

**Nifty Outlook:**

The Nifty breached the support level of 19,300 after days of consolidation. However; the downside was further limited as buying from the lower levels led the index close on a positive note. FII's activity in Cash and F&O space is indicating weakness as they have been selling for consecutive sessions. On the index futures front, short-built up is seen from the FII's. As the week has commenced, long/short ratio in index futures has further come down from 40% to 39% indicating short built-up. The total number of short contracts has gone up by 5,837 contracts. On 14<sup>th</sup> August; 340 long contracts were liquidated compared to addition of 6,177 short contracts in index futures. On the index options front, the net call-put is indicating liquidation of call writers. To conclude, sentiments are neutral to slightly bullish on the index. Expect the index to consolidate. The uptrend is intact as long as the index is trading above 19,200-19,300 levels.

**Weekly Expiry Point of View:**

Option chain data for next weekly expiry is indicating a trading range of 19,300-19,600 zones. On the call side, 19,600 is the strike with highest OI indicating resistance. On the put side, 19,400 is the strike with highest OI indicating support. As per the data, net call-put writing is indicating there's liquidation of call writers which is a positive indicator. 19,300 still remains a key level for the index. However, expect Nifty to trade between a range of 19,300 to 19,600 levels.

**Strategy:**

The sentiment on Nifty is neutral to slightly bullish. Index is expected to test the resistance zone of 19,600. Hence, the strategy can be played out by selling 1 OTM CALL and buying 1 ITM CALL.

**Nifty Bull-Call Spread:**

SELL 1 LOT CALL NIFTY 17AUG2023 19,600 @ 17

BUY 1 LOT CALL NIFTY 17AUG2023 19,400 @ 98

Max Profit – 60

Stop Loss – 19,300 (SPOT)

Nifty Weekly Series	Strike	OI (Lakh)
Max Call OI	19,600	2.06
	19,500	1.87
Addition in OI Calls	19,450	0.68
	19,400	0.61
Max Put OI	19,400	1.95
	19,300	1.8
Addition in OI Put	19,300	0.85
	19,350	0.62

Nifty Monthly Series	Strike	OI (Lakh)
Max Call OI	20,000	0.64
	19,500	0.53
Addition in OI Calls	19,700	0.05
	19,400	0.05
Max Put OI	19,000	0.8
	19,500	0.57
Addition in OI Put	19,300	0.03
	18,900	0.02

**Sentiment indicator:**

Particulars	14-Aug	11-Aug	10-Aug	09-Aug
Nifty Premium / (Discount)	37.45	76.05	53.70	57.05
PCR	1.00	0.90	0.91	1.18
A/D Ratio	0.81	0.26	0.58	2.06
VIX	12	11.52	11.4	11.14

**Net Change in Index Futures (Contracts)**

Date	FII	Pro
14/08/2023	-42,127	2,487
11/08/2023	-36,290	7,915
10/08/2023	-33,560	5,312
09/08/2023	-18,607	-10,102
08/08/2023	-12,550	-15,506

#### Net Index Options Long (Call - Put = Contracts)

Date	FII	Pro
14/08/2023	-28402	45918
11/08/2023	44854	15327
10/08/2023	-114009	-67643
09/08/2023	149041	7333
08/08/2023	-6493	-29983

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

Date	FII	Pro
14/08/2023	12857	214459
11/08/2023	164509	434860
10/08/2023	23778	155916
09/08/2023	208172	40788
08/08/2023	76362	93954

#### Index Long Short Ratio

FII	39%
Pro	52%

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

	14-Aug	11-Aug	10-Aug	09-Aug
FII	-2,324.23	-3,073.28	331.22	644.11
DIIs	1,460.90	500.35	703.72	-597.88

#### Top 3 Long Buildups

Particulars	LTP	% Price Change	Open interest (Lakh)	% OI Change
COFORGE	5,219.35	0.18%	10.17	16.29%
DIVISLAB	3,751.00	1.60%	31.45	10.55%
TRENT	1,930.05	2.09%	44.5	9.85%

#### Top 3 Short Buildups

Particulars	LTP	% Price Change	Open interest (Lakh)	% OI Change
MUTHOOTFIN	1,263.90	-6.12%	61.58	31.97%
IPCALAB	877.00	-3.62%	31.13	26.59%
CUB	121.70	-5.84%	424.00	16.92%

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