

Market Statistic:

TRADE STATISTICS FOR 07-May-2007

Product	No. of Contracts	Turnover (Rs. cr.) *
Index Futures	605,450	12,341.00
Stock Futures	474,118	13,668.60
Index Options	205,785	4,264.38
Stock Options	24,732	727.79
Total	1,310,085	31,001.77

OPEN INTEREST – Gainers.

Scrip ID	OI Futures	% Chg	Price	% Chg
FEDERALBN	322400	41.71	256.9	4.94
SCI	1912000	29.33	231.5	2.91
J&KBANK	270000	19.52	665.3	-1.75
SYNDIBANK	5745600	17.67	79.7	4.52
IOB	1752300	13.58	110.75	-0.10

OPEN INTEREST - Losers.

Scrip ID	OI Futures	% Chg	Price	% Chg
RENUKA	700000	(10.49)	479.05	1.26
NAGARFERT	34174000	(8.27)	19.65	2.07
BONGAIREF	3019500	(8.08)	49.65	0.81
UTIBANK	2057850	(7.45)	518.15	2.25
IOC	1053600	(6.99)	465.75	2.34

FII Derivatives Statistic For the date :090507

	Buy	Sell	OI at end of the Day		Inflow / Outflow
			Contract	Amount	
INDEX FUTURES	882.83	1484.75	747976	15319.19	-601.92
INDEX OPTIONS	103.09	151.55	278575	5681.95	-48.46
STOCK FUTURES	232.19	688.13	566155	15200.85	-455.94
STOCK OPTIONS	0.02	8.57	2672	66.82	-8.55
					-1114.88

FII Derivatives Statistic For the date :080507

INDEX FUTURES	683.40	761.12	707426	14390.84	-77.71
INDEX OPTIONS	48.83	63.97	270345	5510.98	-15.14
STOCK FUTURES	277.66	340.84	556054	14816.93	-63.18
STOCK OPTIONS	0.00	2.68	2430	58.63	-2.68
					-158.71

FII Derivatives Statistic For the date :070507

INDEX FUTURES	1331.88	794.22	677916	14116.55	537.66
INDEX OPTIONS	145.70	62.72	250930	5207.86	82.98
STOCK FUTURES	478.64	448.17	541681	14822.27	30.48
STOCK OPTIONS	2.76	0.00	1562	39.78	2.76
					653.88

Reckoning Put/Call Ratio

Scrip ID	PCR OI	PCR Vol.
NIFTY	1.12	0.82
RELIANCE	0.28	0.40
INFOSYSTCH	0.39	0.22
TATASTEEL	0.29	0.25
IFCI	0.5	0.29

Market Wrap-up:

Nifty gain on Wednesday to close at 4079.30 down by 0.06%. The F&O segment of the market saw increase in turnover as compared to previous trading session.

The market turnover increased by 16.83 percent in terms of number of contracts traded vis-à-vis previous trading day and increased by 14.28 percent in terms of rupees.

The PCR OI of market was at 0.17 and in NIFTY has changed from 1.17 to 1.12. At the same time, PCR VOL in NIFTY has changed to 0.82.

On a scrip specific note scrips like FEDERALBANK, SCI, J&KBANK, SYNDIBANK & IOB were the major gainers in futures open interest while RENUKA, NAGAFERT, BONGAIREF, UTIBANK & IOC were the amongst some to shed the Futures Open Interest.

On the option open interest front, NIFTY led the pack 254486 contracts of position open in CALL and 287442 contracts in the PUT side. On the scrip side, RELIANCE led the pack with 16630 contracts in CALL and 4692 Contracts in PUT as open interest followed by INFOSYSTCH with 4264 contracts of open position in CALL and 1698 contracts of open position in PUT.

In terms of Volumes 1310085 contracts were traded on NSE. Nifty accounted for 61.57 percent of the total traded contracts RELIANCE 3.34 percent while SBIN contributed 2.21 percent to the total turnover.

A look at the volatility indicates there is a considerable amount of increase in volatility of stocks such as I-FLEX, JETAIRWAYS, GLAXO, ACC and BATAINDIA. Implied volatility in Nifty is at 25.4 and Historical volatility is at 30.77.

