



daring derivatives



September 07, 2007

Derivatives Summary

- Nifty (September) future discount decreased to 13.2 points from 43.95 points and around 4.35 lakh shares were added in open interest.
- Total open interest in the market was Rs76,115 crore and around Rs2,896 crore were added in open interest.
- Nifty call added 2.85 lakh shares and put added 19.14 lakh shares in open interest.
- BRPL (29%), Adlabs Film (25%), Andhra Bank (21%), Karnataka Bank (13%) and ACC (12%) were the top open interest gainers in the market.
- Escorts (-16%), Indian Bank (-14%) and LIC Housing (-11%) were the top open interest losers in the market.
- GMR Infra (96%), TTML (94%), Bindal Agro (93%), JP Hydro (91%) and Arvind Mill (90%) remained very close to their market wide position limits.

Market View

The market opened on a positive note inspite of negative global cues and weak momentum carried forward from yesterday. It indicated positive sentiments and rallied sharply towards the close after moving in a range through out the day and finally ended with a gain of almost a percent. Volumes in Nifty future were around the average and around 4.3 lakh shares were added in open interest with an increase in the cost of carry indicating addition of some long position along with aggressive short covering. On the option front, implied volatility of the money option cooled off to 22% indicating a flat to positive opening tomorrow and it should find trading support at around 4,460. The market is likely to open on a flat note and global cues will be the key factor in tomorrow's trade. Key support level for the Nifty is 4,460-4,430 and the resistance will be around 4,530.

NIFTY SNAPSHOT			
	Current	Previous	% Change
Nifty (Aug)	4507	4431.9	1.69%
Nifty CoC	-5.08%	-16.29%	-68.84%
OI	38536300	38100500	1.14%
Vol	26369500	27193900	-3.03%
PCR(OI)	1.57	1.46	7.53%
PCR (VOL)	1.67	1.24	34.68%

MOST ACTIVE INDEX CALL OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
4500 C	23.31%	24.15%	3309600	7.44%
4400 C	25.39%	25.48%	2912750	-6.43%
4600 C	21.40%	23.14%	1806540	8.02%
4700 C	19.95%	21.95%	776350	25.98%
4300 C	21.00%	21.90%	1571400	0.73%

MOST ACTIVE INDEX PUT OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
4400 P	25.45%	27.27%	5015150	9.86%
4500 P	23.08%	24.86%	2489800	35.61%
4300 P	28.23%	29.57%	3583800	4.49%
4200 P	31.98%	32.38%	3453000	3.02%
4100 P	21.14%	21.49%	1719100	6.09%

MOST ACTIVE STOCK FUTURES				
Strike	Curr. CoC	Pre. CoC	Curr. OI	OI Chg%
RELIANCE	-7.00%	-2.62%	10204200	-1.26%
SBI	6.36%	-34.42%	9315500	2.33%
REL	10.37%	8.36%	12720400	5.76%
IDBI	12.05%	13.02%	47294400	4.75%
GMRINFRA	14.77%	10.06%	10678000	4.91%

FII'S FUTURE & OPTIONS ACTIVITY (IN CRS) 05 SEPT			
	Buy	Sell	Difference
INDEX FUTURES	739.56	777.49	-37.93
INDEX OPTIONS	409.60	119.44	290.16
STOCK FUTURES	709.01	549.52	159.49
STOCK OPTIONS	1.42	6.00	-4.58
TOTAL	1859.59	1452.45	407.13

MOST ACTIVE STOCK CALL OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELIANCE 1980 C	26.84%	28.82%	373350	23.46%
IDBI 140 C	52.42%	55.27%	2546400	19.35%
SBI 1620 C	36.39%	25.47%	216250	-7.29%
SAIL 175 C	39.05%	44.61%	1676700	114.88%
REL 840 C	42.18%	46.52%	174350	8.56%

MOST ACTIVE STOCK PUT OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELIANCE 1950 P	31.88%	31.69%	136650	20.82%
IDBI 130 P	53.89%	48.78%	974400	34.88%
SBI 1620 P	33.16%	46.08%	61750	160.00%
TATASTEEL 680 P	37.80%	38.45%	232200	27.88%
AMBUJACEM 135 P	25.52%	26.43%	501066	23.98%

Recommendation Tracker

Date	Scripts	Buy/sell	Initiation Range	Stop loss	Target	Time frame	Remark
6-Sep-07	Reliance Comm.	Buy	543-543	536	555-565	1-2 Days	Open
5-Sep-07	Tata Steel	Buy	697-698	692	710-715	1-2 Days	Stopped Out
5-Sep-07	Reliance Capital	Buy	1224	1215	1245-1260	3-4 Days	1st Target Achd
4-Sep-07	Nifty	Buy	4450-4451	4428	4490-4520	1-2 Days	Stopped Out
4-Sep-07	Financial Techn.	Buy	2540	2510 (Closing Basis)	2600-2650	3-4 Days	Open

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