

Market Statistic:

TRADE STATISTICS FOR 28-December-2006

Product	No. of Contracts	Turnover (Rs. cr.)*
Index Futures	282,676	11,284.47
Stock Futures	706,389	26,136.79
Index Options	102,643	4,091.16
Stock Options	28,609	1,106.80
Total	1,120,317	42,619.22

OPEN INTEREST – Gainers.

Scrip ID	OI Futures	% Chg	Price	% Chg
UTIBANK	965700	53.95	456.4	-2.21
BILT	4968500	32.00	107.4	-2.50
TATAMOTOR	4863660	21.86	903.05	-0.41
ZEETELE	2563400	20.98	292.6	3.19
ALBK	4081700	18.83	89.1	-2.09

OPEN INTEREST - Losers.

Scrip ID	OI Futures	% Chg	Price	% Chg
IOB	1480900	-10.36	112.2	-0.05
HDFCBANK	1150000	-8.99	1080.05	1.92
FEDERALBN	802100	-8.05	221.65	1.37
UNIONBANK	5040000	-7.76	123.15	-0.25
POLARIS	8629600	-6.04	164.45	-0.52

FII Derivatives Statistic For the date :281206

	Buy	Sell	OI at end of the Day		Inflow / Outflow
			Contract	Amount	
INDEX FUTURES	1951.27	2182.64	263815	10514.77	-231.37
INDEX OPTIONS	353.01	194.97	69665	2766.08	158.04
STOCK FUTURES	3953.13	3632.02	349030	12593.01	321.11
STOCK OPTIONS	0.00	0.66	83	3.17	-0.66
					247.12

FII Derivatives Statistic For the date : 271206

INDEX FUTURES	3131.27	3098.94	335028	13350.24	32.32
INDEX OPTIONS	493.82	212.46	202771	8058.63	281.36
STOCK FUTURES	3225.48	2813.04	437935	15807.75	412.44
STOCK OPTIONS	5.14	0.00	4172	152.87	5.14
					731.25

FII Derivatives Statistic For the date : 2612006

INDEX FUTURES	3481.47	2884.21	331872	13076.97	597.26
INDEX OPTIONS	233.30	197.71	186554	7351.16	35.60
STOCK FUTURES	2384.94	2285.30	445363	15891.81	99.64
STOCK OPTIONS	0.00	0.46	4118	148.72	-0.46
					732.03

Reckoning Put/Call Ratio

Scrip ID	PCR OI	PCR Vol.
NIFTY	1.3	0.84
RELIANCE	0.22	0.18
TATASTEEL	0.28	0.36
RCOM	0.29	0.22
SBIN	0.43	0.25

Market Wrap-up:

Nifty lost marginal ground on Thursday to close at 3970.55 down 0.09%. The F&O segment of the market saw increase in turnover as compared to previous trading session.

The market turnover increased by 5.71 percent in terms of number of contracts traded vis-à-vis previous trading day and increased 5.07 percent in terms of rupees.

The PCR OI of market was at 0.17 and in NIFTY; has changed from 1.36 to 1.30. At the same time, PCR VOL in NIFTY has changed to 0.84.

On a scrip specific note scrips like UTIBANK, BILT, TATAMOTORS, ZEETELE & ALBK were the major gainers in futures open interest, while IOB, HDFBANK, FEDERALBANK, UNIONBANK & POLARIS were the amongst some to shed the Futures Open Interest.

On the option open interest front, NIFTY led the pack 181674 contracts of position open in CALL and 237812 contracts in the PUT side. On the scrip side, RELIANCE led the pack with 11375 contracts in CALL and 2575 Contracts in PUT as open interest followed by TATASTEEL with 7938 contracts of open position in CALL and 2295 contracts of open position in PUT.

In terms of Volumes 1120317 contracts were traded on NSE. Nifty accounted for 34.23 percent of the total traded contracts RELIANCE 5.57 percent while TATASTEEL contributed 3.51 percent to the total turnover.

