

Market Statistic:

TRADE STATISTICS FOR 1st-August-2007

Product	No. of Contracts	Turnover (Rs. cr.)*
Index Futures	1,007,308	21,865.67
Stock Futures	741,042	24,982.40
Index Options	337,693	7,591.02
Stock Options	42,210	1,465.83
Total	2,128,253	55,904.92

OPEN INTEREST – Gainers.

Scrip ID	OI Futures	% Chg	Price	% Chg
TCS	5574500	15.27	1115.15	-3.56
GLAXO	696900	14.21	1107.35	-4.18
HDFC	1436100	13.81	1942.55	-3.7
SAIL	31598100	12.67	144.45	-3.93
RELCAPITAL	6579100	11.25	1171.95	-1.88

OPEN INTEREST - Losers.

Scrip ID	OI Futures	% Chg	Price	% Chg
EDUCOMP	307500	-20	2346	-8
TRIVENI	2009700	-17.67	57.9	-4.14
KOTAKBANK	1244650	-16.40	713.2	-3.72
TITAN	1475784	-15.14	1101.9	-4.42
MCDOWELL-	642500	-14.90	1326.6	-3.6

FII Derivatives Statistic For the date :010807

	Buy	Sell	OI at end of the Day		Inflow / Outflow
			Contract	Amount	
INDEX FUTURES	2913.97	4647.85	921367	19789.26	1733.88
INDEX OPTIONS	654.97	271.14	486596	10573.37	383.83
STOCK FUTURES	1172.29	1928.84	913980	26372.98	-756.54
STOCK OPTIONS	4.73	25.48	5438	141.09	-20.75
					-2127.33

FII Derivatives Statistic For the date 310707

INDEX FUTURES	2310.98	1316.69	837715	18915.89	994.29
INDEX OPTIONS	546.69	137.56	455638	10317.58	409.13
STOCK FUTURES	811.65	909.43	883983	26992.53	-97.78
STOCK OPTIONS	15.76	15.24	4441	117.38	0.52
					1306.16

FII Derivatives Statistic For the date :300707

INDEX FUTURES	1871.89	2068.28	847838	18687.04	-196.39
INDEX OPTIONS	581.26	250.59	431736	9584.65	330.67
STOCK FUTURES	548.00	743.21	865166	25753.05	-195.21
STOCK OPTIONS	0.00	2.12	3554	86.02	-2.12
					-63.05

Reckoning Put/Call Ratio

Scrip ID	PCR OI	PCR Vol.
NIFTY	1.31	0.90
RELIANCE	0.26	0.20
INFOSYSTCH	0.39	0.35
SBIN	0.49	0.52
RCOM	0.12	0.10

Market Wrap-up:

Nifty lost on Wednesday to close at 4345.85 down 4.04% The F&O segment of the market saw increase in turnover as compared to previous trading session.

The market turnover increased by 22.54 percent in terms of number of contracts traded vis-à-vis previous trading day and increased 13.45 percent in terms of rupees.

The PCR OI of market was at and in NIFTY; has changed from 1.60 to 1.64 . At the same time, PCR VOL in NIFTY has changed to 0.90.

On a scrip specific note scrip like TCS, GLAXO, HDFC, SAIL & RELCAPITAL major gainers in futures open interest, while EDUCOMP, TRIVENI, KOTAKBANK, TITAN & MCDOWELL were the amongst some to shed the Futures Open Interest.

On the option 434929 contracts in the PUT side. On the scrip side, RELIANCE led the pack with 18711 contracts in CALL and 4967 Contracts in PUT as open interest followed by INFOSYSTCH with 3150 contracts of open position in CALL and 1244 contracts of open position in PUT.

In terms of Volumes 2128253 contracts were traded on NSE. Nifty accounted for 62.79 percent of the total traded contracts RELIANCE 4.14 percent while RCOM contributed 2.20 percent to the total turnover.

A look at the volatility indicates shows a considerable amount of increase in volatility of stocks such as NATIONALUM, INDIAINFO, DABUR, GTL, & LITL. Implied volatility in Nifty is at 26.60 and Historical volatility is at 35.84.