Expectations:

The NIFTY futures saw a rise in OI to the tune 4.74% with prices coming up from lows and closing near day's high indicating long positions being built up aggressively in the market at lower levels which forced bears to cover their positions. The discount in nifty futures narrowed and nifty futures closed at 19 points premium to spot nifty indicating aggressive short covering seen in the market and fresh long positions built up in the market. The FII sold index futures to the tune of 602crs and sellers in index options to the tune of 48crs. The PCR has come up from 1.17 to 1.12 indicates some weakness may be seen in the market. The IV is around 25.40 levels indicating some volatile trading sessions ahead.

Among the Big guns, ONGC saw 1.63% rise in OI with prices almost flat indicating that the counter may remain in a range before taking any sharp movement on either side. Whereas RELIANCE saw 4.19% rise in OI with prices coming up from low indicating buying spree emerging at lower levels and rise in prices was mainly driven by fresh long positions built up in the counter. The counter may see further built up of positions before taking any sharp and directional move which in turn may help to get clue about market's direction.

In the TECH front, INFOSYSTCH & TCS & SATYAMCOMP saw significant rise in OI with prices coming down though market went up indicating selling pressure emerging which in turns indicating lack of confidence in the IT pack on positive side. The only exception was WIPRO which saw shorts covering their positions and the counter closing near day's high indicating buying emerging at lower levels in this counter indicating strength in this counter.

In the BANKING counters, all the majors saw rise in OI significantly with gain in values indicating buying emerging in this pack and shorts covering their positions which in turn may help these counters to rise. SBIN saw rise OI to the tune of 6.72% with prices coming up sharply and closing near day's high indicating fresh long positions being built up in the counter indicating strength in the counter. ICICIBANK saw rise in OI to the tune of 7.08% with rise in prices indicating long positions being built up in this counter indicating strength in the counter.

In the metal pack TATASTEEL saw rise in OI to the tune of 5.08% with price up to the tune of 2.49% indicating built up of long positions in this counter and short covering their positions aggressively suggesting strength in this counter. SAIL saw rise in OI with prices almost flat indicating uncertainty may prevail in this counter. HINDALCO saw marginal drop in OI with prices almost flat indicating lack of activity in the counter. STER saw drop of positions with prices positive indicating buying emerging in this counter indicating strength in the counter.

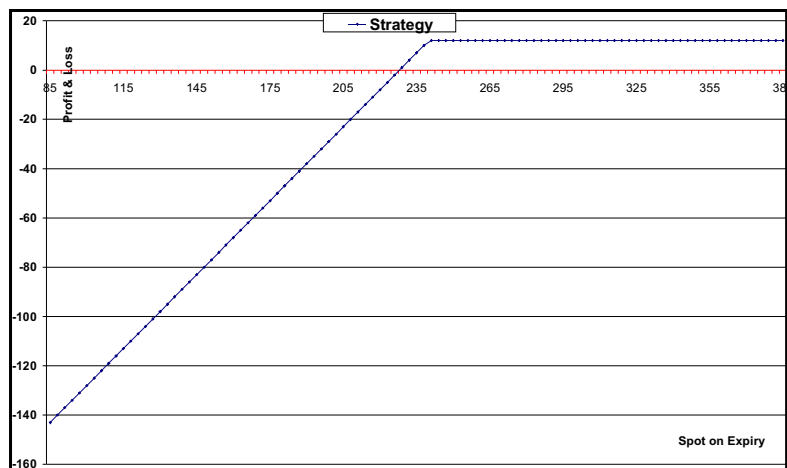
We feel that the volume and built up in OI suggests that market may show some short positions being built up and long positions liquidation as uncertainty prevail in the market. Market may show weakness if it closes below 4025 levels where we may see fresh short positions built up in the market and long liquidation in the market. One should trade with strict stop losses to be adhered too.

SCI: COVERED CALL

BUY FU @ 235
SELL 240 CA @ 7.00
BEP: 228.00
SL: 223.00
Risk: 8000-10000

Profit Potential: 19200.00

(For strategy details refer adjacent table).

