MICROSEC
MICRO FOCUS. MEGA WEALTH

RESEARCH REPORT

DERIVATIVE STRATEGY | DAILY

1st July, 2010

Vinit Pagaria, ACA, FRM

E-mail: vpagaria@microsec.in

OUR REPORTS

Fundamental
Company Report
Sector Report
Theme Based Report

Daily & Weekly
Fundamental Market Update
Technical Market Update
Derivative Market Update

Fortnightly
Banking Sector Report
Currency Report

Monthly
India Strategy Report
IIP Report
Auto Sector Update
Cement Sector Update
Metal Sector Update
Telecom Sector Update
Insurance and Mutual Fund Report
Inflation Report
Exports-Imports Report

Quarterly
India and Global Strategy Report
India Economy Report

Others
Event Based Report
RBI Monitory Review Report
Annual Budget Review Report

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ANALYSIS OF FUTURES & OPTIONS MARKET

Nifty (5312.50)

JULY FUTURE

Price: 5316.25 (+0.95%)

Premium: 3.75

Open Int: 32078250 (+5%)

AUGUST FUTURE

Price: 5319.10 (+0.99%)

Premium: 6.60

Open Int: 983250 (+4%)

NIFTY DAILY CHART

Trading Calls

♦ Short Sun Pharmaceutical Future

Sell July Future @ Rs 1798/- Target: Rs 1722/- SL: Rs 1832/- Lot Size: 125

♦ Long HPCL Put option

Buy Jul 440 Put option @ Rs 11/- Target : Rs 23/- Lot Size: 1000

HIGHLIGHTS

⇒ Weak global cues led to a gap down opening for Nifty which tested a low of 5210. It however recovered immediately and moved in the positive territory around noon and gained further strength towards the end to close higher by 1.07%

⇒ Nifty Call options of strike 5500 added open interest by 9750 lots while Put options of strike 5100 had a build up of 18642 lots

⇒ Nifty Put Call ratio stands at 1.30 with the total open interest in Call options at 1,014,096 lots and that in Put options at 1,316,027 lots

⇒ IFCI Ltd, Zee TV, Patni Computers, HCL Technologies, TV18 Television, MTNL and Alstom Projects appear strong while HPCL, Apollo Tyres, Sun Pharma, GTL Infrastructure and Dr Reddys Laboratories appear weak

⇒ Volatility Index fell by 2.76% from 20.64 to 20.07

NIFTY	S2	S1	PIVOT	R1	R2
PIVOT POINTS	5171	5242	5281	5352	5391

OPTION STRATEGY

Scrip/Index: HPCL

Strategy: Long Put option

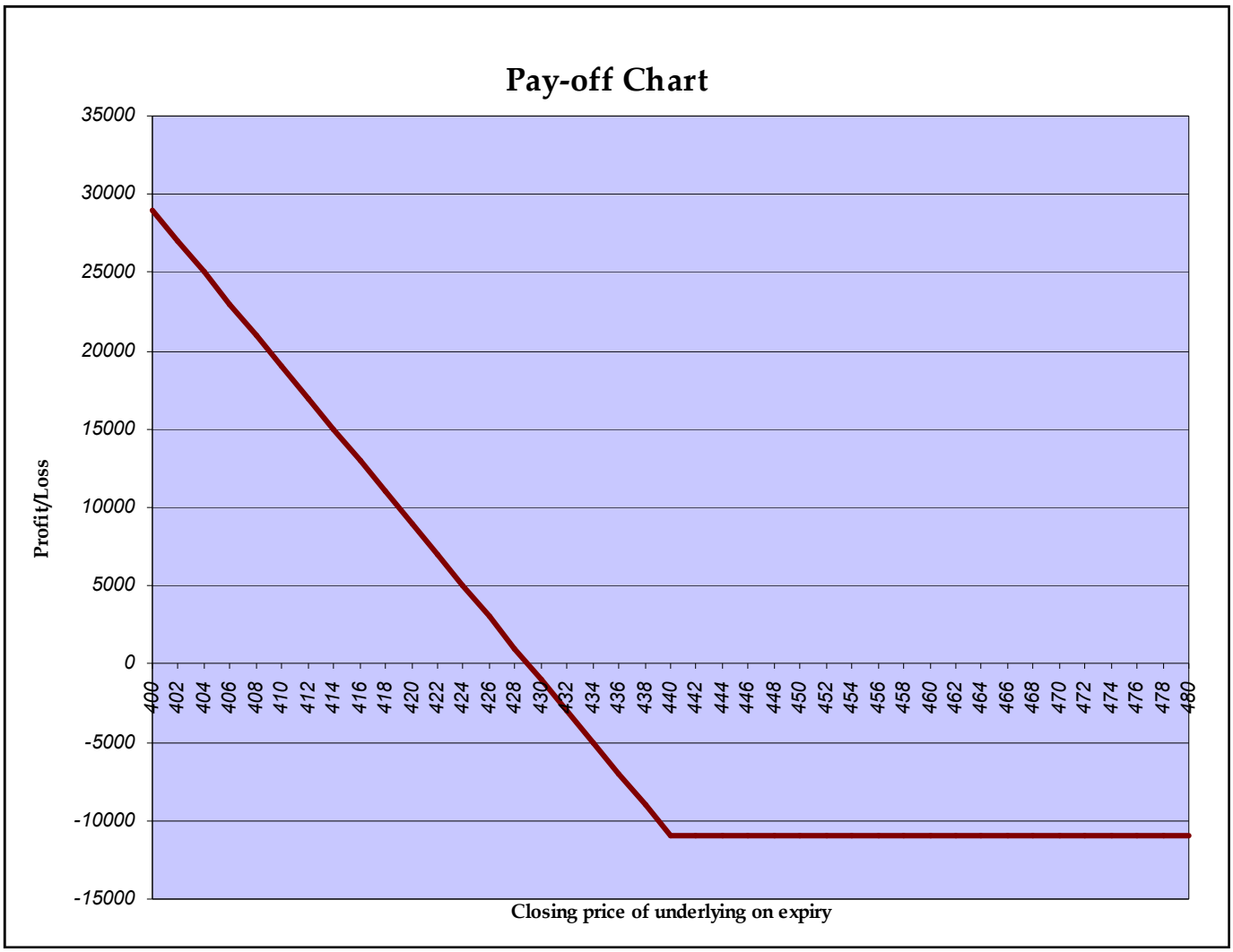
Current Price of Underlying: Rs 469.50 Lot Size: 1000

