



daring derivatives



October 16, 2008

Derivatives Summary

- Nifty (October) future premium has decreased from 9.15 points to 4.40 points and around 2.90 lakh shares were added in open interest.
- Total open interest in the market was Rs61,900 crore and Rs2,981 crore were reduced in open interest.
- Nifty call option added 5.10 lakh shares in open interest, whereas put option reduced 7.58 lakh shares in open interest.
- Pantaloen Retail India (63%), Essar Oil (42%), Jet Airways (29%), Hero Honda (23%) and Crompton Greaves (22%) were the top open interest gainers in the market.
- NIIT (-10%), Gujarat State Petroleum (-9%), Housing Development and Infrastructure (-8%) and Chambal Fertilisers and Chemicals (-7%) were the top open interest losers in the market.

Market View

The market opened on a dismal note and Nifty started the day 70 points lower on account of an uncertainty in the global markets. The day witnessed aggressive selling pressure along with very high volatility. Nifty finally ended the session with a huge loss of 180 points at 3,338. Volumes in Nifty futures were marginally lower than the average trading volumes. Around 2.90 lakh shares were added in open interest with a decrease in the cost of carry, indicating short position building up in the market. On the option front, implied volatility has increased by around 400-500 basis points across all strike prices indicating an uncertainty in the market.

NIFTY SNAPSHOT			
	Current	Previous	% Change
Nifty (Curr. MTH)	3342.8	3527.8	-5.24%
Nifty CoC	3.44%	6.33%	-45.70%
OI	37026200	36736700	0.79%
Vol	37264150	38399750	-2.96%
PCR(OI)	0.74	0.75	-1.33%
PCR (VOL)	0.81	0.62	30.65%

MOST ACTIVE INDEX CALL OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
3600 C	55.39%	47.83%	2546900	-5.87%
3500 C	56.45%	49.94%	1396900	24.73%
3700 C	54.84%	46.41%	3168450	-8.29%
3800 C	53.88%	45.15%	3070400	-3.46%
3400 C	57.46%	52.35%	1907450	35.28%

MOST ACTIVE INDEX PUT OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
3400 P	58.00%	53.85%	2074650	-19.49%
3300 P	59.69%	56.75%	1820900	-0.24%
3100 P	64.23%	62.00%	1371050	72.74%
3500 P	56.06%	50.81%	812050	-38.93%
3200 P	61.77%	59.23%	985550	66.69%

MOST ACTIVE STOCK FUTURES				
Strike	Curr. CoC	Pre. CoC	Curr. OI	OI Chg%
RELIANCE	10.89%	8.26%	7818450	-2.97%
RELCAPITAL	13.98%	5.27%	2937330	-1.65%
LT	-3.06%	-27.12%	4939500	0.88%
ICICIBANK	15.42%	-10.55%	14075950	1.51%
SBIN	-30.24%	-31.68%	5589012	4.47%

FII'S FUTURE & OPTIONS ACTIVITY (IN CRS) 14 OCT			
	Buy	Sell	Difference
INDEX FUTURES	2877.37	1669.52	1207.85
INDEX OPTIONS	712.56	707.31	5.25
STOCK FUTURES	1195.24	656.91	538.34
STOCK OPTIONS	0.00	3.75	-3.75
TOTAL	4785.17	3037.49	1747.68

MOST ACTIVE STOCK CALL OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELIANCE 1800 C	63.02%	52.66%	255525	2.96%
SBIN 1500 C	60.63%	55.13%	169356	20.24%
NTPC 180 C	53.09%	47.87%	2694250	0.12%
TATASTEEL 300 C	93.58%	88.51%	123004	318.18%
ICICIBANK 460 C	89.45%	82.26%	195300	9.84%

MOST ACTIVE STOCK PUT OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
LT 900 P	77.66%	85.35%	200900	10473.68%
SBIN 1500 P	62.06%	56.95%	67188	-6.26%
RELIANCE 1800 P	101.50%	57.02%	320400	-1.52%
NTPC 170 P	55.67%	55.42%	651625	-25.33%
ICICIBANK 400 P	100.89%	98.38%	114625	-14.38%

Recommendation Tracker

Date	Scripts	Buy/sell	Initiation Range	Stop loss	Target	Time frame	Remark
14-Oct-08	NTPC	Sell	179.10-179.30	179 ®	172-168	1-2 Days	Book Profit @ 174.55
08-Oct-08	Nifty	Buy	3480-3485	3415	3580-3650	1-2 Days	Close @ 3370
07-Oct-08	BankNifty	Sell	5550-5560	5700	5400-5300	1-3 Days	Exit @ 5555
06-Oct-08	Nifty	Buy	3672-3678	3655 ®	3730-3760	Intraday	Trail stopped out
30-Sep-08	Nifty	Buy	3818-3822	3920 ®	3880-3920	Intraday	Targets Achieved
29-Sep-08	Sesa Goa	Buy	114-115	115 ®	121-125	2-3 Days	Stopped Out

Strategy Tracker

Date	Scripts	Buy/Sell	Initiation Range	Stoploss	Target	Timeframe	Remark
26-Sep-08	Nifty CE 4100	Buy	153-155	-	-	Expiry	Open @ 4.10
26-Sep-08	Nifty CE 4300	Sell	75-76	-	-	Expiry	Open @ 3.70

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