A look at the volatility indicates there is a considerable amount of increase in volatility of stocks such as DIVISLAB, REL, ABB, ALBK & BHARTIARTL. Implied volatility in Nifty is at 24.26 and Historical volatility is at 27.03.

eXpectations:

On the last day of the December contract, Nifty futures gained OI to the tune of 4.22% with prices falling by 0.09%. Further Nifty saw average rollover of 76%. On the fourth consecutive day, FIIs were net buyers with a positive inflow of Rs. 247.12 crs (Rs. 731.25 crs). The PCR-OI witnessed a 6 points drop from 1.36 to 1.30 and the PCR Volatility at 0.84, experienced a small increase of 0.03 pts.

Among the Big guns, ONGC saw a 3.46% gain in OI with prices rising by 0.25% and a very healthy rollover at 77%, indicating bullishness in the stock. On the other hand, RELIANCE experienced a built-up in short positions with OI rising by 13.12% and prices falling by 1.45%. The rollover position for RELIANCE was at 76%.

The TECH sector saw a comfortable rollover position with the sector recording an average rollover of around 82% to the NEXT and FAR month contracts. Amongst the TECH majors, INFOSYS saw some built-up of short positions with OI rising by 8.60% with a marginal fall in price of 0.20% and the rollover position, at a comfortable 79%. HCLTECH, TCS and WIPRO closed on a positive note with rise in prices along with healthy rollover rates.

The METAL front experience major rollovers with the average rollover rates standing at 85%. There was bullishness in JINDALSTEEL, BHARATFORGE, JSTAINLESS & SAIL, all recording very healthy rollover rates with rising prices.

On the BANKING front, the BANKNIFTY saw a high 17.34% built-up in OI with a marginal rise in price. Banking major SBI saw a 6.73% rise in OI with prices falling by 1.24% indicating built-up of short positions in the counter. Similarly IDBI, PNB, UTIBANK, IOB & UNIONBANK experienced significant increase in OI with fall in prices.

The AUTO sector performed very well with many counters closing in blue. ESCORTS, HEROHONDA, ASHOKLEYLAND, TVSMOTORS all experienced increase in OI with significant rise in prices and healthy rollover rates above 80%. We continue to remain bullish on the AUTO sector.

Even though the PCR-OI has fallen marginally and PCR-VOL showing some rise, we feel the markets will be steady.

Please Note that Each Strategy Given below suits to different risk profile; please choose suitable one for you on the basis of your risk profile & trading Appetite. Please read the comments mentioned below each strategy before using the strategy.

LOW RISK STRATEGY

POSITIONAL STRATEGY

Strategy – BULL CALL SPREAD

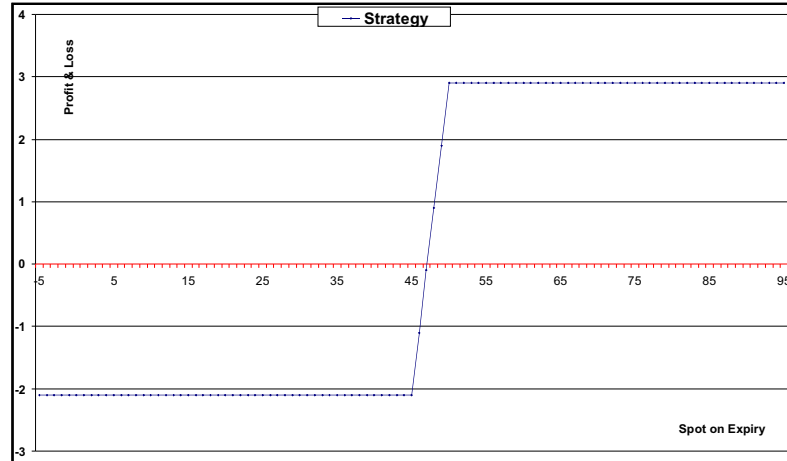
STRATEGY NAME	BULL CALL SPREAD
	BUY 45 CA @ 3.10
	SELL 50 CA @ 1.00
OI (In contracts)	
ASHOKLEY 45 CA	95
ASHOKLEY 50 CA	82
VOL (In contracts)	
ASHOKLEY 45 CA	73
ASHOKLEY 50 CA	71
	0

ASHOKLEY: BULL CALL SPREAD

BUY 45 CA @ 3.10
SELL 50 CA @ 1.00
Risk: 20055

Profit Potential: 27695

(For strategy details refer adjacent table).



