

**Nifty outlook –**

Time correction story continues to remain the same. The Nifty has been trapping both; bulls & bears. The range bound movement has been seen for the major part of august and is continuing to do so as we are in the last week of august series. The index has closed just above 50 DEMA. FII's activity in Cash and F&O space for the month of August has been negative as they have been constantly selling. On the index futures front, the short positions from the FII's have marginally come down as the total number of short contracts stand at 22,837. The long/short ratio is at 46% indicating some long additions. On 29<sup>th</sup> August; 17,145 long contracts were added compared to the addition of 9,024 short contracts in index futures. On the index options front, the net call-put is indicating there are more call 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 coming monthly expiry is indicating a trading range of 19,200-19,500 zones. On the call side, 19,500 is the strike with highest OI indicating resistance. On the put side, 19,300 is the strike with highest OI indicating support. Majority of addition of put writing was seen at 19,300. As per the data, net call-put writing is indicating there are more call-writers; which is a bearish indicator. 19,300 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 to slightly bullish. The strategy can be played out by selling 1 OTM PUT and selling 1 OTM CALL.

**Nifty Theta-Scalping Strategy:**

SELL 1 LOT PUT NIFTY 31AUG2023 19,200 @ 11  
 SELL 1 LOT CALL NIFTY 31AUG2023 19,500 @ 9

Target – 20 POINTS Stop Loss- 40 POINTS

Nifty Weekly Series	Strike	OI (Lakh)
Max Call OI	19,500	2.78
	19,400	2.47
Addition in OI calls	19,400	0.52
	19,650	0.30
Max Put OI	19,300	2.54
	19,000	2.23
Addition in OI Put	19,250	0.39
	19,300	0.37

Nifty Monthly Series	Strike	OI (Lakh)
Max Call OI	19500	2.83
	19,400	2.74
Addition in OI calls	19350	0.79
	19400	0.77
Max Put OI	19300	2.54
	19000	2.13
Addition in OI Put	19300	0.46
	19200	0.44

**Sentiment indicator:**

Particulars	29-Aug	28-Aug	25-Aug	24-Aug
Nifty Premium / (Discount)	105.35	113.95	99.15	123.80
PCR	0.97	1.00	0.84	0.78
A/D Ratio	3.17	1.38	0.22	0.52
VIX	12.2	12.4	12.08	11.7

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

Date	FII	Pro
29/08/2023	-22,837	-11,725
28/08/2023	-30,958	-12,172
25/08/2023	-39,055	-411
24/08/2023	-24,156	-6,497
23/08/2023	-18,465	-21,514

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

Date	FII	Pro
29/08/2023	-95454	-17542
28/08/2023	-276171	-134079
25/08/2023	-232120	-1951
24/08/2023	-221409	5214
23/08/2023	-57216	-379568

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

Date	FII	Pro
29/08/2023	66818	31406
28/08/2023	-119633	-187618
25/08/2023	47207	282318
24/08/2023	-20190	120106
23/08/2023	68816	-681503

#### Index Long Short Ratio

FII	46%
Pro	43%

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

	29-Aug	28-Aug	25-Aug	24-Aug
FII	61.51	-1,393.25	-4,638.21	1,524.87
DII	305.09	1,264.01	1,414.35	5,796.61

#### Top 3 Long Buildups

Particulars	LTP	% Price Change	Open interest (Lakh)	% OI Change
HAVELLS	1,340.55	1.73%	90.96	50.54%
UBL	1,527.70	0.48%	35.88	47.85%
ASIANPAINT	3,280.00	0.82%	70.63	45.38%

#### Top 3 Short Buildups

Particulars	LTP	% Price Change	Open interest (Lakh)	% OI Change
DABUR	551.10	0.13%	258.13	58.79%
HINDPETRO	263.55	0.59%	745.87	55.05%
SYNGENE	769.80	0.35%	62.73	42.86%

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