

29th November 2023

Derivatives Update | **Private Client Group**

Nifty Outlook:

Post the correction phase that began at the highs of 20,222 levels that was achieved on 15th September. Nifty took support at the 200-Day EMA (18,830). Post this, the index has rallied 1000 points on the upside. On a daily time frame, a higher high pattern is intact indicating an uptrend. FII's have been constant net sellers in the cash segment, however; the last three trading sessions the data has been positive. Additionally; in the index futures data is getting better. Total number of short contracts now stands at 128,971. On 28th November; 5,560 long contracts were added compared to the addition of 4,502 short contracts in index futures. The long/short stands at 24% now. On the index options front, the net call-put is indicating significant addition of put writers from the FII's; which is a bullish indicator. To conclude, the data is getting better from FII's point of view. Expect the index to move further up with 19,800 as an intra-day SL.

Weekly Expiry Point of View:

Option chain data for tomorrow's expiry is indicating a trading range of 19,800-20,000 zones. On the call side, 20,000 is the strike with highest OI. Majority of call writing was witnessed at this level; indicating resistance. On the put side, 19,800 is the strike with highest OI indicating support. As per the data, net call-put writing is indicating a significant addition of put writers. Expect the index to be positive with 19,800 as a SL for intra-day.

Strategy:

The sentiment on Nifty is bullish. The strategy can be played out by buying 1 OTM CALL & selling 1 OTM PUT.

Nifty Strategy :

SELL 1 LOT PUT NIFTY 30NOV2023 19,850 @ 24

BUY 1 LOT CALL NIFTY 30NOV2023 19,950 @ 59

Target – 40 POINTS

Stop Loss – 19,800 (SPOT)

Nifty Weekly Series	Strike	OI (Lakh)
Max Call OI	20,000	2.13
	20,100	1.75
Addition in OI Calls	20,200	0.50
	20,000	0.49
Max Put OI	19,800	3.08
	19,700	1.70
Addition in OI Put	19,800	1.54
	19,850	1.05

Nifty Monthly Series	Strike	OI (Lakh)
Max Call OI	20,000	2.13
	20,100	1.75
Addition in OI Calls	20,200	0.50
	20,000	0.49
Max Put OI	19,800	3.08
	19,700	1.70
Addition in OI Put	19,800	1.54
	19,850	1.05

Net Change in Index Futures (Contracts)

Date	FII	Pro
28/11/2023	-1,28,971	16,954
24/11/2023	-1,30,029	16,148
23/11/2023	-1,32,042	30,722
22/11/2023	-1,26,748	26,638
21/11/2023	-1,30,113	26,338

Sentiment indicator:

Particulars	28-Nov	24-Nov	23-Nov	22-Nov
Nifty Premium/ (Discount)	47.00	32.25	66.75	72.25
PCR	1.22	0.99	0.86	1.07
A/D Ratio	2.85	0.69	0.96	1.17
VIX	12.18	11.33	11.32	11.86

Net Index Options Long (Call - Put = Contracts)		
Date	FII	Pro
28/11/2023	-279800	-84000
24/11/2023	-294169	8179
23/11/2023	-276476	-24234
22/11/2023	-236623	-92307
21/11/2023	-92248	89649

Net Change in Index Option Writing (Call - Put = Contracts)		
Date	FII	Pro
28/11/2023	-122029	-293417
24/11/2023	-28041	42119
23/11/2023	-13806	79564
22/11/2023	-20683	-8334
21/11/2023	123343	394712

Index Long Short Ratio	
FII	24%
Pro	57%

Institutional activity in cash segment - Net Value (in crore)	28-Nov	24-Nov	23-Nov	22-Nov
FIIs	783.82	2,625.21	255.53	-306.56
DIIIs	1,324.98	134.46	457.39	721.24

Top 3 Long Buildups				
Particulars	LTP	% Price Change	Open interest (Lakh)	% OI Change
MANAPPURAM	150.95	1.24%	1169.58	88.28%
JINDALSTEL	668.00	1.17%	430.16	56.99%
HINDALCO	516.60	1.56%	592.22	56.87%

Top 3 Short Buildups				
Particulars	LTP	% Price Change	Open interest (Lakh)	% OI Change
DABUR	534.55	-0.36%	338.58	67.36%
TORNTPHARM	2,082.55	-0.67%	28.07	63.23%
NAUKRI	4,571.95	-0.66%	25.17	60.98%

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