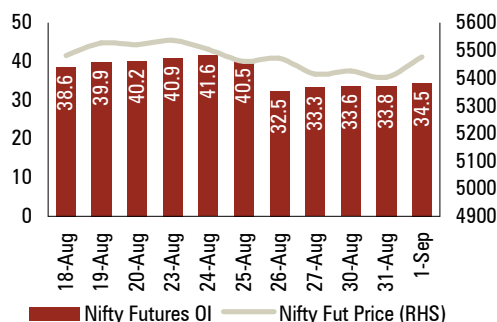
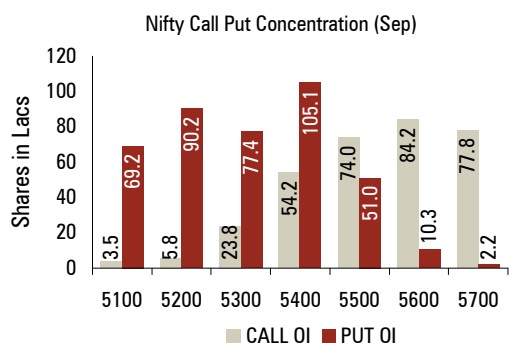


Nifty Futures – OI vs. Price



Nifty Options OI Distribution



Active Nifty Strike

Strike	Call (%)		Put (%)	
	OI chg	IV	OI chg	IV
5300	-9.7	16.6	-3.3	17.8
5400	4.8	15.1	11.5	16.0
5500	8.8	13.7	28.9	14.1
5600	7.7	12.5	-2.8	12.3
5700	15.7	11.7	3.8	11.6

FII Statistics (in crore)

Segment	Buy	Sell	Net	OI (lots)	%Chg
Index fut.	1843	1176	667	578359	0.0
Index opt.	4295	4535	-239	2368987	0.7
Stock fut.	1396	1136	260	1279170	1.4
Stock opt.	153	159	-6	23402	7.2
Total	7687	7005	683	4249918	0.9

F&O Turnover

Instrument	No. of Contracts	Turnover	%Chg
Index Futures	557777	14209	-19.0
Stock Futures	596177	17894	2.1
Index Options	2076961	56513	-16.3
Stock Options	113499	3549	-0.5
F&O Total	3344414	92166	-13.2

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Nifty Snapshot

	Spot	Fut	COC (%)	Tot Fut OI	PCR OI	PCR Vol	ATM IV (%)
Current	5472	5478	1.40	34515050	1.41	1.22	16.26
Previous	5402	5404	0.29	33827800	1.47	1.15	17.29
Change (%)	1.27	1.36	-	1.99	-	-	-

Source: NSE, Seediff, ICICIdirect.com Research

F&O Highlights

- Taking cues from positive global markets, the Nifty opened positive and traded with a positive bias throughout the session. Expect a small knock of 25 points during noon
- FIIs were net buyers in the cash segment, index futures and stock futures segment to the tune of Rs 360 crore, Rs 667 crore and Rs 260 crore, respectively
- On the Call side, the Nifty 5700 Call added 21,100 lots followed by about 12,000 lots each in 5500 and 5600 Call. On the Put side, major additions were seen in Nifty 5400 Put and Nifty 5500 Put (about 22,000 lots) each. Unwinding was seen to the extent of 22,000 lots in 5100 Put. Highest Nifty options OI on the Call side were seen at 5600 Call (8.41 million shares) while on the Put side it was at 5400 Put (10.51 million shares)
- On account of improved PCR-OI at the 5400 strike and 5500 strike and also buying by FIIs in all three segments, expect Nifty to take support at lower levels

Outlook

- The Nifty is likely to trade in the range of 5450-5540. The trading strategy would be to create long positions if the Nifty takes support at around 5450 levels for targets of 5489 and 5503. On the other hand, one can also create short positions if the Nifty resists at around 5540 levels

Sector/Stock Analysis

- OI addition: Media, metal and cement: Long build-up was seen in Core Projects, Dish TV, SAIL, ACC and Hindalco Industries while we saw short build-up in Opto Circuit, Hero Honda and Sun Pharma
- OI shedding: Hotels, realty and infrastructure: We saw short covering in KFA, Sobha Developers and GE Shipping while we saw long closure in Colgate Palmolive and Tata Motors

Open interest Gainers

Symbol	OI (lots)	%Chg	Price	%Chg	Symbol	OI (lots)	%Chg	Price	%Chg
COREPROTEC	10835000	19.9	270.1	2.8	KFA	15400000	-10.3	62.6	4.7
HCLTECH	2761000	18.6	389.7	1.0	GESHIP	859000	-8.4	305.7	2.5
AUROPHARMA	1094250	17.4	1053.1	0.7	HOTELEELA	5568000	-7.3	52.7	1.4
DISHTV	13544000	16.7	54.0	6.5	DENABANK	7724000	-6.3	106.0	2.3
INDIANB	828000	15.3	251.1	0.8	HCC	21568000	-5.4	60.3	6.3

Source: Company, ICICIdirect.com Research

Intraday Strategy

SAIL (SAIL)	ii) Polaris Lab (POLSOFF)
Buy SAIL Sep Fut above 189.70	Buy POLSOFF Sep Fut above 168.40
View: Bullish	View: Bullish
Strategy: Buy Future	Strategy: Buy Future
Target: 195.70	Target: 171.40
Stop Loss: 186.70	Stop Loss: 166.90
Market Lot:1000	Market Lot: 2000

Recommendation Highlights

- Unitech, our daily derivative call closed more than 2.5% positive

Strategy Follow-up

Date	Stock	View	Strategy	Reco	Target	SL	Profit/Loss	Comment
1-Sep-10	UNITEC	Bearish	Long Fut	77.9	79.5	77.1	-	Not Initiated
1-Sep-10	BHEL	Bullish	Long Fut	2404.0	2454.0	2,380.0	1325	Profit Booked

Derivatives research – product basket

Directional	Non-directional	Quant products
Long build up/Short covering Futures	Theta & Vega strategies	Pair trading
Short build up Futures	Delta differential strategy	
High OI stocks – delivery product	Option indicators analysis	
Plain vanilla options	Gamma neutral delta neutral strategy	
Deep Value Strategy	Reverse, Synthetic options & Situational arbitrage	
Hybrid Strategies – Index/Stocks	Opportunity Matrix	
Rollover week product (Long/Short rollover stocks)	Calendar Spreads	
VWAP(expiry day product)	Ratio Spreads	

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