



daring derivatives



August 08, 2007

Derivatives Summary

- Nifty (August) futures discount increased to 40.5 points from 31.5 points and around 7.3 lakh shares were added in open interest.
- Total open interest in the market is 84,241 crore and around 2,122 crore was added in open interest.
- Nifty call added 8.91 lakh shares and put added around 5 lakh shares in open interest.
- Federal Bank (20%), RNRL (11%) and UTI Bank (11%) were the top interest gainers in the market.
- Shree Cement (-16%) was the top open interest loser in the market.
- JP Hydro (93%), IFCI (92%), Essar Oil (88%) and Arvind Mill (87%) remained very close to their market wide position limits.

Market View

The market opened on a strong note with a gap of about 45 points in accordance with strong global cues but faced a strong resistance at around 4,395. The market gradually came down and closed at 4,356 with a small gain of around 16 points. Volumes in Nifty futures were less than their average and around 7 lakh shares were added in open interest towards the short side. On the option front, implied volatility of options was nearly same as yesterday at 28%, indicating nervousness in the market and a high volatility in the near future. Market is likely to open in accordance with the world market and might witness a negative opening as it lost all its gain towards the closing, today. Key support levels for the Nifty are 4,315 and 4,250 and the resistance will be around 4,395.

NIFTY SNAPSHOT			
	Current	Previous	% Change
Nifty (July)	4309	4308	0.02%
Nifty CoC	-14.78%	-11.04%	33.85%
OI	45084150	44351200	1.65%
Vol	19380950	29738000	-34.83%
PCR(OI)	1.32	1.37	-3.65%
PCR (VOL)	1.07	0.8	33.75%

MOST ACTIVE INDEX CALL OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
4400 C	27.04%	26.63%	3486950	17.15%
4300 C	28.64%	27.90%	2098950	0.15%
4500 C	25.02%	25.39%	3225750	3.25%
4350 C	27.77%	27.79%	814050	12.34%
4600 C	22.76%	24.34%	2129850	0.33%

MOST ACTIVE INDEX PUT OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
4300 P	29.57%	28.57%	3731950	2.43%
4400 P	27.08%	27.54%	4007250	0.85%
4050 P	32.60%	30.62%	726150	5.60%
4200 P	30.72%	30.12%	3294750	1.73%
4100 P	31.66%	31.20%	2370800	5.93%

MOST ACTIVE STOCK FUTURES				
Strike	Curr. CoC	Pre. CoC	Curr. OI	OI Chg%
RELIANCE	1.76%	8.80%	12970500	-2.27%
SBI	11.36%	8.73%	11263250	1.84%
HDIL	-2.44%	4.11%	9145600	-1.26%
RNRL	10.38%	12.25%	77577500	11.11%
GMRINFRA	11.68%	9.54%	8366000	4.77%

FII'S FUTURE & OPTIONS ACTIVITY (IN CRS) 6 AUG			
	Buy	Sell	Difference
INDEX FUTURES	1965.85	3015.25	-1049.40
INDEX OPTIONS	565.87	212.78	353.10
STOCK FUTURES	404.46	959.22	-554.76
STOCK OPTIONS	0.21	22.16	-21.94
TOTAL	2936.39	4209.40	-1273.01

MOST ACTIVE STOCK CALL OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RNRL 45 C	58.10%	60.89%	6027450	-8.17%
RELIANCE 1830 C	29.57%	32.02%	393300	4.38%
SBI 1650 C	44.10%	15.86%	174500	35.27%
IDBI 120 C	36.38%	53.70%	2208000	50.57%
IFCI 70 C	62.04%	66.96%	5433750	44.96%

MOST ACTIVE STOCK PUT OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
SBI 1680 P	27.38%	29.81%	64000	224.05%
RELIANCE 1800 P	28.11%	25.89%	235200	5.23%
RPL 110 P	36.59%	37.25%	978200	11.03%
IDBI 110 P	61.95%	47.40%	480000	36.99%
IFCI 60 P	56.83%	56.14%	1283625	41.74%

Recommendation Tracker

Date	Scripts	Buy/sell	Initiation Range	Stop loss	Target	Time frame	Remark
7-Aug-07	IDBI 120 CA	Buy	2.4-2.5	-	5.00-6.00	8-10 Days	Target Achieved
6-Aug-07	RPL	Buy	113	111.5	115-118	2-3 Days	Target Achieved
6-Aug-07	IVRCL	Buy	380	Trail SI @ 386	400-410	2-3 Days	Profit Booked
6-Aug-07	PFC	Buy	175.5	Trail SI @ 386	182-188	4-5 Days	Profit Booked
6-Aug-07	ACC	Buy	980	976	990-1000	1-2 Days	Target Achieved
2-Aug-07	Cesc	Buy	461.5	455	475-485	1-2 Days	Stopped Out
1-Aug-07	Century	Buy	714-715	708	725-735	1-2 Days	Stopped Out
1-Aug-07	L & T	Sell	2520	2535	2475-2450	1-2 Days	Target Achieved

Strategy Tracker

Date	Scripts	Buy/Sell	Strike/Option	Initiation Range	Max Profit	Max. Loss	Time
2-Aug-07	DLF	Buy	600	27-28			Expiry
		Sell	640	14-15		13	

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