



daring derivatives



April 10, 2007

Derivatives Summary

- The discount in the Nifty (April) futures decreased to 20.3 points from 29.45 points and the futures shed around 3.65 lakh shares in the open interest.
- The Nifty 50 stocks added 8.63 lakh shares in the open interest.
- The total open interest in the market is Rs46,508 crore & there was an addition of around Rs2,225 crore in the open interest during the day.
- Karnataka Bank (41%), Crompton Greaves (40%), BEML (33%), Stride Arcolab (28%), Gujarat Alkali (26%) & Sobha (20%) were the top open interest gainers in the market.
- Wockhardt Pharma (-13%) & Bajaj Hindustan (-11%) were the top open interest losers in the market.
- IFCI (90%) & SRF (85%) are close to their market wide position limits.

Market View

The market opened on a strong note and continued its upward rally. The Nifty ended the trading session with handsome gains of around 90 points. A good amount of short covering along with some fresh buying helped the Nifty to hold on to its gains. The volumes in the Nifty futures as well as the market were pretty low indicating lack of confidence and trading interest in the market. There was an addition of around 1.7 lakh shares in the open interest indicating long accumulation. On the options front, the implied volatility of both the call and put options continued to reduce gradually indicating the healthy nature of the market and also indicating that one should buy on dips. The market is likely to open on a positive note and profit booking at higher levels cannot be ruled out as the Nifty has witnessed good movement in the last couple of days. The key support levels for the Nifty are 3800 and 3750 and there will be resistances around and 3850 and 3890.

NIFTY SNAPSHOT			
	Current	Previous	% Change
Nifty (Mar)	3830	3722.55	2.89%
Nifty CoC	-11.32%	-13.64%	-17.02%
OI	34882850	34705700	0.51%
Vol	39500200	48988600	-19.37%
PCR(OI)	0.96	0.87	10.34%
PCR (VOL)	1.19	0.96	23.96%

MOST ACTIVE INDEX CALL OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
3800 C	27.01%	25.27%	2767300	-3.23%
3700 C	27.57%	25.51%	1692050	-21.93%
3900 C	25.12%	24.06%	1663550	6.84%
4000 C	24.31%	25.32%	2343750	6.80%
4100 May C	23.58%	25.19%	357600	247.35%

MOST ACTIVE INDEX PUT OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
3800 P	26.33%	26.46%	2991150	25.48%
3700 P	27.94%	27.12%	2518550	2.18%
3600 P	30.13%	28.67%	2265700	-5.70%
3900 P	24.12%	26.24%	942300	44.39%
3500 P	33.16%	29.97%	1630600	3.22%

MOST ACTIVE STOCK FUTURES				
Strike	Curr. CoC	Pre. CoC	Curr. OI	OI Chg%
TATASTEEL	-4.34%	-2.99%	13144275	6.61%
RELIANCE	7.82%	2.94%	8472900	0.47%
RCOM	2.06%	8.32%	14991200	-5.39%
PRAJIND	11.86%	-58.71%	5555000	4.49%
IFCI	8.85%	12.38%	88459875	-2.24%

FI'S FUTURE & OPTIONS ACTIVITY (IN CRS) 05 APRIL			
	Buy	Sell	Difference
INDEX FUTURES	568.75	1065.98	-497.23
INDEX OPTIONS	184.85	350.53	-165.68
STOCK FUTURES	488.94	336.72	152.22
STOCK OPTIONS	0	1.86	-1.86
TOTAL	1242.54	1755.09	-512.55

MOST ACTIVE STOCK CALL OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELIANCE 1380 C	26.05%	25.46%	208200	7.10%
TATASTEEL 500 C	35.72%	31.22%	386100	6.82%
IFCI 37.5 C	78.71%	80.28%	3157875	0.00%
SAIL 120 C	40.00%	38.90%	1382400	26.42%
RCOM 420 C	42.26%	45.89%	262500	13.29%

MOST ACTIVE STOCK PUT OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELIANCE 1380 P	20.86%	23.96%	49050	120.95%
TATASTEEL 480 P	41.36%	29.78%	112725	4075.00%
IFCI 35 P	79.28%	76.35%	992250	50.00%
INFOSYS 2010 P	46.81%	46.13%	37400	37.50%
SAIL 115 P	43.65%	42.45%	302400	83.61%

Recommendation Tracker

Date	Scripts	Initiation Range	Stoploss	Target	Timeframe	Remark
9-Apr-07	CESC Buy	398	389.8	410-425	2-3 days	Open
9-Apr-07	IDEA Buy	95-96	93.8	100-102	2-3 days	Open
5-Apr-07	Century Textile Buy	561-517	508.5	530-545	1-2 Days	Target Achieved
3-Apr-07	Tata Motors Buy	680-681	672	695-710	2-3 Days	Exit @ 676
3-Apr-07	Maruti Buy	751-752	745	765-770	1-2 Days	First Target

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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