



WEEKLY NEWSLETTER



BULLS IN TOTAL CONTROL!

Nifty has successfully managed to sustain above the all so **important 11000 level**. The IT pack and Reliance have been major contributors to this rally. HDFC bank and ICICI bank have posted decent numbers in the past week.

Kotak Bank, SBI and AXIS bank are also hovering around crucial levels. For the NIFTY rally to be a sustainable one, it is imperative that Financials start performing well. With many **banking stocks near breakout levels**, they may lead the next leg of NIFTY's rally. The quarterly results of Reliance Industries are due on Thursday, which is the monthly expiry too. The massive rally in Reliance Industries preceding the result may result in some profit booking on the day of results.

Fasten your seat belts for an explosive expiry this Thursday

Options data for July series indicate highest Call Open Interest at the strike of 11500 and highest Put Open Interest at the strike of 11000. Thus **Options data suggest a trading range with Resistance at 11500 and Support at 11000**

MARKET WEEKLY OVERVIEW

NIFTY 11194.15
Weekly % Change = **2.38%**

TOP GAINERS

RELIANCE	12.26%
POWERGRID	11.45%
EICHERMOT	10.48%

TOP LOSERS

YESBANK	7.46%
ZEEL	4.56%

52 W HIGH
RELIANCE
HCLTECH

52 W LOW
NONE

ACTIONABLE OPTION STRATEGIES

Instrument Name :
HCLTECH

Sell 1 Leg of JUL 680 PE @ 14.5
Buy 1 Leg of JUL 660 PE @ 6.85

Trend :

HCLTECH hit a 52 week high and is showing strong upside momentum

Max Profit : INR 10570

Max Loss : INR 17430 (exit if loss is more than 8K)

Breakeven : 673

Options Data

July OI data suggest

Support at 650 (**Max Put OI**)

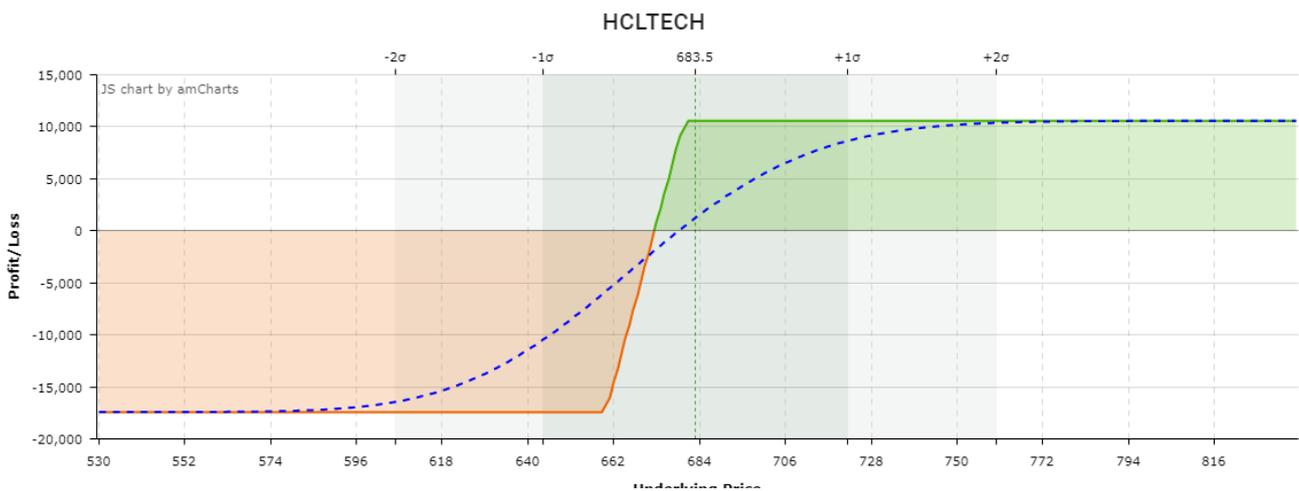
Resistance at 700 (**Max Call OI**)

Possible Adjustments :

If HCLTECH sustains below 670 one can create call credit spread at 700 i.e 700 CE sell and 720 CE Buy to reduce the breakeven on the downside

Futures Data :

HCLTECH was up **3.93%** on Friday and Future OI was **down -0.61 %**. This indicates **shorts are covering their positions**



With the new margin requirements, the margin required for above trade is only around 60K.