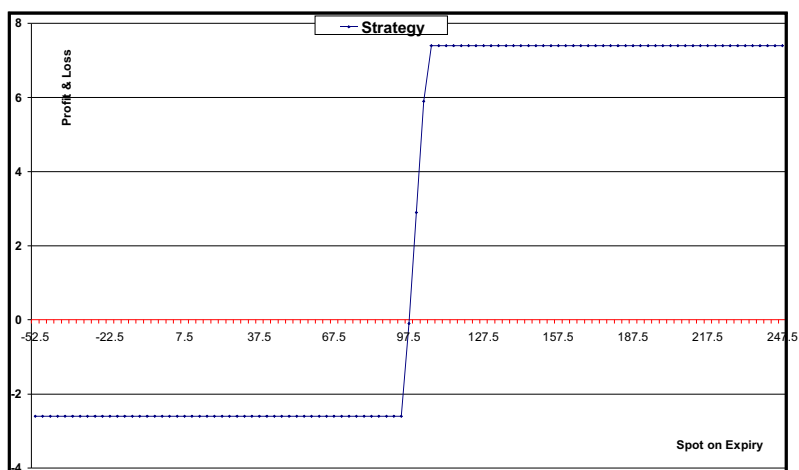


IDBI: BULL CALL SPREAD

BUY 95 CA @ 3.80
SELL 105 CA @ 1.20
BEP: 97.60
Risk: 6240.00

Profit Potential: 17760.00

(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.

PARSVANATH: BULL CALL SPREAD

BUY 330 CA @13.00

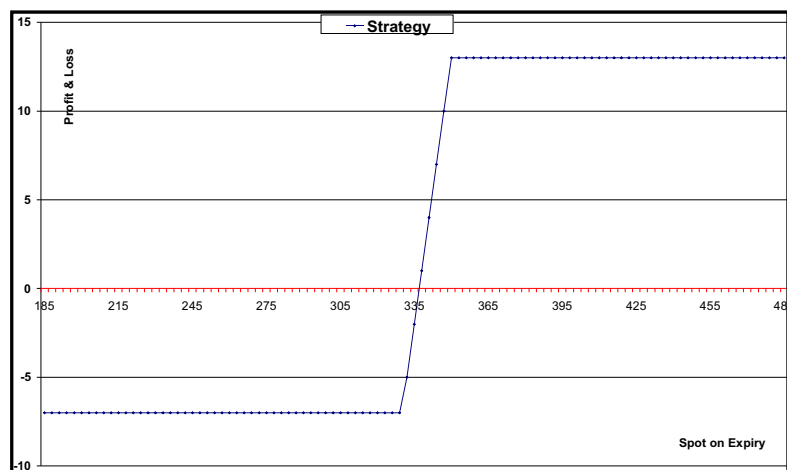
SELL 350 CA @ 6.00

BEP: 337.00

Risk: 4900.00

Profit Potential: 9100.00

(For strategy details refer adjacent table).



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TATASTEEL: BULL CALL SPREAD

BUY 580 CA @ 15.50

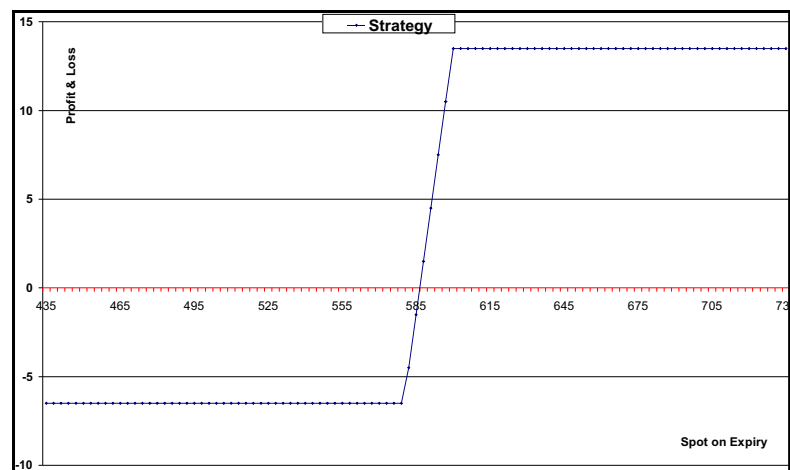
SELL 600 CA @ 9.00

BEP: 586.50

Risk: 4387.50

Profit Potential: 9112.50

(For strategy details refer adjacent table).



