

Quantify Capital

# WEEKLY NEWSLETTER



## VOLATILITY LIKELY TO CONTINUE

As discussed in the last newsletter, NIFTY continues to hover in the range of 11000 to 11400, making it quite tough for directional traders.

The India VIX has also fallen below 20 levels and has resulted in lesser premiums for option sellers too.

The real action is happening in smallcap and midcap stocks which have shown great moves in the past week.

With the US presidential elections scheduled in November, the market is likely to stay volatile and sector specific with volatility rising going forward.

Options data for Aug 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 11371.6  
Weekly % Change = 1.73%

### TOP GAINERS

|            |        |
|------------|--------|
| NTPC       | 19.85% |
| ZEEL       | 19.14% |
| ASIANPAINT | 8.62%  |

### TOP LOSERS

|            |       |
|------------|-------|
| EICHERMOT  | 2.97% |
| BHARTIARTL | 1.58% |

52 W HIGH  
ASIANPAINT

52 W LOW  
NONE

# ACTIONABLE OPTION STRATEGIES

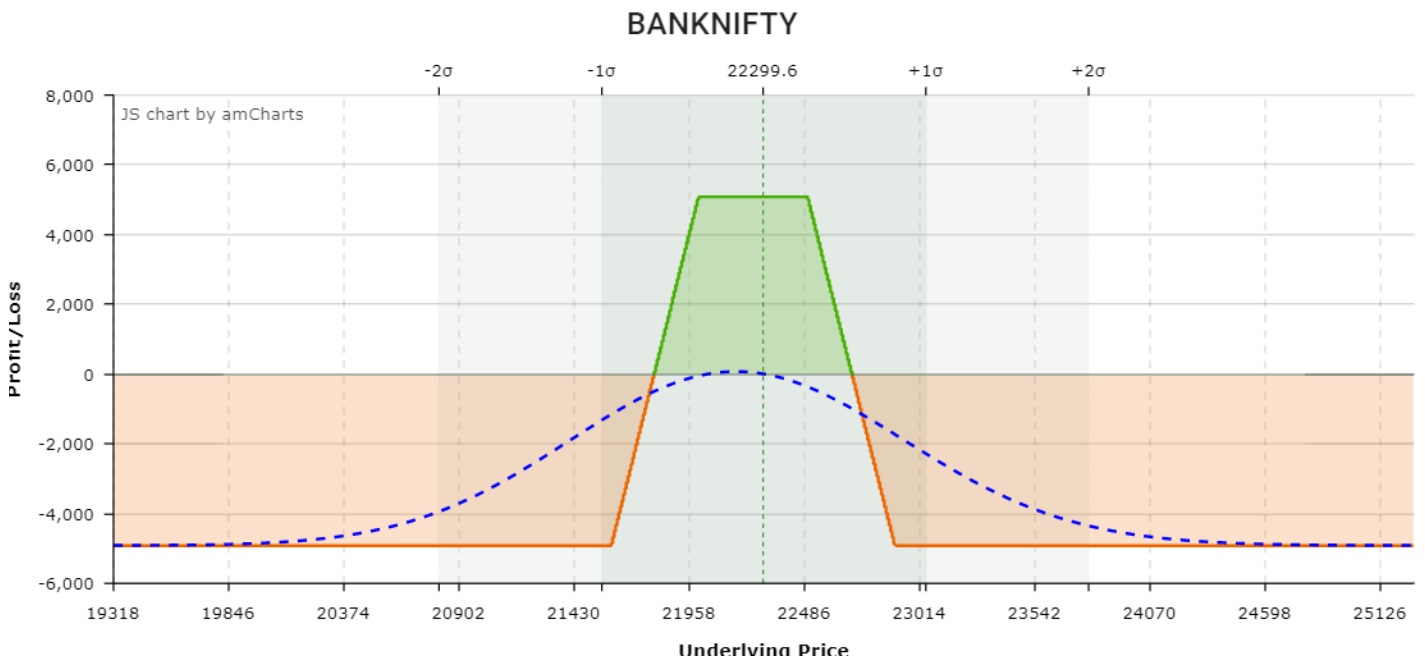
**Instrument Name :**  
**BANKNIFTY**

**Sell 1 Leg of AUG 22000 PE @ 154**  
**Buy 1 Leg of AUG 21600 PE @ 70**  
**Sell 1 Leg of AUG 22500 CE @ 190**  
**Buy 1 Leg of AUG 22900 CE @ 72**

**Trend :**  
BANKNIFTY seems to be in a sideways trend

**Max Profit :** INR 5080  
**Max Loss :** INR 4910 (exit if loss is more than 3000)  
**Breakeven :** 21797-22703

**Options Data :**  
Aug OI data suggest  
**Support at 22000 ( Max Put OI)**  
**Resistance at 22500 (Max Call OI)**



With the new margin requirements, the margin required for above trade is only around 35K.

