



22<sup>nd</sup> Feb 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; FII activity has been on a muted note since the sell off that was witnessed during the end of January series. In cash segment, the bias continues to remain bearish as FII's have been selling consistently. Additionally, in the index futures front, they have been unwinding the short positions as their bias has become neutral. On 21<sup>st</sup> February; 9,951 long contracts were added compared to the addition of 2,567 short contracts in index futures. The long/short ratio has improved from the lows of 22% to 42%; indicating unwinding of short positions. However, on the index options front, the bias has been dynamic in nature as FII's have now added significant call shorts at higher levels and at the same time have added more call longs; when combined together indicates a mildly bearish outlook. To conclude, the data is still neutral from FII's point of view now. Option data is indicating further momentum is likely to continue as long as the index does not close below 22,000 levels.

### Weekly Expiry Point of View:

Option chain data for today's weekly expiry is indicating a trading range of 22,000-22,200 zones. On the call side, 22,200 is the strike with highest OI. Majority of call writing was witnessed at this level; indicating resistance. On the put side, 22,000 is the strike with highest OI. As per the data, net call-put writing is indicating a slightly bearish stance from the FII's. They have added call shorts at higher levels; resulting in a resistance for the index. Further momentum action is likely to continue if the index does not breach 22,000 levels. Immediate resistance at 22,200 levels.

### Strategy:

The sentiment on Nifty is neutral. However the strategy can be deployed via a batman strategy.

Nifty Strategy:

SELL 2 LOT CALL NIFTY 29FEB2024 22,550 @ 28 | BUY 1 LOT CALL NIFTY 29FEB2024 22,350 @ 63

SELL 2 LOT PUT NIFTY 29FEB2024 21,550 @ 47 | BUY 1 LOT PUT NIFTY 29FEB2024 21,750 @ 88

Target – 90 POINTS | Stop Loss – BELOW 21,350 OR ABOVE 22,750 (SPOT)

Nifty Weekly Series	Strike	OI (Lakh)
Max Call OI	22,500	2.79
	22,200	2.77
Addition in OI Calls	22,200	1.71
	22,500	1.70
Max Put OI	21,500	1.96
	22,000	1.49
Addition in OI Put	21,500	0.87
	21,900	0.38

Nifty Monthly Series	Strike	OI (Lakh)
Max Call OI	23,000	1.72
	22,000	0.71
Addition in OI Calls	22,200	0.21
	22,000	0.20
Max Put OI	22,000	0.86
	21,000	0.80
Addition in OI Put	22,200	0.09
	21,500	0.05



Net Change in Index Futures (Contracts)		
Date	FII	Pro
21-02-2024	-47,430	8,097
20-02-2024	-54,814	19,406
19-02-2024	-63,809	22,752
16-02-2024	-68,790	24,079
15-02-2024	-75,198	29,387

Sentiment Indicator				
Particulars	21-Feb	20-Feb	19-Feb	16-Feb
Nifty Premium/ (Discount)	15.10	20.25	49.15	57.10
PCR	0.85	1.24	1.25	1.22
A/D Ratio	0.29	1.22	1.17	3.45
VIX	15.92	16.07	16.01	15.22

Net Index Options Long (Call - Put = Contracts)		
Date	FII	Pro
21-02-2024	-88,751	14,086
20-02-2024	-327,274	-135,963
19-02-2024	-185,240	-232,712
16-02-2024	-161,826	-211,718
15-02-2024	-48,438	-160,785

Net Index Options short (Call - Put = Contracts)		
Date	FII	Pro
21-02-2024	8,766	14,086
20-02-2024	-182,814	-662,618
19-02-2024	-63,067	-372,262
16-02-2024	-27,409	-337,718
15-02-2024	22,601	-227,194



Institutional activity in cash segment Net Value (In crores)		
Date	FII	DII
21-02-2024	284.66	-411.57
20-02-2024	-1,335.51	1,491.33
19-02-2024	-754.59	452.70
16-02-2024	253.25	1,571.00

Index Long Short Ratio	
FII	Pro
42%	54%

Top 3 Long Buildups					
Particulars	LTP	% Price Change	Open interest (Lakh)	% OI Change	
ABB	4,999.8	10.32%	17.95	11.6%	
PEL	921.9	3.65%	134.6	8.85%	
PVRINOX	1,380.9	0.24%	74.44	7.63%	

Top 3 Short Buildups					
Particulars	LTP	% Price Change	Open interest (Lakh)	% OI Change	
ASHOKLEY	171.2	-1.55%	1271.1	20.44%	
ABFRL	226.65	-3.9%	4859.4	12.42%	
LTTS	5,278.4	-2.77%	8.16	10.63%	



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