Buy Jul 440 Put option @ Rs 11/-

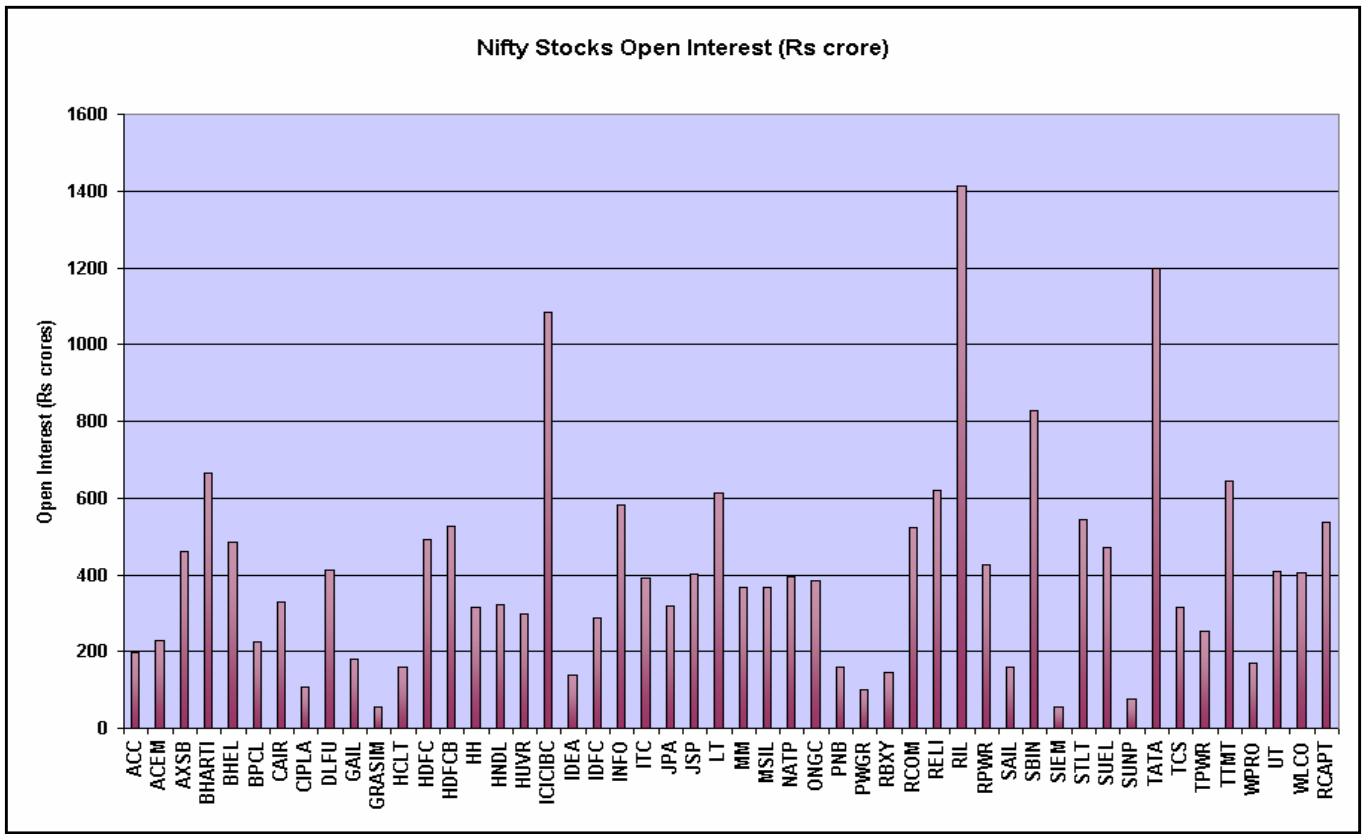
Profitable when closing price is below Rs 429/- on expiry

