



# daring derivatives



September 13, 2007

## Derivatives Summary

- Nifty (September) future discount decreased to 11.05 points from 11.5 points and added 1.25 lakh shares in open interest.
- Total open interest in the market was Rs82,433 crore and around Rs1,062 crore were added in open interest.
- Nifty call added 1.89 lakh shares and put added 2.1 lakh shares in open interest.
- Uniphos (177%), Nagarjuna fertilisers (26%), Laxmi Mah. (25%), Bata India (22%) and TTML (22%) were the top open interest gainers in the market.
- JP Hydro (-23%), Central bank (-12%), HDIL/LITL (-11%) and Mcdowell (-10%) were the top open interest losers in the market.
- IFCI (98%), Nagarjuna fertilisers (97%), IDBI (95%), Bindalagro (92%), Escorts (92%), TTML (92%) and Essar Oil (90%) were very close to their market wide position limits.

## Market View

The market opened on a positive note and continues to witness severe selling pressure around the resistance zone of 4,530. Since last couple of trading sessions we are seeing the Nifty moving in the range of 4,460-4,530 and chances of its breaking to either side is increasing. The movement should be substantial if Nifty breaks in either direction. Volumes in Nifty future were normal and it added around 1.25 lakh shares in open interest with an almost constant cost of carry indicating accumulation at these levels. On the option front, implied volatility remains almost flat pointing to hedging in the market, which indicates that the market may find support at lower levels unless affected by some drastic negative clues from global markets. The market is likely to open in accordance with the global cues as it is lacking clear direction in trend. Key support level for the Nifty is 4,460 and the resistance will be around 4,530 and 4,600.

NIFTY SNAPSHOT			
	Current	Previous	% Change
Nifty (Sep)	4485.1	4485.55	-0.01%
Nifty CoC	-5.98%	-5.83%	2.51%
OI	40125900	40000000	0.31%
Vol	20352200	24331200	-16.35%
PCR(OI)	1.53	1.53	0.00%
PCR ( VOL)	1.11	1.5	-26.00%

MOST ACTIVE INDEX CALL OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
4500 C	25.40%	24.78%	3592250	0.90%
4600 C	23.61%	22.97%	2554000	13.93%
4400 C	27.76%	27.07%	2680200	-3.85%
4300 C	29.75%	29.67%	1457350	-4.82%
4700 C	23.00%	21.65%	988400	-0.35%

MOST ACTIVE INDEX PUT OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
4500 P	24.18%	24.73%	3027550	1.60%
4400 P	26.90%	27.20%	4936250	1.04%
4300 P	28.69%	29.89%	3906250	0.58%
4200 P	32.05%	32.17%	3538600	3.48%
4600 P	21.07%	22.66%	1084350	3.87%

MOST ACTIVE STOCK FUTURES				
Strike	Curr. CoC	Pre. CoC	Curr. OI	OI Chg%
RELIANCE	-7.25%	-4.76%	10406700	3.21%
RELCAP	5.33%	1.57%	5448850	15.83%
REL	4.23%	9.02%	11409200	-4.86%
TATASTEEL	7.36%	15.61%	15277275	-2.11%
HDIL	8.51%	11.55%	6403200	-8.93%

FII'S FUTURE & OPTIONS ACTIVITY (IN CRS) 11 SEPT			
	Buy	Sell	Difference
INDEX FUTURES	1143.91	999.32	144.59
INDEX OPTIONS	671.91	143.75	528.16
STOCK FUTURES	493.43	759.95	-266.52
STOCK OPTIONS	1.21	6.85	-5.64
TOTAL	2310.46	1909.87	400.58

MOST ACTIVE STOCK CALL OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELIANCE 2010 C	25.09%	27.19%	387500	8.30%
RPL 130 C	40.56%	42.23%	4214300	-6.40%
TATASTEEL 720 C	39.52%	42.70%	628425	11.90%
REL 880 C	33.54%	40.70%	185350	23.44%
IFCI 80 C	64.81%	65.63%	6315750	31.48%

MOST ACTIVE STOCK PUT OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELIANCE 1950 P	29.90%	31.05%	177150	9.96%
RPL 130 P	34.34%	35.71%	941350	-3.44%
TATASTEEL 700 P	34.22%	35.43%	243675	21.14%
IDBI 135 P	46.62%	46.03%	734400	18.60%
RELCAP 1290 P	40.90%	133.34%	45650	-

## Recommendation Tracker

Date	Scripts	Buy/sell	Initiation Range	Stop loss	Target	Time frame	Remark
12-Sep-07	ZEEL	Buy	304-305	301	315-318	1-2 Days	Open
11-Sep-07	Tatasteel	Buy	704-705	702.7	720-730	2-3 Days	1st Target Achd
10-Sep-07	Nifty 4450 CA	Buy	114-115	98	150-180	6-7 Days	Open
7-Sep-07	Petronet LNG	Buy	64.5-65	63.5	68-70	2-3 days	1st Target Achd
6-Sep-07	Reliance Comm.	Buy	543-543	536	555-565	1-2 Days	Open

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