



daring derivatives



September 03, 2010

Derivatives Summary

- Nifty (September) futures' premium decreased from 6.10 points to 3.70 points and 11.40 lakh shares got added in open interest.
- Total open interest in the market was Rs166,030 crore and Rs 5,232 crore got added today.
- Nifty call options added 28.24 lakh shares in open interest, whereas put options added 22.00 lakh shares in open interest.
- BEML (36%), Apollo Tyres (27%), Asian Paints (24%), Indian Bank (23%) and Andhra Bank (18%) were the top open interest gainers in the market today.
- Sun TV(-11%), CESC (-9%), Petronet LNG(-8%), and Hotel Leela Ventures (-7%) were the top open interest losers in the market today.

Market View

Flirting around 5500 levels

Extending previous day's gains, the Nifty started the day on a cheerful note surpassing 5500 levels in the opening bell on the back of positive global cues. Suzlon Energy, sugars and select banking stocks kept on pumping the bulls throughout the day. But due to lack of leads and support from other heavy weights, the bellwether Nifty kept numb and finally wrapped the session playing see-saw near 5500 levels, adding only 14 points for the day and settled at 5,486. Volumes on Nifty futures were marginally lower as compared to previous trading volumes. Around 5.20 lakh shares were added in open interest with a decrease in the cost of carry indicating short positions building up at higher levels. On the options front, implied volatilities decreased marginally indicating buying may continue to emerge at lower levels and that 5400 - 5450 may act as a good support level going forward.

NIFTY SNAPSHOT			
	Current	Previous	% Change
Nifty (Curr. MTH)	5489.85	5477.95	0.22%
Nifty CoC	0.88%	1.40%	-37.34%
OI	35661150	34515050	3.32%
Vol	18999150	21587400	-11.99%
PCR(OI)	1.39	1.41	-1.42%
PCR (VOL)	1.15	1.22	-5.74%

MOST ACTIVE INDEX CALL OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
5500 C	13.32%	13.74%	8119150	9.65%
5600 C	12.21%	12.50%	9017150	7.12%
5400 C	14.70%	15.14%	5508650	1.69%
5700 C	11.57%	11.70%	8333950	7.12%
5800 C	12.46%	12.59%	4008450	1.68%
Average IV	12.85%	13.14%	-	-2.22%

MOST ACTIVE INDEX PUT OPTION				
Strike	Curr. IV	Pre. IV	Curr. OI	OI Chg%
5400 P	15.61%	16.02%	11202000	6.58%
5500 P	13.76%	14.13%	5637450	10.62%
5300 P	17.21%	17.85%	8142950	5.22%
5100 P	19.22%	20.57%	7377900	6.57%
5200 P	18.39%	19.33%	8990250	-0.28%
Average IV	16.84%	17.58%	-	-4.41%

MOST ACTIVE STOCK FUTURES				
Strike	Curr. CoC	Pre. CoC	Curr. OI	OI Chg%
TATAMOTORS	7.31%	2.18%	14383500	2.59%
TATASTEEL	0.96%	5.03%	23122000	-2.17%
SUZLON	12.71%	10.80%	83468000	2.51%
RELIANCE	6.33%	8.40%	30758750	-0.23%
STER	3.65%	8.04%	35247000	-6.10%

FII'S FUTURE & OPTIONS ACTIVITY (IN CRS) 01 SEP			
	Buy	Sell	Difference
INDEX FUTURES	1843.15	1175.67	667.48
INDEX OPTIONS	4295.44	4534.61	-239.17
STOCK FUTURES	1395.74	1135.53	260.21
STOCK OPTIONS	153.03	158.83	-5.81
TOTAL	7687.35	7004.64	682.71

MOST ACTIVE STOCK CALL OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
RELIANCE 1000 C	25.82%	24.89%	2330250	25.08%
UNITECH 85 C	36.00%	35.09%	5932000	14.78%
TATAMOTORS 1040 C	32.56%	32.08%	622500	57.40%
SUZLON 50 C	33.98%	40.11%	3520000	-21.43%
TATASTEEL 540 C	30.83%	32.27%	891000	-17.84%

MOST ACTIVE STOCK PUT OPTIONS				
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI (%)	OI Chg %
UNITECH 75 P	37.19%	36.54%	3348000	33.49%
TATASTEEL 520 P	31.61%	31.71%	621000	24.95%
RELIANCE 920 P	23.97%	24.53%	243750	10.17%
TATAMOTORS 1000 P	31.85%	31.58%	305000	1.67%
JPASSOCIAT 110 P	34.77%	33.95%	1068000	80.41%

Derivative Calls

Date	Scripts	Buy/Sell	Initiation Range	Stoploss	Target	Remark
2-Sep-10	Tisco	Buy	546-547	530	560-570	Open @ 544

Derivative Ideas

Date	Scripts	Buy/Sell	Initiation Range	Stoploss	Target	Time Frame	Remark
2-Sep-10	Nifty	Buy	5492-5495	5465	5530-5550	1-2 Days	Open @ 5483.50

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