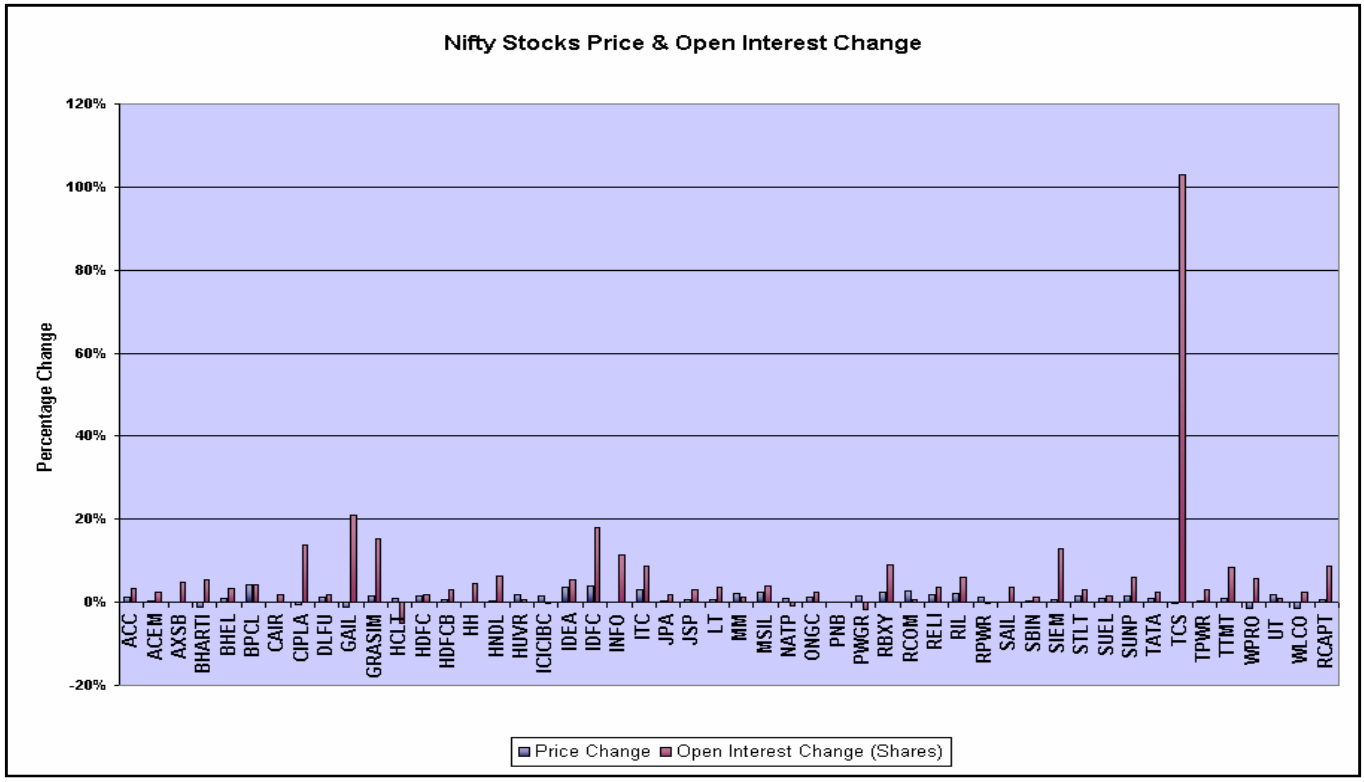
Maximum Potential Profit: Unlimited Maximum Possible Loss: Rs 11,000/-

