



daring derivatives



February 13, 2007

Derivatives Summary

- The discount in the Nifty (February) futures decreased to 4.7 points from 10.2 points and the futures added around 14.8 lakh shares in the open interest.
- There was a drop of around Rs2,486 crore in the open interest during the day.
- The Nifty stocks shed 1.06 crore shares in the open interest.
- Gujarat Ambuja (39%), Suzlon (32%), Dabur (5%) & Renuka (5%) were the top open interest gainers.
- Zee TV (-72%), Orchid Chemical (-22%), NTPC (-18%) & Federal Bank (-15%) shed open interest.
- India Cements (88%), Arvind Mills (87%) & MTNL (86%) are very close to their market wide position limits.

NIFTY SNAPSHOT			
	Current	Previous	% Change
Nifty (Feb)	4036.6	4177.2	-3.37%
Nifty CoC	-11.13%	-6.84%	62.78%
OI	35732700	34251100	4.33%
Vol	37791300	16374000	130.80%
PCR(OI)	1.44	1.69	-14.79%
PCR (VOL)	1.08	1.3	-16.92%

MOST ACTIVE INDEX CALL OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
4100 C	24.44%	16.17%	3897800	28.71%
4200 C	22.88%	13.93%	2496200	5.70%
4150 C	23.39%	14.42%	954300	12.22%
4000 C	24.68%	12.52%	1825700	10.35%
4250 C	23.40%	13.54%	709300	2.43%

Market View

The market opened on a negative note and witnessed heavy selling across the sectors. It traded in negative territory all through the day. The Nifty fell sharply in the last hour of the trading session on the weak opening of the European markets and closed near the bottom of the day at 4058. The breadth of the market was extremely poor while the volumes in the Nifty futures were much higher than the volumes witnessed on the previous day indicating weakness in the market. The Nifty futures added 14.8 lakh shares in the open interest on addition in fresh positions. On the options front there was a significant addition in the open interest, especially the 4100 price added approximately nine lakh shares in the open interest. The put options witnessed a reduction in the open interest. The market appears weak and is likely to be volatile with a support around 3990. Traders are advised to be cautious and should avoid leverage positions. The key support levels for the Nifty are 3990 and 3960 and there will be a resistance around 4100.

MOST ACTIVE INDEX PUT OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
4100 P	30.68%	24.53%	3562200	-14.60%
4200 P	28.49%	19.90%	1517500	-14.91%
4000 P	32.75%	27.15%	3492900	1.85%
4150 P	31.31%	22.27%	623300	-27.76%
4050 P	31.73%	25.41%	643100	-0.05%

MOST ACTIVE STOCK FUTURES				
Strike	Curr. CoC	Pre. CoC	Curr. OI	OI Chg%
RCOM	-0.80%	-61.14%	16440200	-1.62%
HINDALCO	9.80%	-23.26%	42765140	-1.26%
RELIANCE	0.40%	-6.53%	11128800	-0.87%
BHARTI	8.39%	-58.41%	9676000	6.22%
SUZLON	16.29%	-2.24%	2258000	32.93%

MOST ACTIVE STOCK CALL OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELIANCE 1380 C	27.45%	18.84%	534900	7.93%
HINDALCO 160 C	72.38%	-	829400	3150.00%
TATASTEEL 460 C	44.01%	22.81%	481275	23.57%
NTPC145 C	37.30%	44.27%	1371500	7.38%
SAIL 110 C	59.84%	19.19%	1263600	43.12%

MOST ACTIVE STOCK PUT OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
TATASTEEL 450 P	32.44%	41.60%	304425	1.58%
SAIL 110 P	60.02%	55.28%	726300	-5.61%
RELIANCE1350 P	24.13%	24.28%	187200	27.61%
RCOM 450 P	55.69%	50.30%	61600	-16.98%
HINDALCO 150 P	66.82%	55.49%	146740	2966.67%

Recommendation Tracker

Date	Scripts	Initiation Range	Stop loss	Target	Profit/ Loss	Remark
9-Feb-07	IVRCL Buy	420.75	417.5	430-437	Intra-day	Stop loss triggered
8-Feb-07	ICICI Bank Buy	989	979.5	1005-1020	1-2 Days	Target achieved
8-Feb-07	Nifty Buy	4200	4185	4220-4250	Intraday	First Target achieved
7-Feb-07	Cummins Buy	282.5	278.8	290-295	1-2 Days	Target achieved
7-Feb-07	Siemens Buy	1200	1188	1235-1270	2-3 Days	Stop loss triggered

Strategy Tracker

Date	Scripts	Buy/Sell	Strike/Option	Initiation Range	Max Profit	Max. Loss	Time
8-Feb-07	Nifty	Buy	4200 P	54.5	77	23	Expiry / Open
	Nifty	Sell	4100 P	31.5			

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