

Punter's Call

Flat series

Derivatives summary

- Nifty Futures (January) premium decreased from 24.90 points to 13.70 points, with 1.69 crore shares in open interest (OI)
- Total OI in the market was Rs1,81,818 crore after addition of Rs36,776 crore in OI
- Market-wide rollover stood at 84.84% v/s 82.24% in the last expiry, while the rollover in Nifty Futures was at 69.49% v/s 63.10% in the last expiry
- TATAGLOBAL (96%), ABIRLANUVO (95%), JINDALSTEL (95%), OFSS (95%) and TATACOMM (95%) witnessed good rollover into the next series
- PCJEWELLER (48%), GAIL (61%), TORNTPHARM (64%), BANKBARODA (66%) and OIL (67%) witnessed low rollover into the next series

Market commentary

The Indian markets commenced the last day of the December F&O series on a negative note amid mixed cues from the international markets. Soon after the first hour of trade, Nifty Futures consolidated in a narrow range with a positive bias, mainly backed by gains in large-cap counters (up in the range of 2-4%). Post lunch, Nifty Futures continued to move northward, especially in the last one hour of trade. As a result, the Index ended the last trading day of the December expiry above the 8100 levels at 8103.60, up -0.90%.

On the options front, for the January F&O series, the 8000 PE has the highest number of shares in OI followed by the 7900 strike price. On the call side, the 8200 CE has the highest number of shares in OI followed by the 8500 strike price.

The Nifty Futures had started the December F&O series on a positive note and continued to advance in the first half of the series. But, in the second half, the Nifty Futures saw selling pressure and surrendered all of its gains, closing the December F&O series with a minor gain of ~1.75%. A significant amount of OI got built in this journey, which we feel is the mix of longs and shorts. The Put-to-Call (PCR) started this series on a higher side at 1.00 and the India Volatility Index (VIX) traded in a narrow range of 15-18 throughout the December series. The india VIX is currently trading at 15 levels. Seeing the above data and considering the rebound in the Index from the crucial support of 7900-8000, we feel that the market has more room on the higher side up to 8300.

Nifty F&O snapshot

	Current	Previous	Change %
Nifty (Curr. MTH)	8117.3	8031.35	1.07%
Nifty CoC	2.29%	-15.90%	114.37%
OI	16848600	23868150	-29.41%
Vol	302025	21311925	-98.58%
PCR (OI)	1.00	0.96	4.17%
PCR (VOL)	0.90	0.93	-3.23%
Avg. Call IV	13.13%	14.21%	-7.61%
Avg. Put IV	15.83%	14.27%	10.94%
India VIX	15.28	15.54	-1.67%

Currency watch

	Current	Previous	Change %
USD vs INR	68.10	68.15	-0.07%

Looking Trendy

Monthly view on Nifty

Lower Range*	Higher Range*
7857	8343

*On a closing basis

Daily view on Nifty

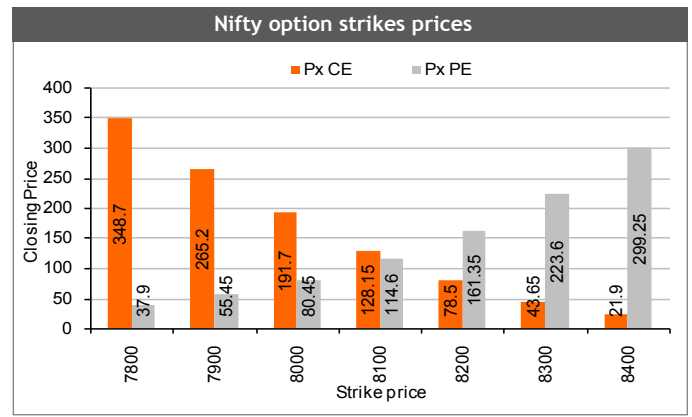
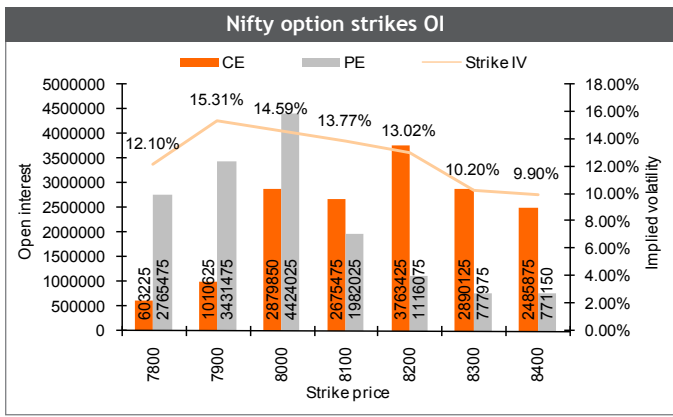
5-day VWAP*	Lower Range	Higher Range
8015	8015	8200

