

**24<sup>th</sup> 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 15<sup>th</sup> 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. FI's have been constant net sellers in the cash segment. Additionally; in the index futures front the FI's have not covered the majority of their short positions. Total number of short contracts now stands at 132,042. On 23<sup>rd</sup> November; 3,020 long contracts were liquidated compared to the addition of 2,274 short contracts in index futures. The long/short stands at 21% now. On the index options front, the net call-put is indicating a significant neutral stance from the FI's. To conclude, the data is getting better from FI's point of view. Option chain data is indicating a range bound activity for the index with 19,700 as a SL.

**Weekly Expiry Point of View:**

Option chain data for next weekly 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 significant unwinding of call writers; which is a bullish indicator. Expect the index to show further strength with 19,700 as a SL for intra-day.

**Strategy:**

The sentiment on Nifty is neutral to slightly bullish. However, the strategy can be played out by selling 1 OTM CALL & selling 1 OTM PUT.

**Nifty Theta Scalping:**

SELL 1 LOT PUT NIFTY 30NOV2023 19,700 @ 33

BUY 1 LOT CALL NIFTY 30NOV2023 20,000 @ 38

Target – COMBINED PREMIUM 35 POINTS

Stop Loss – COMBINED PREMIUM 90 POINTS

Nifty Weekly Series	Strike	OI (Lakh)
Max Call OI	20,000	1.27
	20,500	1.17
Addition in OI Calls	20,300	0.61
	20,200	0.52
Max Put OI	19,800	1.36
	19,000	1.24
Addition in OI Put	19,800	0.5
	18,500	0.32

Nifty Monthly Series	Strike	OI (Lakh)
Max Call OI	20,000	1.27
	20,500	1.17
Addition in OI Calls	20,300	0.61
	20,200	0.52
Max Put OI	19,800	1.36
	19,000	1.24
Addition in OI Put	19,800	0.5
	18,500	0.32

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

Date	FI	Pro
23/11/2023	-1,32,042	30,722
22/11/2023	-1,26,748	26,638
21/11/2023	-1,30,113	26,338
20/11/2023	-1,36,111	28,033
17/11/2023	-1,36,416	33,240

**Sentiment indicator:**

Particulars	23-Nov	22-Nov	21-Nov	20-Nov
Nifty Premium/ (Discount)	66.75	72.25	57.90	57.20
PCR	0.86	1.07	1.02	0.90
A/D Ratio	0.96	1.17	1.27	0.69
VIX	11.32	11.86	12.23	12.15

Net Index Options Long (Call - Put = Contracts)		
Date	FII	Pro
23/11/2023	-276476	-24234
22/11/2023	-236623	-92307
21/11/2023	-92248	89649
20/11/2023	-322564	107028
17/11/2023	-308728	21180

Net Change in Index Option Writing (Call - Put = Contracts)		
Date	FII	Pro
23/11/2023	-13806	79564
22/11/2023	-20683	-8334
21/11/2023	123343	394712
20/11/2023	18580	627816
17/11/2023	16806	557136

Index Long Short Ratio	
FII	21%
Pro	64%

Institutional activity in cash segment - Net Value (in crore)	23-Nov	22-Nov	21-Nov	20-Nov
FIIs	255.53	-306.56	-455.59	-645.72
DIIIs	457.39	721.24	721.52	77.77

Top 3 Long Buildups				
Particulars	LTP	% Price Change	Open interest (Lakh)	% OI Change
BALRAMCHIN	469.90	1.46%	156.56	29.81%
MIDCPNIFTY	9,513.85	0.15%	9.94	25.93%
PIIND	3,766.00	3.06%	26.44	22.89%

Top 3 Short Buildups				
Particulars	LTP	% Price Change	Open interest (Lakh)	% OI Change
CIPLA	1,178.80	-7.62%	141.11	36.46%
ZYDUSLIFE	632.70	-1.66%	74.83	19.85%
CHAMBLFERT	311.80	-0.35%	154.09	18.26%

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