



daring derivatives



August 13, 2007

Derivatives Summary

- The Nifty (August) future discount increased to 38.85 points from 37.8 points and a marginal 9,050 shares were shed in open interest.
- Total open interest in the market was Rs83,400 crore and around Rs315 crore were shed in open interest.
- Nifty call added 5.2 lakh shares and put shed 1.39 lakh shares in open interest.
- Educomp (24%), Kotak Bank (20%), Nagararjuna Fertilizers (20%) and HCC (12%) were the top interest gainers in the market.
- Omaxe (-11%), Banknifty (-10%), CNXIT (-13%), Canara Bank (-9%) and Indian Bank (-8%) were the top open interest losers in the market.
- Essar Oil (92%) and Nagarjuna Fertilizers (91%) were very close to their market wide position limits.

Market View

The market continued to witness some very sharp moves and again opened with a down gap of more than 2%. It is the fourth time since the start of August contract that we have seen the market opening with such a huge gap. Towards the later part of the day we have seen a sharp recovery, which can be mainly on account of short covering. Volumes in the Nifty futures as well as the market continue to roar and a marginal open interest was shed indicating the closure of long. On the option front, implied volatility of options has cooled off to 29% from the day's high of 33-34% due to weekend effect. The market is likely to open on a shaky note on Monday and negative global cues can spoil the late recovery of Friday. Key support levels for the Nifty are 4,260 and the resistance will be around 4,340 and 4,400.

NIFTY SNAPSHOT			
	Current	Previous	% Change
Nifty (July)	4303	4365.4	-1.43%
Nifty CoC	-16.33%	-14.92%	9.44%
OI	41048250	41057300	-0.02%
Vol	43305600	43183500	0.28%
PCR(OI)	1.32	1.36	-2.94%
PCR (VOL)	0.88	1.43	-38.46%

MOST ACTIVE INDEX CALL OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
4300 C	28.82%	31.27%	2323800	15.33%
4400 C	28.71%	28.58%	3644250	-5.03%
4500 C	28.02%	27.05%	3449650	-6.20%
4200 C	30.35%	32.63%	1118450	76.86%
4600 C	25.47%	24.45%	2294850	-1.26%

MOST ACTIVE INDEX PUT OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
4300 P	29.50%	31.83%	4269200	-3.00%
4200 P	30.17%	33.43%	2899650	1.33%
4100 P	31.60%	33.71%	2605950	8.79%
4400 P	28.36%	29.58%	4620150	-7.16%
4050 P	31.65%	33.23%	983000	29.56%

MOST ACTIVE STOCK FUTURES				
Strike	Curr. CoC	Pre. CoC	Curr. OI	OI Chg%
RELIANCE	-22.80%	-27.48%	11669850	7.42%
SBI	1483.35%	1507.27%	10637750	2.28%
GMRINFRA	-903.31%	-893.77%	8106000	2.22%
RELCAP	15865.28%	14201.51%	6611550	1.48%
IDBI	-1634.39%	-1565.73%	41956800	-0.90%

FII'S FUTURE & OPTIONS ACTIVITY (IN CRS) 9 AUG			
	Buy	Sell	Difference
INDEX FUTURES	3615.88	2743.16	872.72
INDEX OPTIONS	855.23	443.61	411.62
STOCK FUTURES	772.90	594.12	178.78
STOCK OPTIONS	1.50	3.95	-2.45
TOTAL	5245.52	3784.85	1460.67

MOST ACTIVE STOCK CALL OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELIANCE 1800 C	35.10%	26.94%	366600	83.90%
SBI 1620 C	39.39%	34.49%	191000	44.70%
IDBI 120 C	55.78%	50.67%	2148000	18.54%
RPL 115 C	43.30%	41.69%	3902750	5.14%
TATASTEEL 640 C	35.19%	33.46%	313200	37.69%

MOST ACTIVE STOCK PUT OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELIANCE 1800 P	29.75%	29.36%	212700	15.57%
SBI 1590 P	32.29%	31.72%	92000	-17.67%
RPL 110 P	36.36%	35.91%	1326600	15.45%
GMRINFRA 800 P	66.72%	62.00%	83000	-2.35%
IDBI 110 P	52.93%	45.05%	544800	6.57%

Recommendation Tracker

Date	Scripts	Buy/sell	Initiation Range	Stop loss	Target	Time frame	Remark
9-Aug-07	Financial Tech	Buy	2151-2520	2485	2580-2650	5-7 Days	Stopped Out
8-Aug-07	Polaris	Buy	118.5	115.5	125-128	1-2 days	Target Achieved
8-Aug-07	Petronet 70 CA	Buy	1.3-1.5	-	3.00-4.00	3-4 days	Exit @ 1.6
8-Aug-07	DLF	Sell	596-597	603	585-570	2-3 Days	Stopped Out
7-Aug-07	IDBI 120 CA	Buy	2.4-2.5	-	5.00-6.00	8-10 Days	Target Achieved
6-Aug-07	RPL	Buy	113	111.5	115-118	2-3 Days	Target Achieved
6-Aug-07	IVRCL	Buy	380	Trail Sl @ 386	400-410	2-3 Days	Profit Booked
6-Aug-07	PFC	Buy	175.5	Trail Sl @ 386	182-188	4-5 Days	Profit Booked
6-Aug-07	ACC	Buy	980	976	990-1000	1-2 Days	Target Achieved

Strategy Tracker

Date	Scripts	Buy/Sell	Strike/Option	Initiation Range	Max Profit	Max. Loss	Time
2-Aug-07	DLF	Buy	600	27-28			Expiry
		Sell	640	14-15		13	

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