Time to Expiry: 29 days

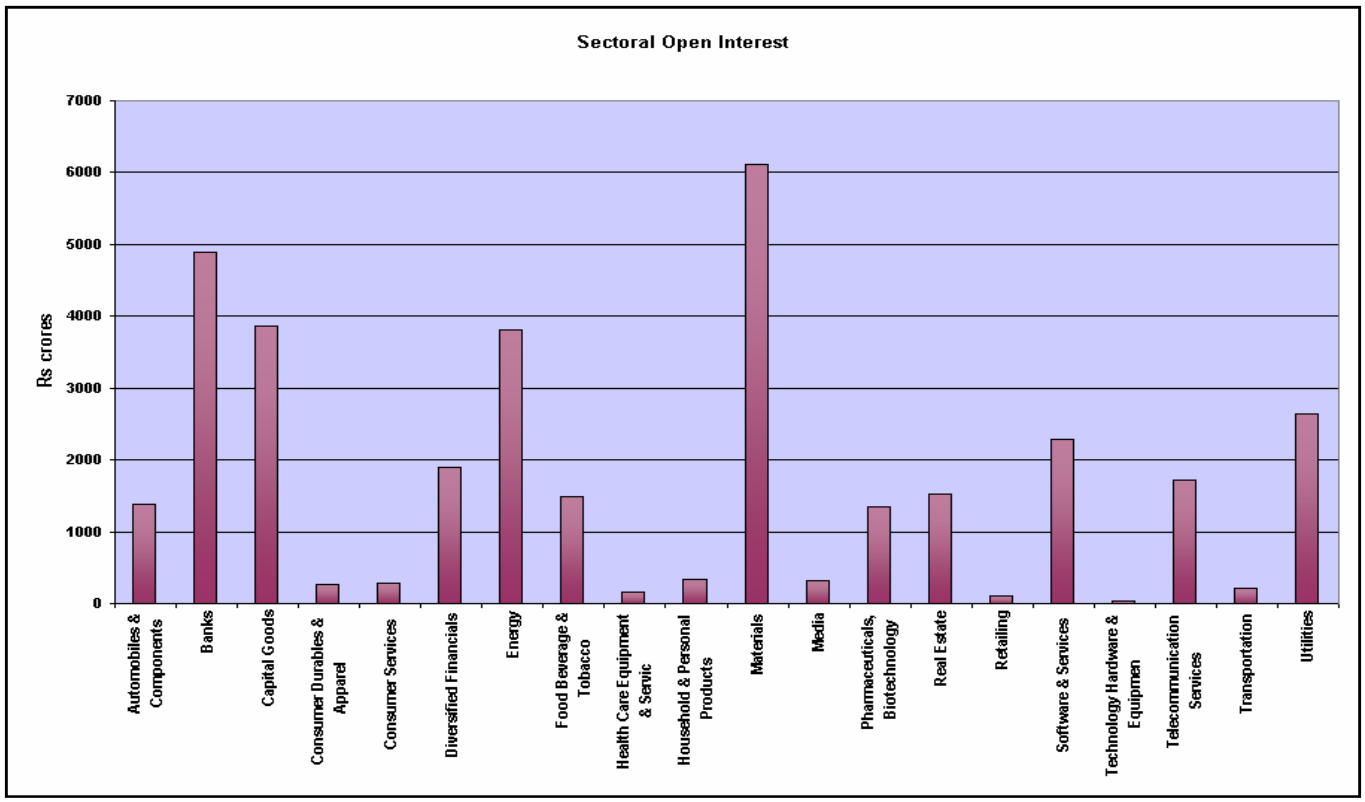


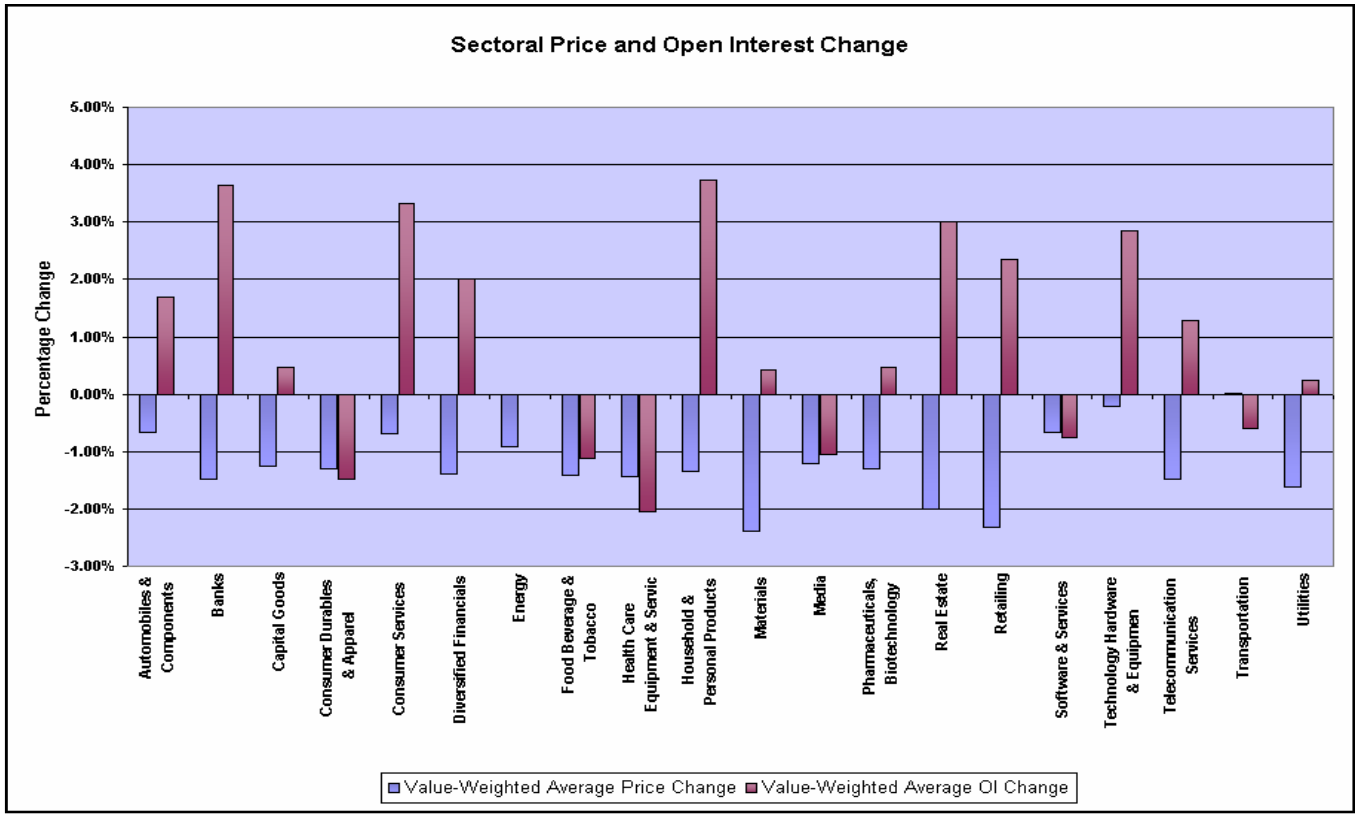
STOCK FUTURES - NIFTY STOCKS





STOCK FUTURES - SECTORAL ANALYSIS





TOP PRICE GAINERS (STOCKS)

Scrip	Lot Size	Spot price	% Change
HPCL	1000	469.50	7.68
IFCI Ltd	4000	56.95	6.75
Dish TV	8000	47.40	5.33
Zee Entertainment	1000	304.85	4.44
BRFL	1000	259.65	4.34

TOP PRICE LOSERS (STOCKS)

Scrip	Lot Size	Spot Price	% Change
Sterling Biotech	2000	107.85	(5.48)
United Phosphorus	2000	184.05	(3.99)
Crompton Greaves	1000	257.80	(2.79)
Asian Paints	125	2301.80	(2.49)
SCI	2000	157.80	(1.90)

