



daring derivatives



October 29, 2008

Derivatives Summary

- Nifty (October) future discount has decreased from 24.45 points to 6.70 points and added around 9.05 lakh shares in open interest.
- Total open interest in the market was Rs52,675 crore and Rs757 crore were reduced in open interest.
- Nifty call option added 15.48 lakh shares in open interest, whereas put option added 13.40 lakh shares in open interest.
- Indiabulls Real Estate (19%), Sintex Limited (17%), India Infoline (14%), Chambal Fertilizers And Chemicals (12%) and Nagarjuna Construction (10%) were the top open interest gainers in the market.
- Bongai Refinery (-38%), LIC Housing Corporation (-22%), Skumars (-22%) and Essar Oil (-21%) were the top open interest losers in the market.

Market View

The market opened on dreary note with a gap of around 35 points on account of the week cues from global markets. Nifty witnessed aggressive selling pressure in all the counters in the first half of trading session along with very high volatility. However, after making new intra day low of 2230 in the second half, Nifty finally witnessed belligerent buying in all the counters which led market to erase most of its losses and finally ended the session at 2524 down 60 points. Volumes in Nifty future were significantly higher as compared to the average trading volumes and around 9.05 lakh shares were added in open interest with an increase in the cost of carry indicating long accumulation in the market. On the option front, implied volatility has increased significantly by around 500-600 basis points indicating volatility to remain very high till October expiry.

NIFTY SNAPSHOT			
	Current	Previous	% Change
Nifty (Curr. MTH)	2517.5	2559.55	-1.64%
Nifty CoC	-48.44%	-69.07%	29.87%
OI	43327100	42424700	2.13%
Vol	74253300	67992150	9.21%
PCR(OI)	0.66	0.66	0.00%
PCR (VOL)	0.49	0.48	2.08%

MOST ACTIVE INDEX CALL OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
2500 C	118.04%	-	862450	-
2600 C	118.02%	-	425250	-
2800 C	117.35%	98.48%	1397250	-19.38%
2900 C	118.75%	98.07%	1347350	-20.50%
2700 C	110.21%	-	384700	-

MOST ACTIVE INDEX PUT OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
2500 P	119.33%	-	467050	-
2800 P	106.74%	81.63%	461400	-23.36%
2500 NOV P	87.87%	-	210700	-
2900 P	74.71%	86.37%	1139950	-10.94%
3000 P	-	82.38%	926900	-21.32%

MOST ACTIVE STOCK FUTURES				
Strike	Curr. CoC	Pre. CoC	Curr. OI	OI Chg%
RELIANCE	22.88%	6.44%	3989325	-21.43%
ICICIBANK	54.85%	31.94%	4509050	-21.53%
SBIN	71.08%	-68.94%	2319636	-20.52%
RELCAPITAL	61.21%	-113.86%	787842	-44.66%
UNITECH	-256.74%	-153.06%	10128600	-32.25%

FII'S FUTURE & OPTIONS ACTIVITY (IN CRS) 24 OCT			
	Buy	Sell	Difference
INDEX FUTURES	2970.57	4004.95	-1034.38
INDEX OPTIONS	551.68	231.71	319.97
STOCK FUTURES	2364.89	2159.55	205.34
STOCK OPTIONS	0.00	0.00	0.00
TOTAL	5887.14	6396.21	-509.07

MOST ACTIVE STOCK CALL OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RPL 80 C	155.79%	113.81%	405350	9.50%
RELIANCE 1140 C	133.57%	152.15%	13575	3.43%
ICICIBANK 350 C	145.68%	170.46%	7700	7.32%
TATASTEEL 200 C	228.09%	165.78%	56536	-1.33%
CHAMBLFERT 45 C	156.05%	130.40%	796950	3.13%

MOST ACTIVE STOCK PUT OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
CHAMBLFERT 40 P	163.86%	157.47%	883200	-6.23%
HINDUNILVR 230 P	150.98%	77.99%	159000	-34.30%
RELIANCE 1140 P	122.96%	-	3300	-20.00%
RPL 90 P	170.34%	121.54%	207700	-0.80%
INFOSYSTCH 1200	129.21%	103.14%	25800	0.78%

Recommendation Tracker

Date	Scripts	Buy/sell	Initiation Range	Stop loss	Target	Time frame	Remark
27-Oct-08	Nifty (Nov)	Buy	2460-2470	2390	2600-2650	4-5 Days	Open @ 2520
22-Oct-08	Nifty CE 3200	Buy	61-64	30 ®	110-140	Expiry	Stopped Out
17-Oct-08	BankNifty	Sell	5350-5360	5480	5250-5150	2-3 Days	Stoploss Triggered
16-Oct-08	Rcomm	Buy	237-238	229.9	245-250	Intraday	Stopped Out
14-Oct-08	NTPC	Sell	179.10-179.30	179 ®	172-168	1-2 Days	Book Profit @ 174.55

Strategy Tracker

Date	Scripts	Buy/Sell	Initiation Range	Stoploss	Target	Timeframe	Remark
26-Sep-08	Nifty CE 4100	Buy	153-155	-	-	Expiry	Open @ 0.70
26-Sep-08	Nifty CE 4300	Sell	75-76	-	-	Expiry	Open @ 0.70

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