So, the ROI is almost 14% on margin deployed but in case of a wild movement one could lose up to 5K which is around 14% of margin deployed.

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

# ACTIONABLE OPTION STRATEGIES

**Instrument Name :**  
**ASIANPAINT**

**Sell 2 Leg of AUG 1960 PE @ 30**  
**Buy 2 Leg of AUG 1940 PE @ 21.5**

**Trend :**

ASIANPAINT has hit a **new All Time High** and the trend seems to be bullish and buy on dips

**Max Profit :** INR 5100

**Max Loss :** INR 6900 (exit if loss is more than 4K)

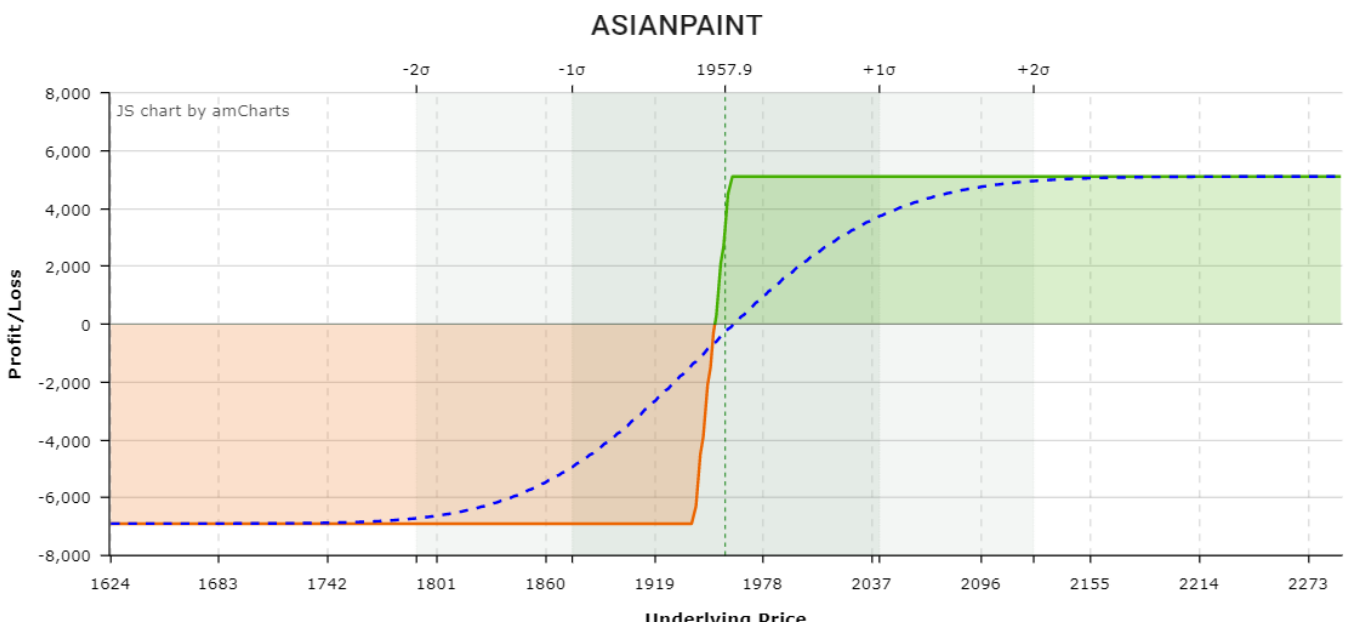
**Breakeven :** 1952

**Options Data :**

Aug OI data suggest

**Support** at 1900 ( **Max Put OI**)

**Resistance** at 2000 (**Max Call OI**)



With the new margin requirements, the margin required for above trade is only around 52K.

So, the ROI is almost 9% on margin deployed but in case of a wild movement one could lose up to 6900 which is around 12% 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

If you have any questions or queries then you can write to us on :

[hello@quantifycapital.in](mailto:hello@quantifycapital.in) or connect over WhatsApp on [+91- 8928381567](tel:+918928381567)