In the above strategy as action suggest you have buy at the money or in the money option and sell out of money option it is very safe as Risk and Profit is Pre Defined. Also, please note in forming this strategy rate given is not important but Co-relation in difference in strike price and rates is important.

HIGH RISK STRATEGY

POSITIONAL STRATEGY

Strategy – BUY FUTURE

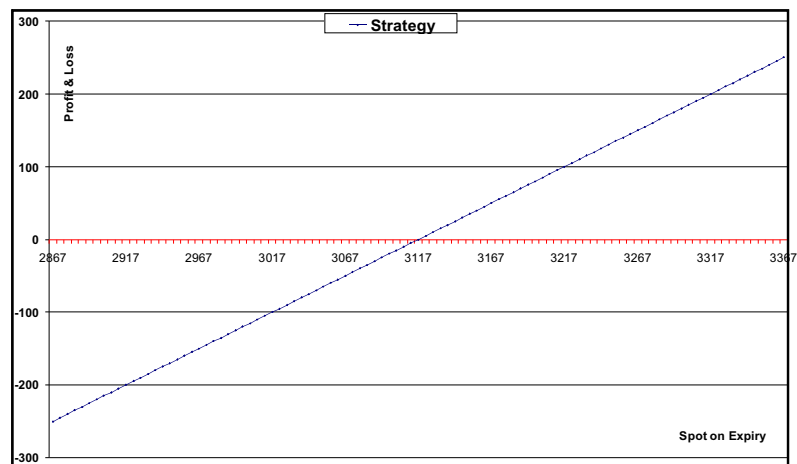
STRATEGY NAME	BUY FUTURE
	BUY FU @ 3117
OI (In contracts)	
DIVISLAB FU	3647
VOL (In contracts)	
DIVISLAB FU	4972
	0
	0

DIVISLAB: BUY FUTURE

BUY FU @ 3117
SL – 3097
Risk: 5000

TGT - 3167
Profit Potential: 12500

(For strategy details refer adjacent table).



The above strategy is considered to be a high risk strategy as it involves one action of selling a future. In this strategy client must adhere to strict stop loss and target as mentioned above.

LOW RISK STRATEGY

POSITIONAL STRATEGY

Strategy – CALL HEDGE

STRATEGY NAME	CALL HEDGE
	SEL FU @ 1248
	BUY 1230 CA @ 61
OI (In contracts)	
SBI FU	8650
SBI 1230 CA	23
VOL (In contracts)	
SBI FU	4777
SBI 1230 CA	5
	0

SBI: CALL HEDGE

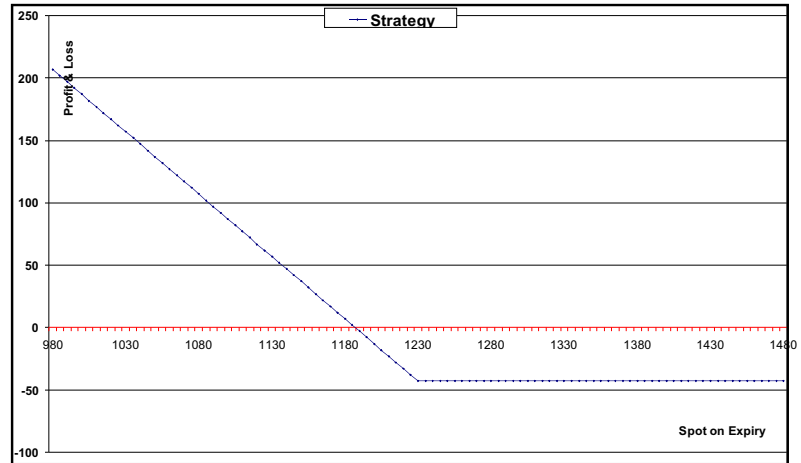
SELL FU @ 1248

BUY 1230 CA @ 61

Risk: 21500

Profit Potential: UNLIMITED

(For strategy details refer adjacent table).



In the above strategy the risk is pre defined as maximum risk given; this strategy is quiet safe and has attractive risk reward ratio. If there is a change in price of future option price has to be adjusted accordingly.

