



# daring derivatives



April 24, 2007

## Derivatives Summary

- The Nifty (April) future discount increased to 7.05 from 6.45 and the Nifty (April) futures shed around 31.38 lakh shares in open interest. The Nifty (May) futures added 37 lakh shares.
- The Nifty 50 stocks have shed 26.9 lakh shares in open interest.
- The total open interest in the market is 60,123 crore and there has been an addition of around 879 crore in open interest.
- M&M (45%), McDowell (31%), PFC (26%), Lupin (21%) and Aban (20%) were the top open interest gainers in the market.
- Triveni (-11%), Cummins (-11%) and Amtek (-10%) were the top open interest losers in the market.
- Arvind Mill (86%) and IFCI (86%) are close to their market-wide position limit.

## Market View

The market opened on a positive note on account of very strong global cues but was not able to hold on to its gains and profit booking dragged the Nifty down in the negative territory towards the close. The index ended almost flat. The Nifty moved in a narrow range of 4080-4100 and lack of trading participation was evident as the market was waiting for the RBI's monetary policy scheduled for tomorrow. Volumes in Nifty futures were low and added around 5.87 lakh shares in open interest. On the option front, implied volatility increased significantly mainly on account of the monetary policy. The market is likely to open on a flat to negative note and take cues from the global market. Volatility in the market will be significantly high on account of the expiry of the April contracts on the coming Thursday and the RBI's monetary policy. The key support levels for the Nifty are 4035; the index shall face resistance at around 4130.

NIFTY SNAPSHOT			
	Current	Previous	% Change
Nifty (Mar)	4069.8	4077.1	-0.18%
Nifty CoC	-21.04%	-9.61%	118.96%
OI	39042000	38454950	1.53%
Vol	47971100	57136000	-16.04%
PCR(OI)	1.29	1.27	1.57%
PCR ( VOL)	1.27	1.19	6.72%

MOST ACTIVE INDEX CALL OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
4100 C	28.77%	19.55%	1576700	36.52%
4100 May C	24.07%	21.80%	2030100	12.46%
4000 C	33.90%	22.95%	2046900	-31.54%
4150 C	28.94%	19.58%	350400	565.53%
4000 May C	25.92%	22.98%	2216800	3.69%

MOST ACTIVE INDEX PUT OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
4100 P	27.15%	19.35%	965300	116.65%
4000 P	33.33%	24.72%	2235900	33.28%
3950 P	29.81%	26.57%	1347950	3.47%
4000 May P	26.21%	24.03%	1543650	143.59%
4050 P	28.37%	22.15%	551400	306.64%

MOST ACTIVE STOCK FUTURES				
Strike	Curr. CoC	Pre. CoC	Curr. OI	OI Chg%
RELIANCE	-60.89%	-4.74%	6815550	-9.95%
TATASTEEL	-98.12%	-22.24%	10257975	-10.66%
SBIN	-35.04%	-2.27%	5910000	-14.51%
RCOM	-87.85%	-19.31%	10844400	-16.45%
IVRCL	27.58%	25.83%	4737000	-4.95%

FII'S FUTURE & OPTIONS ACTIVITY (IN CRS) 20 APRIL			
	Buy	Sell	Difference
INDEX FUTURES	2524.51	1312.84	1211.67
INDEX OPTIONS	424.83	245.59	179.24
STOCK FUTURES	1210.38	1196.14	14.24
STOCK OPTIONS	0	3.97	-3.97
<b>TOTAL</b>	<b>4159.72</b>	<b>2758.54</b>	<b>1401.18</b>

MOST ACTIVE STOCK CALL OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
TATASTEEL 540 C	18.95%	28.49%	380025	-30.06%
RELIANCE 1530 C	25.95%	23.52%	178200	468.42%
RPL 75 C	37.12%	23.50%	3406950	-24.44%
SAIL 135 C	53.89%	31.46%	885600	177.97%
SATYAM 480 C	36.85%	32.75%	349200	-21.77%

MOST ACTIVE STOCK PUT OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
TATASTEEL 540 P	63.22%	36.80%	232875	590.00%
RELIANCE 1500 P	40.67%	27.44%	91500	384.13%
SAIL 130 P	65.76%	53.36%	580500	388.64%
INFOSYS 2010 P	30.21%	23.57%	161500	-4.44%
SATYAM 480 P	50.16%	37.89%	84600	220.45%

## Recommendation Tracker

Date	Scripts	Buy/sell	Initiation Range	Stoploss	Target	Timeframe	Remark
19-Apr-07	Nifty	Buy	3974	3960	4025-4050	1-2 Days	Tgt 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	Open		
16-Apr-07	ACC	Buy	Future	778	TGT-820-840	13.5	Expiry
		Buy	780 P	15.5	Booked	Future @ 810	Call @ 8
18-Apr-07	Reliance	Buy	1470 Put	12	24	6	Expiry
		Sell	1440 Put	6	Open		

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