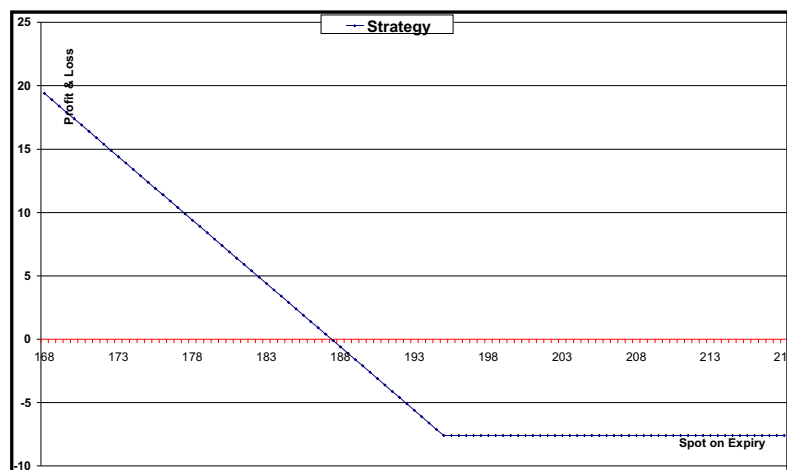
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HINDLEVER: CALL HEDGE

SELL FU @ 192.90
BUY 195 CA @ 5.50
BEP: 187.40
Risk: 7600.00

Profit Potential: UNLIMITED

(For strategy details refer adjacent table).



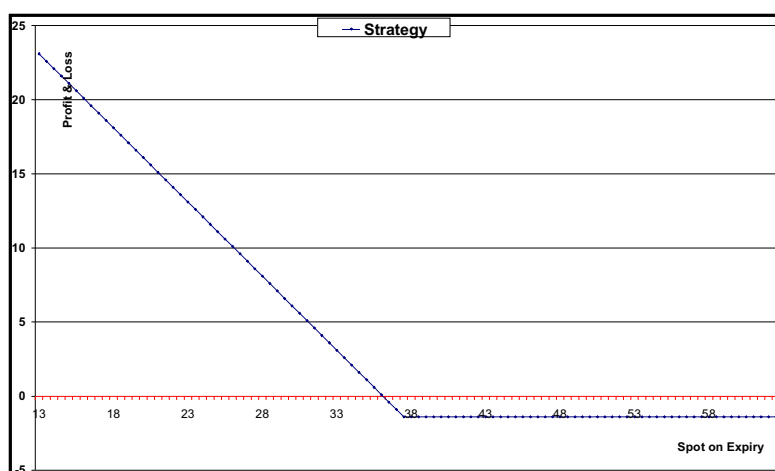
In the above strategy the risk is pre defined as maximum risk given; this strategy is quiet safe and has attractive risk reward ratio. If there is a change in price of future option price has to be adjusted accordingly.

ASHOKLEYL: CALL HEDGE

SELL FU @ 37.90
BUY 37.50 CA @ 1.80
BEP: 36.10
Risk: 10050

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.

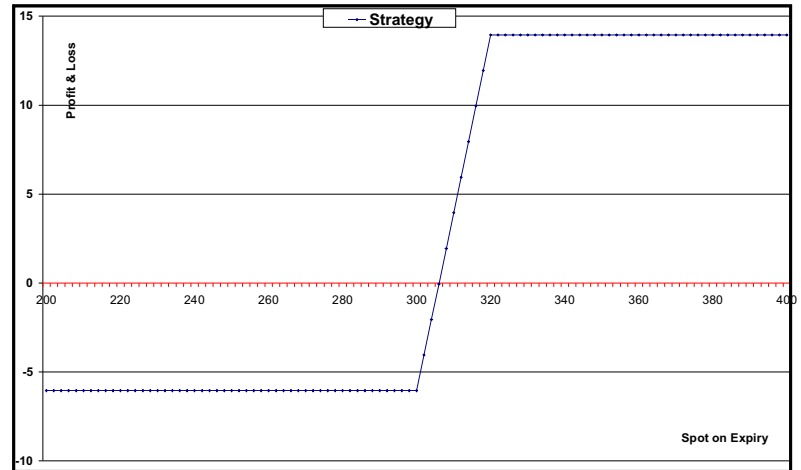
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IVRCLINFRA: BULL CALL SPREAD

BUY 300 CA @ 16.00
SELL 320 CA @ 10.25
BEP: 305.75
Risk: 2875.00

Profit Potential: 7125.00

(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.

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TRADING LAWS

- A Trader not observing STOP LOSS, cannot survive for long .
- Never re-schedule your stop loss ,square up first and then take a fresh view.
- Book small losses by buying / selling near support / resistance, and look for big Gains, this will maximize the gains.
- Don't try to anticipate the change in main trend ,so don't go against trend .

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