

Wednesday, July 3rd 2013

Derivative strategy Bull call spread:

Buy USDINR call strike price 60.50 July @ 0.68 Paisa

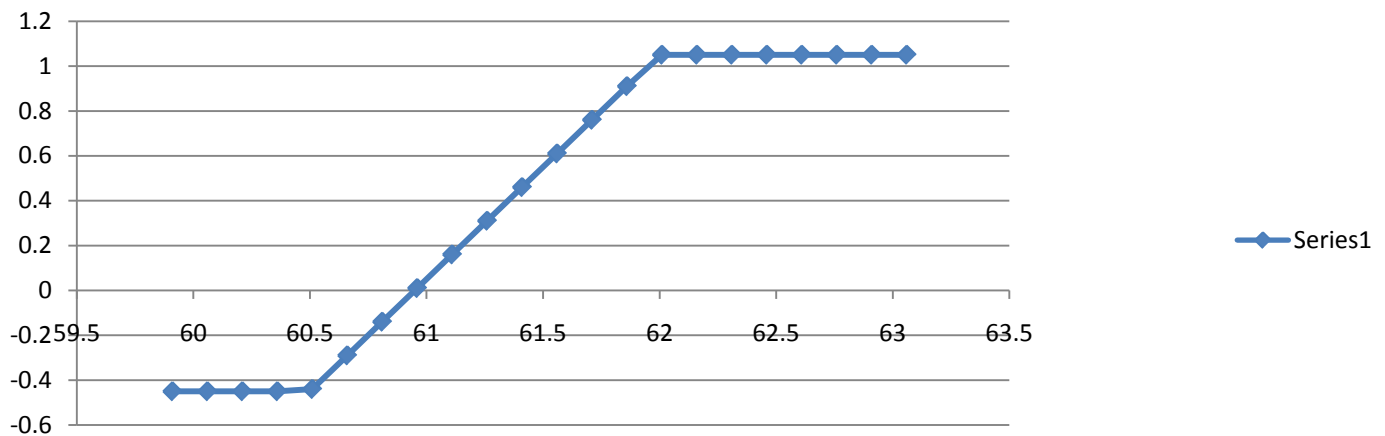
Sell USDINR Call strike price 62 July @0.25. Future price – July 60.37.

Net Debit	Maximum Risk	Maximum Reward	Breakeven
0.43	0.43	1.05	60.95

Futures	Payoff_Longcall	Payoff_Shortcall	Net
59.41	-0.7	0.25	-0.45
59.56	-0.7	0.25	-0.45
59.71	-0.7	0.25	-0.45
59.86	-0.7	0.25	-0.45
60.01	-0.7	0.25	-0.45
60.16	-0.7	0.25	-0.45
60.31	-0.7	0.25	-0.45
60.46	-0.7	0.25	-0.45
60.61	-0.59	0.25	-0.34
60.76	-0.44	0.25	-0.19
60.91	-0.29	0.25	-0.04
61.06	-0.14	0.25	0.11
61.21	0.01	0.25	0.26
61.36	0.16	0.25	0.41
61.51	0.31	0.25	0.56
61.66	0.46	0.25	0.71
61.81	0.61	0.25	0.86
61.96	0.76	0.25	1.01
62.11	0.91	0.14	1.05
62.26	1.06	-0.01	1.05
62.41	1.21	-0.16	1.05
62.56	1.36	-0.31	1.05



Bull Call Spread



Conclusion: Through the above strategy one should make limited profit near about 1.05 paisa or 1050 Rupee per lot with Maximum Risk of 0.43 Paisa.