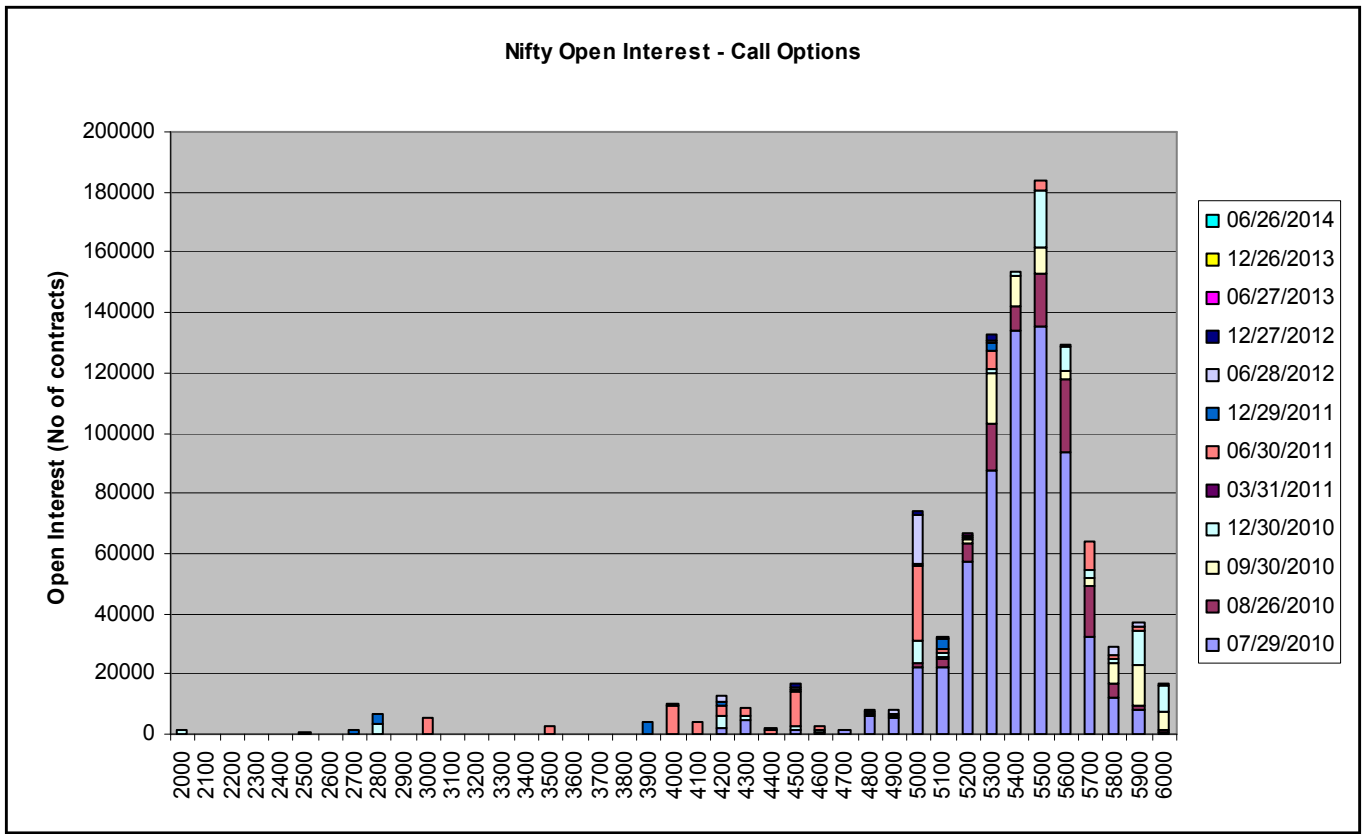
SIGNIFICANT OPEN INTEREST ADDITIONS (STOCKS)