* Volume-weighted average price (VWAP) is the ratio of the value traded to total volume traded over a particular time horizon. It is a measure of the average price a stock traded at over the trading horizon.

A lower range and higher range for the day is normally defined by the support and resistance level respectively.

Advance / Decline ratio in futures

Advance	154
Decline	25
Unchanged	2
Total	181
AD Ratio	6.16



Derivative Activity

Most active index call options					
Strike	Curr. IV	Pre. IV	Curr. OI	Chg OI %	Chg IV %
8200 C	13.01%	13.95%	3763425	16.06%	-6.76%
8100 C	13.56%	14.62%	2675475	7.90%	-7.26%
8300 C	12.59%	13.51%	2890125	10.76%	-6.81%
8000 C	14.22%	15.66%	2879850	15.97%	-9.20%
8400 C	12.28%	13.32%	2485875	16.58%	-7.84%
Average IV	13.13%	14.21%	-	-	-7.61%

Most active index put options					
Strike	Curr. IV	Pre. IV	Curr. OI	Chg OI %	Chg IV %
8000 P	14.96%	13.26%	4424025	28.86%	12.86%
7900 P	15.85%	14.42%	3431475	38.93%	9.89%
8100 P	13.99%	11.94%	1982025	50.67%	17.19%
7800 P	16.72%	15.39%	2765475	24.93%	8.66%
7700 P	17.63%	16.34%	2325375	25.97%	7.87%
Average IV	15.83%	14.27%	-	-	10.94%

Most active stock call options					
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI	OI Chg %	IV Chg %
HINDALCO 155 C	39.70%	42.18%	570500	19.85%	-5.88%
VEDL 220 C	41.05%	43.70%	1396500	-0.25%	-6.07%
DIVISLAB 800 C	56.92%	58.70%	153000	38.59%	-3.03%
BHARATFIN 600 C	54.21%	49.20%	369000	86.36%	10.19%
SBIN 260 C	31.75%	31.65%	1695000	31.70%	0.00%

Most active stock put options					
Strike	Curr. IV (%)	Pre. IV (%)	Curr. OI	OI Chg %	IV Chg %
SUNPHARMA 600 P	31.27%	29.10%	161000	41.98%	7.43%
IFCI 27.5 P	57.25%	30.35%	3080000	418.52%	88.62%
TCS 2300 P	25.09%	24.03%	46750	110.11%	4.42%
MARUTI 5000 P	28.98%	26.47%	93300	57.47%	9.47%
SBIN 240 P	31.65%	31.41%	870000	19.83%	0.76%

Most active stock futures (Current Month)				
Scripts	Curr. CoC	Pre. CoC	Curr. OI	Chg. OI %
SUNPHARMA	6.38%	1.36%	30817500	33.73%
HDFCBANK	1.68%	0.05%	28076500	14.82%
INFY	5.18%	-0.98%	13477500	16.90%
SBIN	-0.55%	-0.53%	65544000	27.58%
RELIANCE	3.30%	1.24%	14526500	19.78%

FIIs' F&O activity (in cr) December 28, 2016			
	Buy	Sell	Difference
INDEX FUTURES	6826.77	5198.53	1628.24
INDEX OPTIONS	55616.81	55332.06	284.75
STOCK FUTURES	22772.97	21953.93	819.03
STOCK OPTIONS	3720.08	3541.84	178.25
TOTAL	88936.63	86026.36	2910.27

Derivative Calls

Date	Scripts	Buy/Sell	Initiation Range	Stoploss	Target	Remark
28-Dec-2016	AXISBANK CE 440	BUY	4	1.90	8.00	STOPPED OUT

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