LOW RISK STRATEGY

POSITIONAL STRATEGY

Strategy – CALL HEDGE

STRATEGY NAME	CALL HEDGE
	SEL FU @ 235
	BUY 230 CA @ 14.30
OI (In contracts)	
INDIA CEM FU	12047
INDIA CEM 230 CA	73
VOL (In contracts)	
INDIA CEM FU	7476
INDIA CEM 230 CA	62
	0

INDIACEM: CALL HEDGE

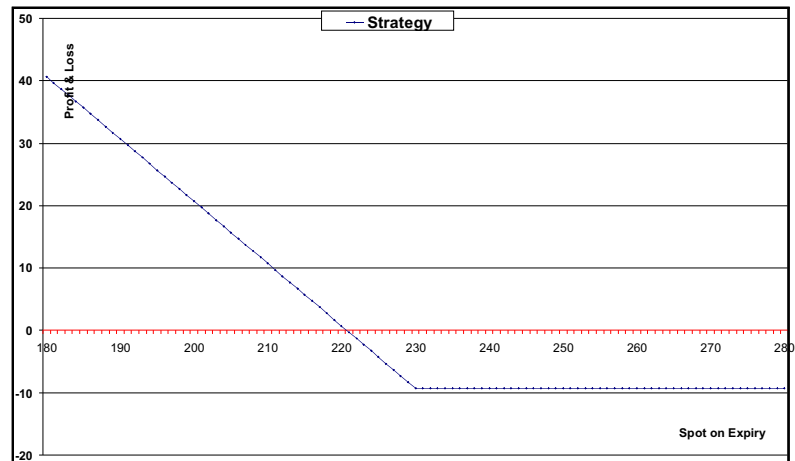
SELL FU @ 235

BUY 230 CA @ 14.30

Risk: 13485

Profit Potential: UNLIMITED

(For strategy details refer adjacent table).



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LOW RISK STRATEGY

POSITIONAL STRATEGY

Strategy – CALL HEDGE

STRATEGY NAME	CALL HEDGE
	SEL FU @ 1287.50
	BUY 1260 CA @ 50.45
OI (In contracts)	
RELIANCE FU	40936
RELIANCE 1260 CA	69
VOL (In contracts)	
RELIANCE FU	28763
RELIANCE 1260 CA	41
	0

RELIANCE: CALL HEDGE

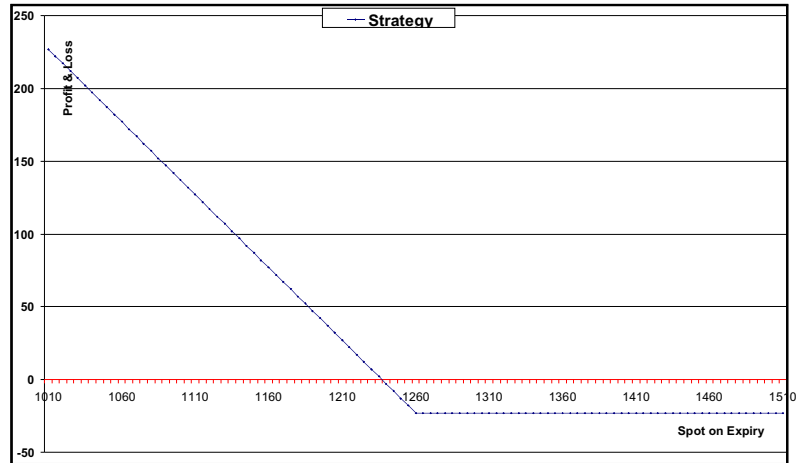
SELL FU @ 1287.50

BUY 1260 CA @ 50.45

Risk: 6885

Profit Potential: UNLIMITED

(For strategy details refer adjacent table).



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Strategy & Trading tracking Arena:

Scrip Name	Strategy	Strategy Date	Revised Recommendation
INFOSYS (Jan)	BUY CALL	27/12/2006	Continue
SATYAM	BUY FUTURE	28/12/2006	Continue
MTNL	BULL CALL SPREAD	28/12/2006	Continue
TATAMOTORS	BULL CALL SPREAD	28/12/2006	Continue
TCS	BUY CALL	28/12/2006	Continue

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