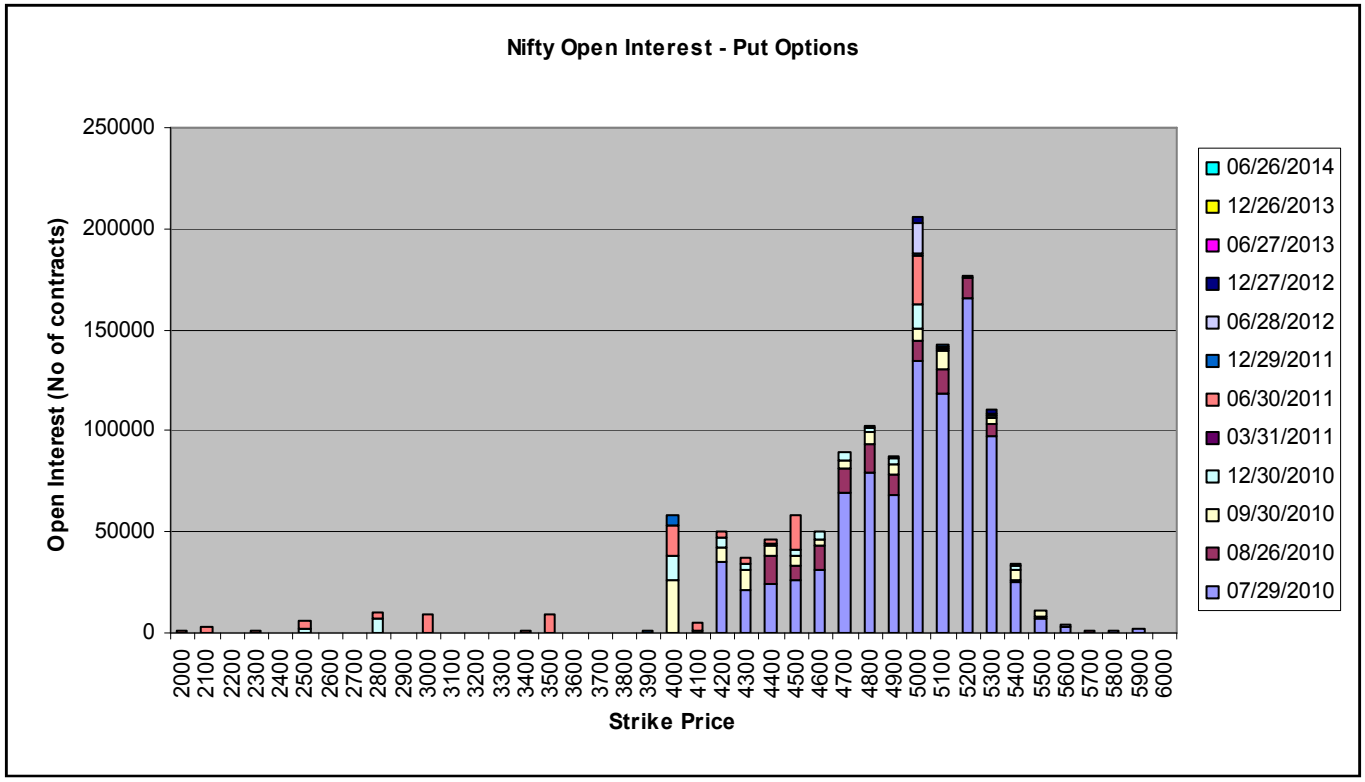
Contract	Price	% Change	Volume Spot	% Change	Open Interest	Absolute Change	% Change
Jindal Saw	201.40	0.40	187050	(44.37)	8227000	6579000	399.21
Sesa Goa	352.65	(0.89)	7452276	40.25	16822500	11098000	193.87
Sun TV Network	437.00	3.42	380830	35.37	315500	201000	175.55
Bharat Forge	289.40	2.50	651647	79.62	3833000	1998000	108.88
IVRCL Infrastructure	187.85	0.56	1513021	32.56	4723000	2418000	104.90
TCS	751.00	(0.37)	1658258	26.84	4194000	2127000	102.90

SIGNIFICANT OPEN INTEREST REDUCTIONS (STOCKS)

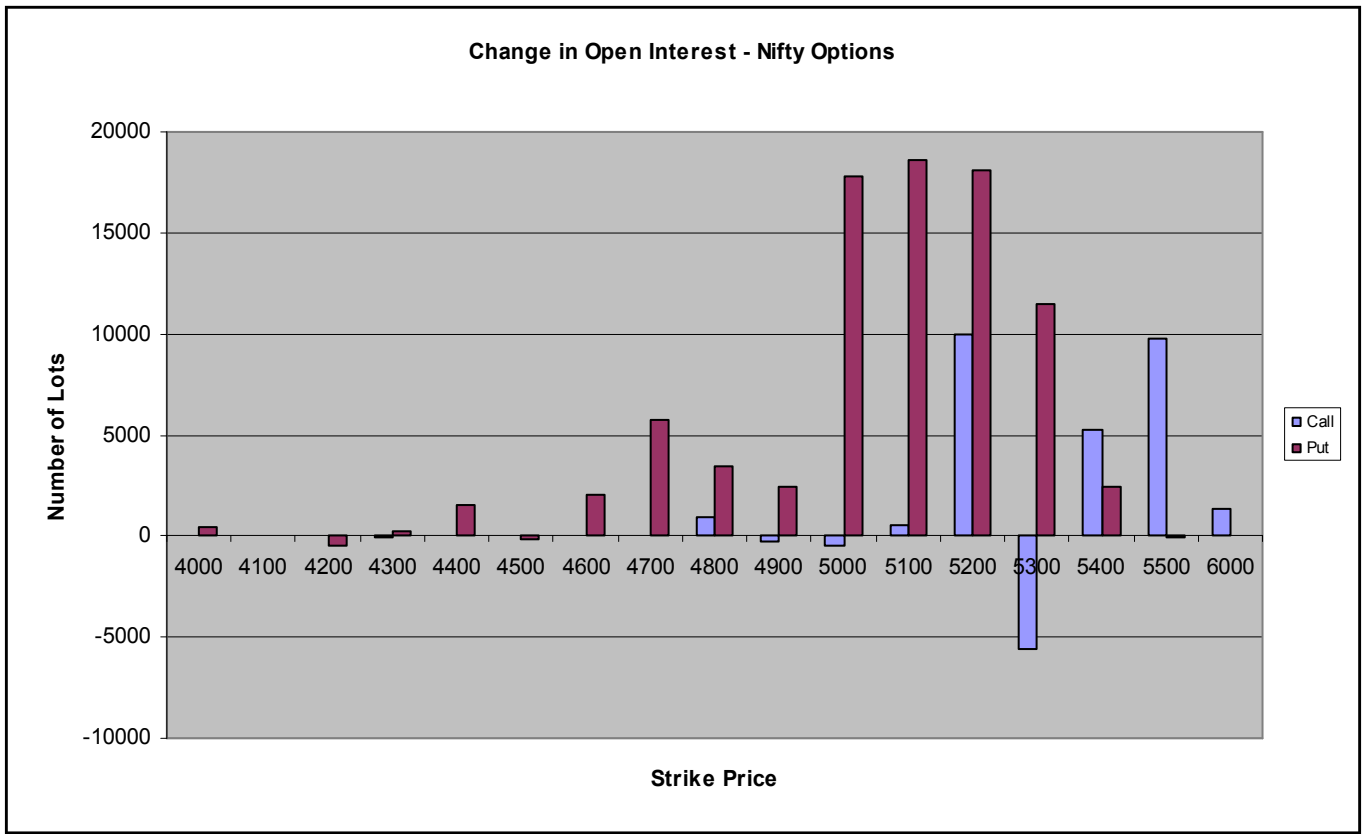
Contract	Price	% Change	Volume Spot	% Change	Open Interest	Absolute Change	% Change
Power Finance Corp	300.15	1.28	733285	(44.69)	906000	(192000)	(17.49)
Opto Circuits	240.25	(0.33)	668432	374.76	709000	(103000)	(12.68)
Kotak Mahindra Bank	770.95	3.55	2375570	243.67	3702000	(409500)	(9.96)
Union Bank of India	311.05	(0.78)	336564	(15.10)	1157000	(101000)	(8.03)
BGR Energy	733.70	(1.03)	264142	(57.86)	332000	(29000)	(8.03)

