

NIFTYBank

Weekly Options

NSE announces the launch of **weekly option contracts on Nifty Bank Index** second largest traded index derivatives contract on the Exchange with effect from 27th May 2016. These weekly contracts will be introduced in addition to the existing monthly option contracts.

Key features of Nifty Bank weekly options

- Available for trading starting **from 27th May 2016**
- **7 weekly expiries** in addition to the existing 3 monthly option contracts
- Symbol, strike price, lot size will be **same as monthly** options contract
- Contact size of **30 units** for all expiries of the month of June 2016 & **40 units** for all expiries from the month of July 2016
- Weekly contracts shall expire **every Thursday** of the week
- All the 12 stock components of the index have derivatives on them.

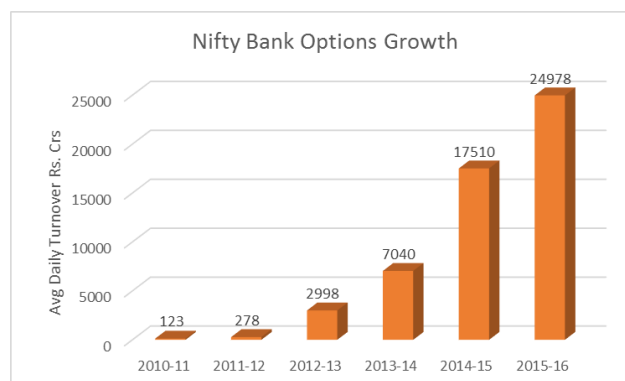
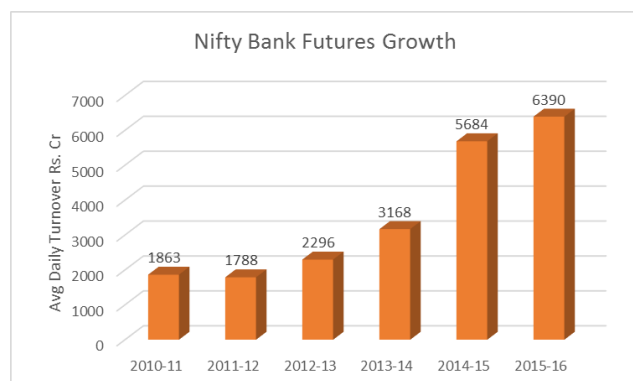
The following weekly expiries would be available for trading from 27th May 2016.

Instrument	Symbol	Expiry Date
OPTIDX	BANKNIFTY	02-Jun-16
OPTIDX	BANKNIFTY	09-Jun-16
OPTIDX	BANKNIFTY	16-Jun-16
OPTIDX	BANKNIFTY	23-Jun-16
OPTIDX	BANKNIFTY	07-Jul-16
OPTIDX	BANKNIFTY	14-Jul-16
OPTIDX	BANKNIFTY	21-Jul-16

Benefits of trading weekly contracts:

- **Better and low cost hedging:** Weekly options can be used effectively for short term portfolio protection as they tend to be cheaper compared to monthly contracts.
- **Flexibility and precision:** Weekly options offer flexibility to market participants to trade and hedge precisely the market movements stemming from economic data releases, RBI announcements, economic events, etc.
- **Experience a new trading cycle:** More number of expiries to provide more number of options trading opportunities.

Option volumes on Nifty Bank have grown at 190% CAGR in last 5 years.



About the Nifty Bank Index:

Bank Nifty Index has 12 most liquid and large capitalised stocks from the banking sector and represents 93% of the free float capitalisation of the banking sector universe. The index consists of both private and nationalised banks. 8 stocks of Nifty Bank are part of Nifty50

Constitutions of Nifty Bank:

Company Name	Mcap(Rs. Cr.)*	Weights (%)*
HDFC Bank Ltd.	223113	32.4
ICICI Bank Ltd.	137740	20.0
Axis Bank Ltd.	78719	11.4
Kotak Mahindra Bank Ltd	73624	10.7
State Bank of India	58687	8.5
IndusInd Bank Ltd	51148	7.4
Yes Bank Ltd.	30887	4.5
Bank of Baroda	14917	2.2
Federal Bank Ltd.	7885	1.2
Punjab National Bank	6488	0.9
Canara Bank	2908	0.4
Bank of India	2253	0.3

* As on 29th Apr 2016

Please refer related circulars for complete details. Circular download reference numbers: **32329 & 32338**.

<http://www.nseindia.com/content/circulars/FAOP32329.pdf>

<http://www.nseindia.com/content/circulars/CMPT32338.pdf>