

Nifty Outlook:

The index has been in a time correction phase for the August series. Nifty has been oscillating between 20DEMA & 50DEMA; indicating no directional move. FII's activity in Cash and F&O space for the month of August has been negative as they have been constantly selling. However; in the index futures front, the FII's have covered their short positions towards the end of the month. The total number of long positions from the FII's stands at 1,694. The long/short ratio has gone up to 50% indicating short covering. On 31st August; 38,482 long contracts were liquidated compared to liquidation of 64,274 short contracts in index futures. On the index options front, the net call-put is indicating more put writers. To conclude, sentiments are neutral on the index. The index needs to break 19,250 decisively for any momentum down move. Until then expect the index to consolidate. Moreover; index needs to reclaim 19,500 for any meaningful longs. Although as things stand; the uptrend is still intact as long as the index is trading above 19,200 levels.

Weekly Expiry Point of View:

Option chain data for next weekly expiry is indicating a trading range of 19,200-19,500 zones. On the call side, 19,400 is the strike with highest OI indicating resistance. On the put side, 19,200 is the strike with highest OI indicating support. Majority of addition of put writing was seen at 19,200. As per the data, net call-put writing is indicating there are more put-writers; which is a bullish indicator. 19,250 remains a key level for the index on a closing basis for any shorts. If the index breaks 19,250 decisively; we can expect the index heading towards 19,000.

Strategy:

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

Nifty Theta-Scalping Strategy:

SELL 1 LOT CALL NIFTY 07AUG2023 19,500 @ 45

SELL 1 LOT PUT NIFTY 07AUG2023 19,000 @ 20

Target – 60 POINTS

Stop Loss – 90 POINTS

Nifty Weekly Series	Strike	OI (Lakh)
Max Call OI	19,400	1.10
	19,500	0.99
Addition in OI Calls	19,800	0.52
	19,600	0.51
Max Put OI	19,200	0.88
	19,400	0.75
Addition in OI Put	19,200	0.49
	18,500	0.47

Nifty Monthly Series	Strike	OI (Lakh)
Max Call OI	20,000	0.50
	19,500	0.42
Addition in OI Calls	19,400	0.12
	19,300	0.11
Max Put OI	19,000	1.28
	19,500	0.53
Addition in OI Put	19,000	0.19
	19,400	0.12

Sentiment indicator:

Particulars	31-Aug	30-Aug	29-Aug	28-Aug
Nifty Premium / (Discount)	175.20	97.85	93.75	115.20
PCR	0.90	0.92	0.97	1.00
A/D Ratio	0.35	1.38	3.17	1.38
VIX	12.06	11.8	12.22	12.4

Net Change in Index Futures (Contracts)

Date	FII	Pro
31/08/2023	1,694	16,112
30/08/2023	-24,098	-1,354
29/08/2023	-22,837	-11,725
28/08/2023	-30,958	-12,172
25/08/2023	-39,055	-411

Net Index Options Long (Call - Put = Contracts)

Date	FII	Pro
31/08/2023	-173701	-90623
30/08/2023	127785	399609
29/08/2023	-95454	-17542
28/08/2023	-276171	-134079
25/08/2023	-232120	-1951

Net Change in Index Option Writing (Call - Put = Contracts)

Date	FII	Pro
31/08/2023	-11516	110547
30/08/2023	260814	845457
29/08/2023	66818	31406
28/08/2023	-119633	-187618
25/08/2023	47207	282318

Index Long Short Ratio

FII	50%
Pro	58%

Institutional activity in cash segment - Net Value (in crore)

	31-Aug	30-Aug	29-Aug	28-Aug
FII's	-2,973.10	-494.68	61.51	-1,393.25
DIIs	4,382.76	1,323.24	305.09	1,264.01

Top 3 Long Buildups

Particulars	LTP	% Price Change	Open interest (Lakh)	% OI Change
HINDCOPPER	157.80	1.87%	489.61	104.20%
MANAPPURAM	154.20	3.25%	1116.42	91.17%
HDFCAMC	2,500.00	0.29%	71.49	76.60%

Top 3 Short Buildups

Particulars	LTP	% Price Change	Open interest (Lakh)	% OI Change
ASTRAL	1,946.20	-1.41%	56.21	90.29%
TORNTPHARM	1,848.65	-5.31%	26.06	68.54%
ASHOKLEY	181.80	-3.07%	1512.90	65.14%

Cholamandalam Securities Limited Member: BSE, NSE, MSE, NSDL, CDSL
Regd. Office: Dare House,2 (Old) # 234) N.S.C Bose Road, Chennai – 600001.
Website: www.cholawealthdirect.com
Email id – customercarewm@chola.murugappa.com CIN
 U65993TN1994PLC028674

Cholamandalam Securities Limited (CSEC) is a SEBI registered stock broker and depository participant. CSEC does not provide investment advisory services. Investors are advised to consult an independent financial advisor before taking any investment decisions.

RESEARCH			
Dharmesh Kant	Head of Equity Research	+91-44-4004 7360	dharmeshkt@chola.murugappa.com
Mugilan K	Technical Analyst	+91-44 - 4004 7353	mugilank@chola.murugappa.com
Balaji H	Compliance Officer	044-30007226	balajih@chola.murugappa.com
Lakshmi Sundaram	Customer service	1800 425 4477	lakshmis@chola.murugappa.com

Disclaimer:

This report is for private circulation and for the personal information of the authorized recipient only, and we are not soliciting any action based upon it. This report is not to be construed as an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. It does not provide individually tailor-made investment advice and has been prepared without regard to any specific investment objectives, financial situation, or any particular needs of any of the persons who receive it.

The research analyst(s), Cholamandalam Securities Limited (CSL), AMFI registered mutual fund distributor, who is primarily responsible for this report certifies that: (1) all of the views expressed in this report accurately reflect his or her personal opinions about any and all of the subject securities or issuers; and (2) no part of any of the research analyst's compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this report. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of Cholamandalam Securities Limited makes every effort to use reliable, comprehensive information, but we make no representation that it is accurate or complete.

The views expressed are those of the analyst and the Company may or may not subscribe to all the views expressed therein Cholamandalam Securities Limited reserves the right to make modifications and alterations to this statement as may be required from time to time without any prior approval. Cholamandalam Securities Limited, its affiliates, directors and employees may from time to time, effect or have effect an own account transaction in or deal as agent in or for the securities mentioned in this report. The recipient should take this into account before interpreting the report.

All investors may not find the securities discussed in this report to be suitable. Cholamandalam Securities Limited recommends that investors independently evaluate particular investments and strategies. Investors should seek the advice of a financial advisor with regard to the appropriateness of investing in any securities / investment strategies recommended in this report. The appropriateness of a particular investment or strategy will depend on an investor's individual preference. Past performance is not necessary a guide to future performance. Estimates of future prospects are based on assumptions that may not be realized. Re-publication or redistribution in any form, in whole or in part, is prohibited. No part of this material may be duplicated in any form and/or redistributed without Cholamandalam Securities Limited prior written consent. The news items appearing in this are collected from various media sources and we make no representations that it is complete or accurate.

Cholamandalam Securities Limited

(A subsidiary of Cholamandalam Investment and Finance Company Ltd.)

Dare House, 2, N.S.C. Bose Road, Parrys, Chennai 600001, India

Tel: 91.44.40907172 / 91.44.40047370 Fax: 91.44.40047373

Website: www.cholawealthdirect.com

CIN – U65993TN1994PLC028674