Expectations:

Nifty futures saw rise of 8.90% in OI with prices fell sharply and closed near day's low suggesting aggressive short positions built up in the market and longs liquidating their positions suggesting we may see further shorts positions built up their positions thus indicates that further weakness may be seen in the market. The august nifty trading at 42 points discount to spot nifty suggesting selling pressure emerging at higher levels. The FII were sellers in index futures to the tune of 1733 crs and buyers in index options to the tune of 383 crs indicating heavy hedged positions built up by them. The PCR has changed from 1.42 to .131 indicates some selling pressure may emerge in the market and we may see further weakness in the market. IV in the market was 26.60 and HV was 35.84 thus suggesting high volatile trading sessions may be seen in the market.

Among the Big guns, ONGC saw rise of 9.30 % with prices came down indicating shorts positions built up and long positions liquidated in the counter thus suggesting further weakness may be seen. RELIANCE saw rise of 6.53% in OI with prices moving down sharply indicating shorts positions built up and long positions liquidated in the counter thus suggesting further weakness may be seen.

In the TECH counters INFOSYSTCH, TCS & WIPRO saw significant rise in OI with prices closing down suggesting fresh selling emerging in these counters at lower levels indicating that these counters may see further weakness in coming days if it doesn't sustains at current levels. SATYAMCOMP saw rise of 3.58 % with prices down indicating short positions built up in the counter thus suggesting further weakness may be seen in the counter.

In the counters, ACC & AMBUJACEM saw rise of OI to with prices down indicating built up of fresh short positions in these counter suggesting further weakness may be seen in these stocks. INDIACEM & CENTURYTEX saw drop in OI with prices moving down sharply suggesting long positions liquidating in these counters thus suggesting some profit booking may be seen in these counters but we may see fast recovery in both these counters as no aggressive short positions are built up in these stocks.

Expectations:

In the BANKING pack, SBIN saw drop of 10.37% OI with prices moving down sharply and closing low suggesting further profit booking may be seen in the counter but we may see fast recovery in the counter. ICICIBANK saw drop in OI with prices down indicating that the counter may see further profit booking in coming days. HDFCBANK saw rise in OI of 12.19% with prices down suggesting further weakness may be seen in the counter.

TATASTEEL saw rise of 1.28% in OI with prices down indicating liquidation of long positions and built up of fresh short positions in the counter suggesting further weakness may be seen in the stock. SAIL saw rise of 12.67% in OI with prices coming down indicating built up of short positions in the stock indicating further weakness may be seen in the counter. HIINDALCO saw drop of 1.02% in OI with prices down indicating liquidation of long positions and built up of shorts positions seen in the counter suggesting further weakness may be seen.

We feel that the volume and built up in OI suggests that market may show further weakness in the coming days so one should not take aggressive long positions in the market. Market is having support around 4250 levels breach of which may result in addition of aggressive short positions. One should trade with strict stop losses to be adhered to as market is too volatile.

Strategies for the Day :-

DATE	COMPANY NAME	VIEW	DIFFERENT STRATEGIES	ACTION	BEP	RISK	REWARD
02-Aug-07	INDIACEM	VOLATILE	SYTH. LONG STRADDLE	SELL FU @ 204	184.45		
				BUY 200 CA @ 11.95		22547.5	UNLIMITED
				BUY 210 CA @ 7.60	225.55		
	RELIANCE	VOLATILE	SYTH. LONG STRADDLE	SELL FU @ 1803	1677		
				BUY 1800 CA @ 63.00		18450	UNLIMITED
				BUY 1800 CA @ 63.00	1923		
	IDBI	Moderately Bearish	CALL HEDGE	SELL FU @ 105	99	14400	UNLIMITED
				BUY 105 CA @ 6.00			
	CENTURYTEXT	Moderately Bullish	COVERED CALL	BUY FU @ 706	683	3400-8500	15725
				SELL 720 CA @ 23			
				SL: 675			

Before taking any action based on above information, please confirm the ex-date with Dealers

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TRADING LAWS

- A Trader not observing STOP LOSS, cannot survive for long .
- Never re-schedule your stop loss ,square up first and then take a fresh view.
- Book small losses by buying / selling near support / resistance, and look for big Gains,this will maximize the gains.
- Don't try to anticipate the change in main trend ,so don't go against trend .

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