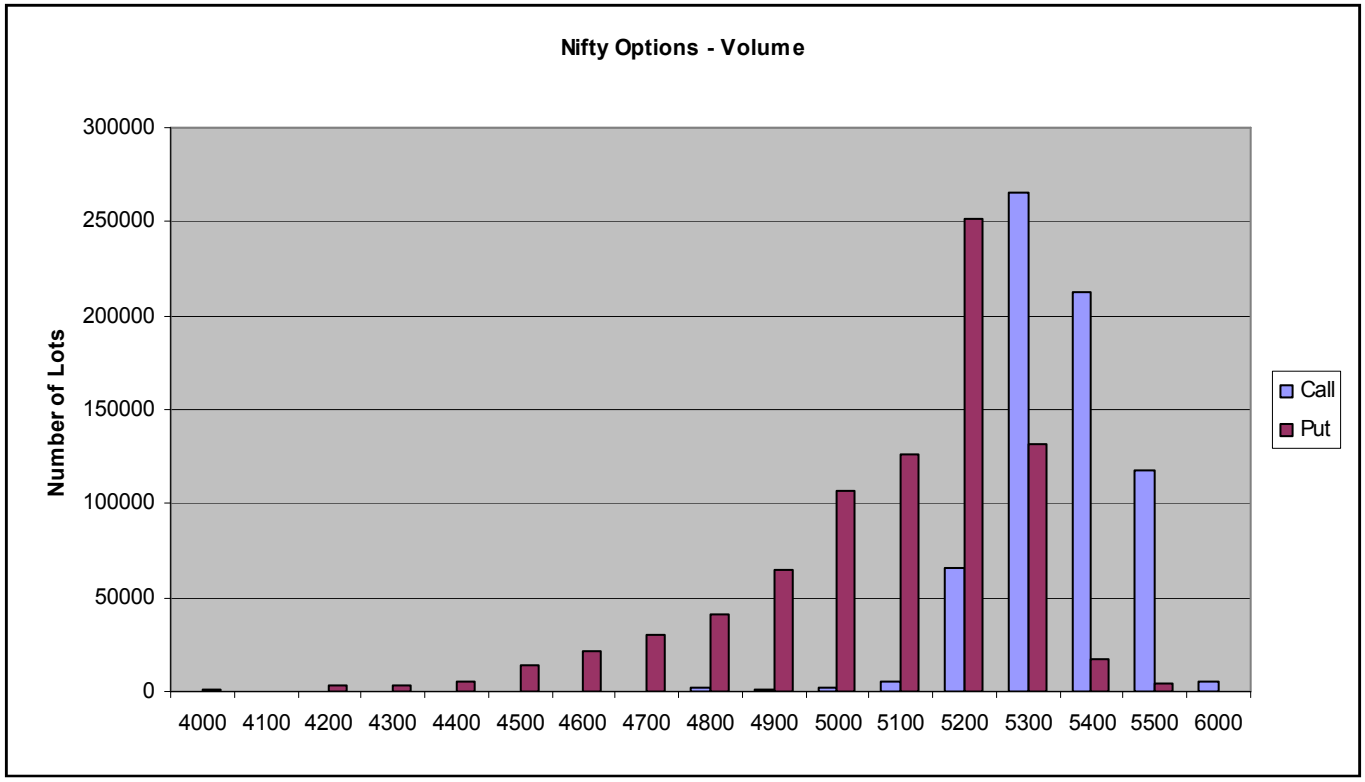
OPTIONS OPEN INTEREST CONCENTRATION





OPTIONS ANALYSIS





MOST ACTIVE FUTURE CONTRACTS

Name	Expiry Date	Number of Contracts	Price	Open Interest	Value of Underlying
NIFTY FUTURE	29 JUL 10	523267	5318.95	33225200	5315.60
HINDPETRO FUTURE	29 JUL 10	34582	471.30	10431000	469.80
RELIANCE FUTURE	29 JUL 10	37973	1093.30	12902000	1089.15
BPCL FUTURE	29 JUL 10	20199	665.80	3414500	662.40
TATAMOTORS FUTURE	29 JUL 10	17150	781.90	8307000	778.00
IOC FUTURE	29 JUL 10	16279	405.35	5320000	401.55

