

WEEKLY DERIVATIVES REPORT

Indices Hold Gains - Smart Recovery From Support!

06th Sep 2010 to 11th Sep 2010





Derivative Wrap - Nifty



Sentiment Indicator Nifty:

Particulars	3rd Sept. 2010	27th Aug. 2010	%Change
Spot Nifty	5479.40	5408.70	+1.30
Nifty Futures (Sept)	5484.90	5415.75	+1.27
Nifty CoC (%)	+1.35	+1.40	-3.57
Open Interest	36672450	33302650	+10.11
Volume	253284	459123	-44.83

Nifty Snap

Last week the Nifty Index made a smart recovery from its supports of 5350 and ended with gains of 1.30% at 5479.40. On the derivatives front the Nifty Futures ended in the positive territory along with an overall addition of open interest but slight decline in the cost of carry, this is an indication of some shorts being built at higher levels. For the coming week Nifty would continue to face resistance at its 5520/5555 levels , a decisive maintenance above this mark will provide further strength to it and in that case it can head towards its 5600 levels whereas on the downside support for the Index is seen at 5440/5350 levels.



Derivative Wrap - Bank Nifty



Sentiment Indicator Bank Nifty:

Particulars	3rd Sept. 2010	27th Aug. 2010	%Change
Spot Bank Nifty	10991.20	10727.45	+2.40
Bank Nifty Futures (Sept)	10977.70	10741.70	+2.19
BankNifty CoC (%)	-1.66	+1.42	-216.90
Open Interest	2580275	2425225	+6.39
Volume	33105	76116	-56.50

Bank Nifty Snap

Last week the Bank Nifty Index also recovered from its lows of 10650 levels and ended at 10991.20 gaining 2.40%. On the derivatives front we have seen the Bank Nifty futures ended in the green terrain along with an overall addition of open interest but decline in the cost of carry, this is an indication of some shorts being built at higher levels. For the coming week Bank Nifty Index is likely to continue its uptrend and will face resistance at 11130/11225 levels whereas on the downside support for the index is seen at 10771/10552.



Derivative Wrap - CNX IT



Sentiment Indicator CNX IT:

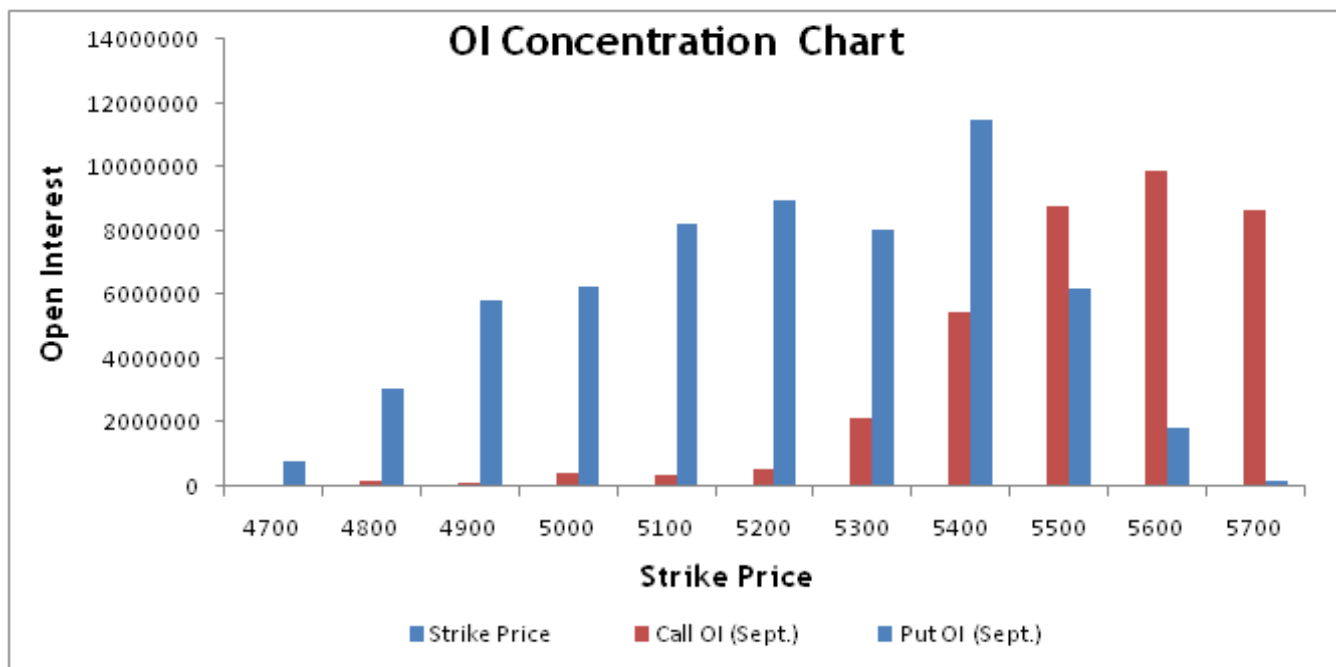
Particulars	3rd Sept. 2010	27th Aug. 2010	%Change
Spot CNX IT	6076.10	6005.90	+1.17
CNX IT Futures (Sept)	6080.40	6013.80	+1.07
CNX IT CoC (%)	+0.96	+1.41	-31.91
Open Interest	26900	11500	+133.91
Volume	308	330	-6.67

CNX IT Snap

The CNX IT Index last week closed at 6076.10 gaining 1.17%. On the derivatives front the CNX IT futures prices have surged along with an overall addition of open interest but decline in the cost of carry, this is an indication of some shorts being built in it at higher levels. For the coming week the CNX IT index Support is seen at 5990/5860 levels whereas on the upside immediate resistance for the index is seen at 6125/6158 levels above this mark the next major resistance is seen at 6220/6280 levels.



Options Snap



From the OI Concentration (Sept. Series) we can see that maximum addition of open interest on the call options front is existent at strike price of 5600 & 5700 (with nearly 99 lakh and 86.62 lakh shares outstanding in open interest respectively) indicating this as the resistance zone on the upside whereas on the put options front we have seen maximum addition of open interest at strike price of 5400 (with 1.14 crores shares outstanding in open interest) indicating it as a strong support on the downside.



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