



daring derivatives



February 06, 2007

Derivatives Summary

- The Nifty (February) futures traded at a discount of 10.15 points from a premium of 9.3 points witnessed in the previous session and the futures added around 4.7 lakh shares in the open interest.
- The total open interest in the market is Rs56,142 crore and there was an addition of around Rs2,344 crore in the open interest during the day.
- The Nifty stocks added 39.5 lakh shares in the open interest.
- UTI Bank (56%), Kotak Bank (46%) & Zee Tele (23%) were the top open interest gainers.
- Karnataka Bank (-11%), Suzlon (-9%) & Bharat Forge (-7%) shed open interest during the day.
- IFCI (102%), Parsvnath (96%), Century Textile (95%), Nagarjuna Fertilisers (94%), Essar Oil (93%), Arvind Mills (93%), SRF (92%) & JPHydro (91%) are very close to their market wide position limits.
- The stock with a positive bias is Bharat Forge.
- The stocks with a negative bias are Allahabad Bank and Bombay Dyeing.

NIFTY SNAPSHOT			
	Current	Previous	% Change
Nifty (Feb)	4206	4174.2	0.76%
Nifty CoC	-4.97%	-4.06%	22.40%
OI	31589800	31119300	1.51%
Vol	13359900	16042200	-16.72%
PCR(OI)	1.89	1.8	5.00%
PCR (VOL)	1.85	1.7	8.82%

MOST ACTIVE INDEX CALL OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
4200 C	14.41%	15.38%	1276300	3.19%
4100 C	16.84%	16.44%	3162900	-0.48%
4250 C	20.81%	16.03%	254500	-
4150 C	15.51%	15.49%	732800	3.53%
4000 C	13.07%	13.73%	1664300	-1.97%

Market View

The market opened on a weak note but bounced back smartly in the initial hour itself and went ahead slowly and gradually and closed at its all-time high. The volumes in the Nifty futures were relatively lower than those witnessed in the previous trading day. The Nifty futures added around 4.7 lakh shares on the short side. On the options front the out of the money call options witnessed good buying interest whereas the in the money calls witnessed closure of long positions. The volatility in the put options remained flat indicating long accumulation in the puts. The market is likely to open on a flat note and will further take a cue from the global markets. The key support levels for the Nifty are 4170 and 4130 and the resistance will be around 4250.

MOST ACTIVE INDEX PUT OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
4200 P	20.92%	21.47%	1379500	86.57%
4100 P	23.76%	23.31%	3781200	5.88%
4150 P	22.18%	22.20%	636100	35.77%
4000 P	27.49%	25.37%	3307200	0.54%
3800 Mar P	29.35%	28.92%	974900	35.97%

MOST ACTIVE STOCK FUTURES				
Strike	Curr. CoC	Pre. CoC	Curr. OI	OI Chg%
RCOM	-16.61%	2.97%	15879500	9.84%
TATASTEEL	16.63%	15.58%	26417475	1.96%
IDBI	22.85%	17.19%	49680000	14.20%
RELCAPITAL	0.62%	15.51%	5797550	0.29%
SBIN	16.04%	13.91%	7025500	3.61%

MOST ACTIVE STOCK CALL OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELIANCE 1380 C	22.76%	22.58%	496500	21.07%
RCOM 500 C	26.50%	31.80%	268800	29.29%
IDBI 110 C	59.85%	62.46%	2294400	12.74%
RPL 70 C	45.54%	36.66%	2783850	14.46%
TATASTEEL 480 C	38.54%	38.50%	1001025	2.35%

MOST ACTIVE STOCK PUT OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
TATASTEEL 450 P	35.28%	32.80%	290250	15.59%
RCOM 500 P	41.35%	34.78%	67900	546.67%
HINDALCO 180 P	31.18%	31.36%	146740	-31.85%
IFCI 25 P	80.11%	66.23%	1795500	11.76%
SAIL 110 P	47.54%	46.15%	340200	-4.55%

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Today's Recommendation

Scripts	Buy/Sell	Initiation Range	Stop loss	Target	Time Frame
Bharat Forge	Buy	356-358	353 (closing basis)	372-378	1-2 days
Allahabad Bank	Sell	89.5	91.5	87.5-85	Intraday
Bombay Dyeing	Sell	708-710	717	696-690	Intraday

Recommendation Tracker

Date	Scripts	Initiation Range	Stop loss	Target	Profit/ Loss	Remark
2-Feb-07	Parsvnath Buy	402-403	398	410-420	2-3 Days	Closed
2-Feb-07	UTI Bank Buy	535-538	529.5	560-570	1-2 Days	Not Intiated
2-Feb-07	Zee Tv Buy	324-326	318.5	331-336	1-2 Days	Tgt Achieved
1-Feb-07	IVRCL Buy	409.5	406.5	425-440	2-3 Days	Tgt Achieved
1-Feb-07	Nifty Buy	4101	4082	4120-4135	Intraday	Tgt Achieved
29-Jan-07	Hindalco 190 Call Buy	1.8-2	-	5--6	8-10 Days	Closed

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