10-Apr-07	GDL Buy	174	171.5	180-185	1-2 Days	SI Triggered
9-Apr-07	CESC Buy	398	389.8	410-425	2-3 days	SI Triggered
9-Apr-07	IDEA Buy	95-96	93.8	100-102	2-3 days	Closed @ 97.55
5-Apr-07	Century Textile Buy	561-517	508.5	530-545	1-2 Days	Target Achieved

Strategy Tracker

Date	Scripts	Buy/Sell	Strike/Option	Initiation Range	Max Profit	Max. Loss	Time
9-Apr-07	Gujarat Ambuja	Buy	110 Call	3	3.5	1.5	Expiry
		Sell	115 Call	1.5			

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