



daring derivatives



February 19, 2007

Derivatives Summary

- The premium in the Nifty (February) futures increased to 13.8 points from 11.1 points and the futures shed around 28 lakh shares in the open interest.
- The total open interest in the market is Rs61,768 crore and there was an addition of around Rs2,378 crore in the open interest during the day.
- The Nifty stocks shed 30.30 lakh shares in the open interest.
- IDFC (39%), Ranbaxy (33%), Suzlon (21%), Renuka (17%), Ultratech (16%) & Satyam (14%) were the top open interest gainers.
- UTI Bank (-15%), IFCI (-12%), Karnataka Bank (-12%), Cipla (-10%) & Hindalco (-9%) shed open interest.
- IFCI (90%), Essar Oil (87%) & Century Textile (87%) are very close to their market wide position limits.
- The stock with a positive bias is SAIL.

NIFTY SNAPSHOT			
	Current	Previous	% Change
Nifty (Feb)	4167	4058.2	2.68%
Nifty CoC	14.18%	12.51%	13.30%
OI	35803900	36235600	-1.19%
Vol	32282800	42605000	-24.23%
PCR(OI)	1.32	1.26	4.76%
PCR (VOL)	1.14	1.14	0.00%

MOST ACTIVE INDEX CALL OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
4100 C	20.49%	26.43%	3394900	-7.57%
4200 C	17.28%	24.61%	3152300	6.53%
4150 C	17.68%	25.67%	1405300	5.31%
4000 C	27.17%	28.10%	1884600	-13.32%
4300 Mar C	21.57%	24.75%	868400	86.79%

Market View

The market opened on a very strong note with a positive gap of around 40 points and continued its rally through the day and finally closed at 4146.2 with handsome gains of 99 points. The rally witnessed in the market was broad-based and almost all the stocks participated indicating that the Nifty is likely to move up further and buying should emerge at lower levels. The volumes in the market were slightly lower than the volumes witnessed in the last two trading sessions while the breadth of the market was very strong. The Nifty (February) futures shed 28 lakh shares in the open interest indicating that short positions are being squared off and long positions are being entered into in the next month series. On the options front the implied volatility of both calls and puts decreased drastically indicating that the market should open on a positive note and should remain in positive territory throughout the day. The market is likely to test its previous high soon and should find a good support around the 4110 level. The key support levels for the Nifty are 4110 and 3975 and there are resistances around 4190-4215.

MOST ACTIVE INDEX PUT OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
4100 P	18.36%	24.07%	3253600	3.39%
4000 P	23.54%	26.88%	3373000	8.94%
4150 P	15.26%	21.95%	1025600	127.86%
4100 Mar P	27.81%	29.79%	1191200	48.88%
4050 P	20.01%	24.65%	927600	8.76%

MOST ACTIVE STOCK FUTURES				
Strike	Curr. CoC	Pre. CoC	Curr. OI	OI Chg%
RELIANCE	21.82%	27.33%	10747500	3.52%
RCOM	34.66%	28.30%	15689100	0.93%
BHARTI	-14.44%	-9.58%	7441000	0.98%
IDFC	27.39%	14.37%	22980500	35.34%
SUZLON	29.55%	19.38%	2160600	19.79%

MOST ACTIVE STOCK CALL OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELIANCE 1410 C	24.76%	26.41%	718800	-2.28%
IDBI 100 C	77.91%	82.20%	1732800	30.32%
SAIL 115 C	44.28%	63.64%	1908900	13.85%
HINDALCO 150 C	46.72%	62.59%	661925	-6.11%
MTNL 150 C	28.16%	41.62%	560000	12.90%

MOST ACTIVE STOCK PUT OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELIANCE1380 P	18.18%	21.93%	189000	12.70%
SAIL 110 P	40.10%	47.71%	693900	-1.91%
SBIN 1110 P	27.00%	39.41%	46000	33.33%
HINDALCO140 P	57.18%	52.10%	146740	-20.69%
INFOSYS2340 P	22.58%	20.01%	14600	87.18%

Recommendation Tracker

Date	Scripts	Initiation Range	Stop loss	Target	Profit/ Loss	Remark
15-Feb-07	Bajaj Auto Buy	3010-3014	2970	3065-3100	2-3 Days	Open
15-Feb-07	Sail 115 Call Buy	2	-	-	Expiry	Open
9-Feb-07	IVRCL Buy	420.75	417.5	430-437	Intraday	Stoploss triggered
8-Feb-07	ICICI Bank Buy	989	979.5	1005-1020	1-2 Days	Tgt Achieved
8-Feb-07	Nifty Buy	4200	4185	4220-4250	Intraday	First Tgt Achieved
7-Feb-07	Cummins Buy	282.5	278.8	290-295	1-2 Days	Tgt Achieved
7-Feb-07	Siemens Buy	1200	1188	1235-1270	2-3 Days	Stoploss 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	Closed
	Nifty	Sell	4100 P	31.5			

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