



daring derivatives



March 08, 2007

Derivatives Summary

- The discount in the Nifty (March) futures increased to -28.45 points from -17.55 points and the futures added around 7.43 lakh shares in the open interest.
- The total open interest in the market is Rs50,636 crore and there was an addition of Rs421 crore in the open interest during the day.
- The Nifty 50 stocks added 18.75 lakh shares in the open interest.
- Zee (12%), HDFC (8%), Titan (6%), SAIL (6%), NDTV (6%) & HCL Tech (6%) were the top open interest gainers in the market.
- HCC (-16%), Sobha (-13%), Dr Reddy's (-10%), GMR Infra (-9%) & Nagarjuna (-9%) were the top open interest losers in the market.

Market View

The market opened on a strong note with an opening gap of around 50 points but witnessed some aggressive selling pressure and plunged into negative territory. It remained in the negative zone for almost the entire second half of the trading session. For the entire trading session the Nifty witnessed huge volatility and finally closed with losses of 0.80%. The volumes in the Nifty continued to be on the higher side and there was an addition of around 7.5 lakh shares on the short side. On the options front the implied volatility of both the calls and puts continued to be much above the average level of 25-26% indicating that the market is likely to remain highly volatile and is likely to show movements in both the directions. This would make it difficult to trade. The market is likely to open on a flat to negative note and will take a cue from the global markets. The key support levels for the Nifty are 3620 and 3575 and there will be resistances around 3720 and 3750.

NIFTY SNAPSHOT			
	Current	Previous	% Change
Nifty (Mar)	3610	3638.1	-0.77%
Nifty CoC	-12.97%	-7.62%	70.28%
OI	37830700	37087300	2.00%
Vol	93870300	86182900	8.92%
PCR(OI)	0.95	0.97	-2.06%
PCR (VOL)	0.91	1.17	-22.22%

MOST ACTIVE INDEX CALL OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
3700 C	30.48%	30.14%	2235400	22.49%
3600 C	31.14%	32.43%	771350	58.83%
3800 C	28.29%	29.31%	2301000	3.30%
3650 C	31.33%	31.81%	581000	23.99%
3900 C	28.09%	28.66%	1803800	13.89%

MOST ACTIVE INDEX PUT OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
3500 P	32.65%	32.44%	1550300	59.32%
3600 P	31.42%	31.84%	1571000	13.73%
3700 P	29.91%	31.06%	2407350	11.52%
3800 P	28.14%	28.97%	3057700	1.07%
3900 P	27.02%	25.99%	1920850	-6.26%

MOST ACTIVE STOCK FUTURES				
Strike	Curr. CoC	Pre. CoC	Curr. OI	OI Chg%
RELIANCE	-3.58%	2.87%	12287250	4.64%
RCOM	2.61%	7.53%	13984600	4.98%
CENTURY TEXT.	0.94%	1.65%	7147650	-0.20%
BHARTIARTL	-14.85%	-24.24%	10502500	6.62%
PRAJIND	0.74%	2.99%	5025900	2.67%

FII'S FUTURE & OPTIONS ACTIVITY (IN CRS) 06 MARCH			
	Buy	Sell	Difference
INDEX FUTURES	2223.35	885.42	1337.93
INDEX OPTIONS	609.31	143.33	465.98
STOCK FUTURES	642.01	396.72	245.29
STOCK OPTIONS	0	4.25	-4.25
TOTAL	3474.67	1429.72	2044.95

MOST ACTIVE STOCK CALL OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELIANCE 1320 C	27.67%	28.28%	228600	17.87%
IFCI 25 C	102.62%	98.57%	2323125	39.15%
TATASTEEL 420 C	39.64%	38.36%	205200	33.33%
MTNL140 C	33.14%	41.29%	409600	-8.90%
RPL 70 C	31.70%	30.88%	3132250	5.53%

MOST ACTIVE STOCK PUT OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELIANCE 1260 P	31.64%	29.01%	191850	15.23%
MTNL 140 P	40.68%	35.93%	228800	12.60%
TATASTEEL 420 P	32.12%	38.36%	75600	15.46%
IFCI 25 P	100.50%	100.60%	1323000	5.66%
RCOM 400 P	47.09%	52.57%	92400	18.92%

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