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| Headline               | Now trade at lower premium with weekly Bank Nifty options |
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**SOON-TO-BE-LAUNCHED** weekly contracts of Bank Nifty to expire every Thursday

# Now, Trade at Lower Premium with Weekly Bank Nifty Options

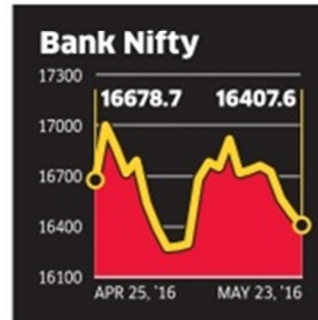
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**Mumbai:** Traders may soon get to trade in bank index options contracts that expire every week. The National Stock Exchange (NSE) is planning to launch weekly Bank Nifty options contracts soon that will give market participants the flexibility to hedge their portfolio or trade at a lower premium. Currently, the exchange's Bank Nifty futures and options contracts have a monthly expiry.

As Bank Nifty is more volatile compared to Nifty, weekly options contracts will allow traders to trade intraday as well as with time horizon of two to three days.

"Currently there is heightened volatility in the banking space and weekly options will help traders to cash in on the opportunities," said Jitendra Panda, managing director, Peerless Securities. "We are witnessing lot of action in the banking space with news related to regulations, policies, financial performance and others in both private and state-owned lenders. The weekly expiry will also increase volatility in this space."

The weekly options contracts of the Bank Nifty, which is likely to



start from May 27, will expire on every Thursday.

Weekly options contracts would provide traders another option to play with lesser premium and lesser investment compared to monthly options contracts. The new product would be most suitable for weekly hedging at lesser premium, especially at the time of major domestic or global event, said analysts.

"Traders will increasingly use this medium for intraday trades, and strategies such as buy today and sell tomorrow (BTST)," said Amit Gupta, head of derivatives at ICICI Direct. "The weekly options would be used for hedging purpose against and event risks, the product will also boost liquidity in F&O segment."