So, the ROI is almost 17% on margin deployed but in case of a wild movement one could lose up to 17K which is around 28% of margin deployed.

So one should **initiate this trade with atleast 4 lakh per lot** and not be aggressive due to new margin rules.

ACTIONABLE OPTION STRATEGIES

Instrument Name :
NIFTY

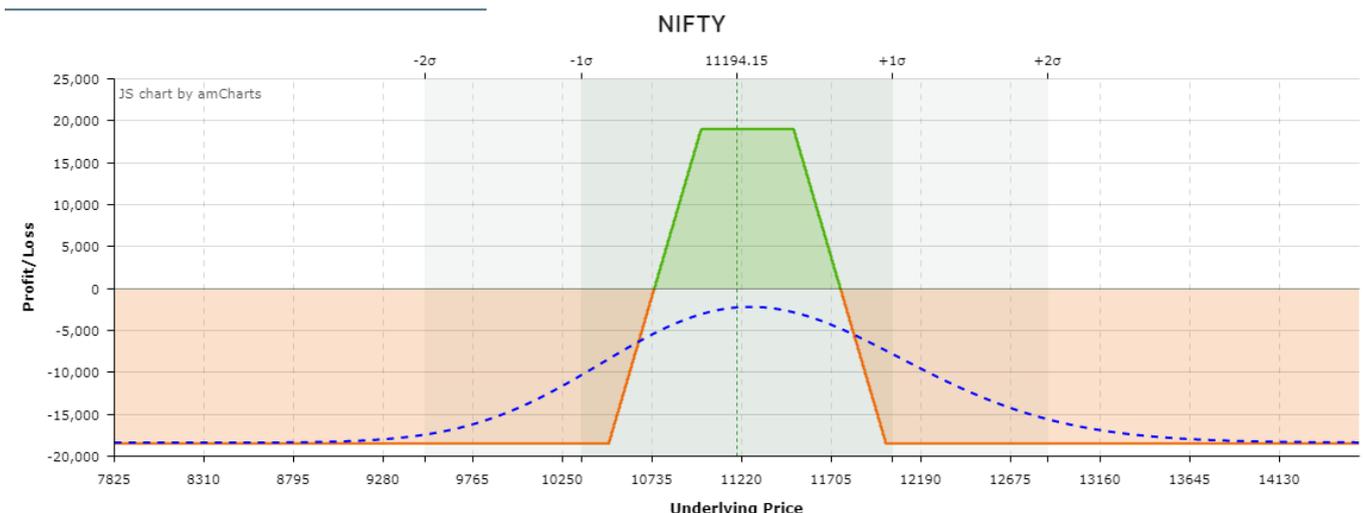
Sell 1 Leg of AUG 11000 PE @ 240
Buy 1 Leg of AUG 10500 PE @ 105
Sell 1 Leg of AUG 11500 CE @ 162
Buy 1 Leg of AUG 12000 CE @ 44

Trend :
11000 seems to be a base now for Nifty with a resistance around 11500 Levels

Max Profit : INR 19016
Max Loss : INR 18484 (exit if loss is more than 9000)
Breakeven : 10747 - 11753

Options Data :
July OI data suggest
Support at 11000 (Max Put OI)
Resistance at 11500 (Max Call OI)

Possible Adjustments :
NIFTY has been in a narrow range for past few days . So once the range is broken one can expect a clear trending move and create additional put or call spread as per movement,



With the new margin requirements, the margin required for above trade is only around 70K.

So, the ROI is almost 26% on margin deployed but in case of a wild movement one could lose up to 18000 which is around 25% of margin deployed.

So one should **initiate this trade with atleast 3 lakh per lot** and not be aggressive due to new margin rules.

DISCLAIMER

The views expressed in this newsletter are just for **educational purpose**
Investment/Trading in securities market is subject to **market risk and** past performance is not a guarantee of future performance.

Trading in derivatives is extremely risk and should be done only with proper knowledge.

It is very important to do your own analysis before making any investment based on your own personal circumstances

CONTACT US

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