



daring derivatives



October 07, 2008

Derivatives Summary

- Nifty (October) future premium has increased from 20.35 points to 23.25 points and around 10.66 lakh shares were added in open interest.
- Total open interest in the market was Rs60,022 crore and Rs1,719 crore were reduced in open interest.
- Nifty call option added 45.05 lakh shares in open interest, whereas put option shed 7.51 lakh shares in open interest.
- Tata Communications (15%), Chambal Fertilisers and Chemicals (11%), Crompton Greaves (10%), Indiabulls Real Estate (10%), and Tata Power (9%) were the top open interest gainers in the market.
- Skumars (-39%), HOEC (-17%), NIIT Technologies (-12%) and Voltas (-8%) were the top open interest losers in the market.

NIFTY SNAPSHOT			
	Current	Previous	% Change
Nifty (Curr. MTH)	3625.6	3838.65	-5.55%
Nifty CoC	10.24%	7.48%	36.90%
OI	32041700	30975600	3.44%
Vol	38394000	33221900	15.57%
PCR(OI)	0.79	0.9	-12.22%
PCR (VOL)	0.5	0.67	-25.37%

MOST ACTIVE INDEX CALL OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
4000 C	44.35%	38.86%	3765850	17.17%
3800 C	45.86%	40.09%	1848100	66.87%
3900 C	45.05%	39.45%	1421050	33.51%
4100 C	43.94%	38.42%	3215600	-0.58%
3700 C	46.02%	40.61%	1216850	-

MOST ACTIVE INDEX PUT OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
3600 P	47.57%	-	1315200	-
3700 P	46.31%	42.07%	1926100	-9.97%
3800 P	45.96%	41.20%	2980800	-22.74%
3650 P	46.61%	42.34%	1579900	-7.74%
3900 P	45.02%	39.74%	1392350	-12.91%

MOST ACTIVE STOCK FUTURES				
Strike	Curr. CoC	Pre. CoC	Curr. OI	OI Chg%
RELIANCE	13.63%	14.15%	9087375	-0.39%
ICICIBANK	13.36%	35.00%	11667075	3.07%
RELCAPITAL	6.50%	10.03%	3199254	0.08%
SBIN	-2.93%	-8.18%	4642044	4.58%
LT	8.10%	-5.10%	4289400	-7.55%

FII'S FUTURE & OPTIONS ACTIVITY (IN CRS) 03 OCT			
	Buy	Sell	Difference
INDEX FUTURES	960.53	1268.78	-308.25
INDEX OPTIONS	818.86	539.77	279.09
STOCK FUTURES	607.86	697.43	-89.56
STOCK OPTIONS	53.85	24.53	29.32
TOTAL	2441.10	2530.50	-89.40

Market View

The market opened on a dismal note, around 130 points lower, on account of uncertainty in the global markets. Aggressive selling pressure along with very high volatility was witnessed all through the day. Nifty finally ended almost 6% down at 3,602. Volumes in Nifty futures were significantly higher than the average trading volumes. Around 10.66 lakh shares were added in open interest with an increase in the cost of carry indicating long accumulation. On the option front, implied volatility has increased significantly by around 500-600 basis points across all strike prices, which indicate that volatility will remain very high.

MOST ACTIVE STOCK CALL OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELIANCE 1800 C	58.96%	50.21%	212100	85.81%
ICICIBANK 500 C	478.37%	385.34%	356475	21.47%
RPL 140 C	55.04%	45.96%	1363450	50.18%
TATASTEEL 400 C	69.34%	61.11%	224998	130.98%
NTPC 180 C	182.66%	179.25%	2556125	2.68%

MOST ACTIVE STOCK PUT OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELCAPITAL 990 P	80.79%	69.43%	9522	-1.43%
RPL 130 P	53.12%	50.44%	651575	-12.19%
RELIANCE 1800 P	57.57%	48.52%	332850	-2.85%
RPOWER 140 P	61.07%	57.97%	147500	-5.75%
SBIN 1410 P	57.80%	49.98%	46992	10.22%

Recommendation Tracker

Date	Scripts	Buy/sell	Initiation Range	Stop loss	Target	Time frame	Remark
06-Oct-08	Nifty	Buy	3672-3678	3655 ®	3730-3760	Intra-day	Trail stopped out
30-Sep-08	Nifty	Buy	3818-3822	3920 ®	3880-3920	Intra-day	Targets Achieved
29-Sep-08	Sesa Goa	Buy	114-115	115 ®	121-125	2-3 Days	Stopped Out

Strategy Tracker

Date	Scripts	Buy/Sell	Initiation Range	Stoploss	Target	Timeframe	Remark
26-Sep-08	Nifty CE 4100	Buy	153-155	-	-	Expiry	Open @ 31
26-Sep-08	Nifty CE 4300	Sell	75-76	-	-	Expiry	Open @ 13

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