



14th March 2024

Nifty Outlook:

The index has been navigating on the upside to scale newer ATH levels post taking the support near the 50-Day EMA. However, the index is facing resistance going forward as the overall market breadth has been weak. Additionally FII activity has been volatile in nature lately. In cash segment, the month of march has seen a positive bias as FII's have been net buyers. As far as index futures is concerned, they are still holding short contracts. On 13th March; 2,428 long contracts were liquidated compared to the addition of 11,071 short contracts in index futures. The long/short ratio has moved from 35% to 40%; indicating unwinding of short positions. Additionally, on the index options front, the bias has been dynamic in nature as FII's have now covered significant put shorts from the lower levels and at the same time have added more put longs; when combined together indicates a bearish outlook. To conclude, the data is still neutral to slightly bearish from FII's point of view now. Option data is indicating further weakness can be seen as long as 22,000 is not reclaimed on the upside on closing basis.

Weekly Expiry Point of View:

Option chain data for today's expiry is indicating a trading range of 21,700-22,300 zones. On the call side, 22,300 is the strike with highest OI. Majority of call writing was witnessed at this level; indicating resistance. On the put side, 21,700 is the strike with highest OI. As per the data, net call-put writing is indicating a bearish stance from the FII's. They have covered put shorts at lower levels; resulting in the weakening of the support. Further weakness is likely to continue if the index does not reclaim 22,000 levels on the upside.

Strategy:

The sentiment on Nifty is bearish. Hence, the strategy can be deployed via a put spread.

Nifty Bear Put Ratio Spread :

SELL 2 LOT PUT NIFTY 28MAR2024 21,400 @ 56 | BUY 1 LOT PUT NIFTY 28MAR2024 21,650 @ 101

Target – 90 POINTS | Stop Loss – BELOW 21,150 (SPOT)

Nifty Weekly Series	Strike	OI (Lakh)
Max Call OI	22,500	3.06
	22,300	2.56
Addition in OI Calls	22,300	2.16
	22,400	1.81
Max Put OI	21,700	1.53
	21,500	1.23
Addition in OI Put	21,700	0.81
	21,650	0.57

Nifty Monthly Series	Strike	OI (Lakh)
Max Call OI	23,000	0.64
	22,500	0.52
Addition in OI Calls	22,200	0.22
	22,400	0.08
Max Put OI	21,000	0.86
	22,000	0.68
Addition in OI Put	21,700	0.09
	21,500	0.02



Net Change in Index Futures (Contracts)		
Date	FII	Pro
13-03-2024	-43,820	-22,157
12-03-2024	-30,321	-15,946
11-03-2024	-34,975	-12,103
07-03-2024	-33,795	1,277
06-03-2024	-46,341	21,096

Sentiment Indicator				
Particulars	13-Mar	12-Mar	11-Mar	07-Mar
Nifty Premium/ (Discount)	105.55	111.35	88.70	58.80
PCR	0.65	0.95	0.94	1.27
A/D Ratio	0.13	0.35	0.51	1.50
VIX	14.43	13.63	13.99	13.61

Net Index Options Long (Call - Put = Contracts)		
Date	FII	Pro
13-03-2024	25	140,809
12-03-2024	102,833	223,468
11-03-2024	13,430	106,739
07-03-2024	-75,836	-92,252
06-03-2024	-195,538	-65,619

Net Index Options short (Call - Put = Contracts)		
Date	FII	Pro
13-03-2024	96,356	578,500
12-03-2024	124,455	438,859
11-03-2024	82,769	549,941
07-03-2024	-43,749	-6,687
06-03-2024	-128,154	-288,321



Institutional activity in cash segment Net Value (In crores)		
Date	FII	DII
13-03-2024	-4,595.06	9,093.72
12-03-2024	73.12	2,358.18
11-03-2024	4,212.76	3,238.39
07-03-2024	7,304.11	2,601.81

Index Long Short Ratio	
FII	Pro
40%	43%

Top 3 Long Buildups					
Particulars	LTP	% Price Change	Open interest (Lakh)	% OI Change	
ITC	423.6	4.35%	1282.7	8.13%	
CIPLA	1,475.3	0.22%	102.06	0.17%	
-	-	-	-	-	

Top 3 Short Buildups					
Particulars	LTP	% Price Change	Open interest (Lakh)	% OI Change	
POWERGRID	265.6	-7.39%	638.85	13.6%	
METROPOLIS	1,595.2	-2.09%	14.85	12.04%	
ADANI PORTS	1,216.5	-6.91%	424.1	9.94%	



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