MOST ACTIVE NIFTY OPTION CONTRACTS

Contract	Price (Premium)	Volume (No. of Lots)	Open Interest	Delta	Gamma	Theta	Vega
JUL CE 5300	117.05	259091	4560700	0.5363	0.0015	2.1423	5.9793
JUL PE 5200	68.85	248255	8453800	(0.3355)	0.0012	1.6646	5.5089
JUL CE 5400	65.00	208038	6883800	0.3811	0.0015	1.8377	5.7545
JUL PE 5300	99.05	128700	4926700	(0.4629)	0.0015	1.5651	5.9794
JUL PE 5100	47.00	122609	6026750	(0.2389)	0.0009	1.5807	4.7170
JUL CE 5500	29.50	107185	7015050	0.2242	0.0013	1.2921	4.5929

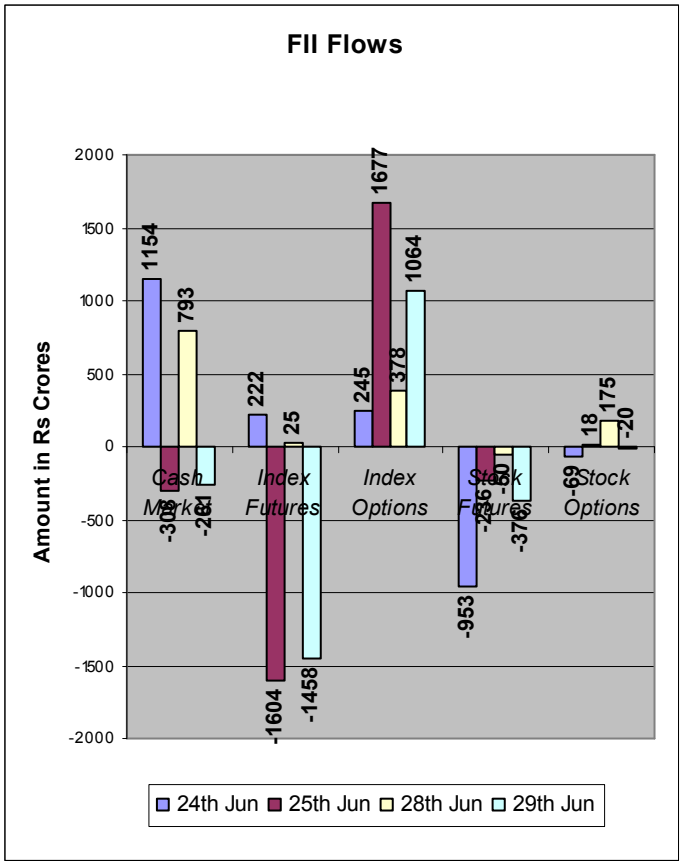
MOST ACTIVE STOCK CALLS (VALUE)

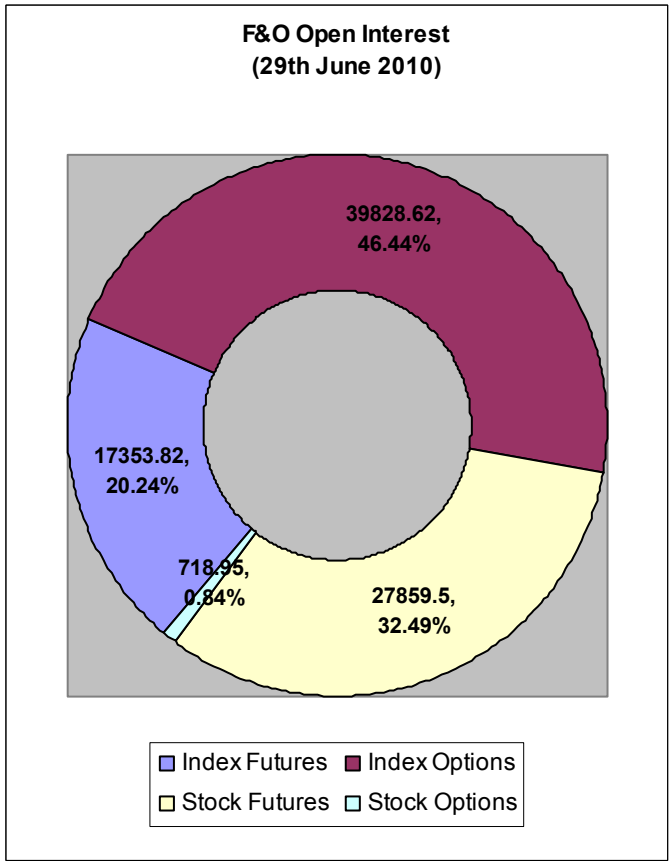
Name & Month	Strike	No. of contracts	Price
Reliance Jul	1100	6682	26.50
Reliance Jul	1080	3516	36.80
HPCL Jul	460	1859	30.25
IFCI Jul	60	3535	1.50
HPCL Jul	480	1481	20.10

MOST ACTIVE STOCK CALLS (VALUE)

Name & Month	Strike	No. of contracts	Price
Reliance Jul	1060	1405	15.05
HPCL Jul	440	728	11.45
HPCL Jul	420	511	6.40
Reliance Jul	1080	791	22.70
Reliance Jul	1020	809	6.05

FII ACTIVITY





** Source: www.nseindia.com (FII trades done on Exchanges)*

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