

Quantify Capital

WEEKLY NEWSLETTER



THE STORM PASSES BY!

The conclusion of US Presidential elections saw a major **Volatility crush** followed by a **steep rise** in all major global indices. The outcome of the Assembly elections in Bihar is a major event for our domestic markets.

The markets seem to have **discounted all COVID 19 related news**. Bank Nifty has outperformed the Nifty in the past week and likely to continue to do so with strong performance by Bank Nifty heavyweights HDFC Bank, ICICI Bank and Kotak.

Nifty has firmly closed above **12000 level**, which had seen 3 prior rejections in the last month alone. For now, this may be a solid base and Nifty may attempt to take out it's all time high of 12430.

Options data for Nov series indicate highest Call Open Interest at the strike of 12500 and highest Put Open Interest at the strike of 11500. Thus **Options data suggest a trading range with Resistance at 12500 and Support at 11500**.

MARKET WEEKLY OVERVIEW

NIFTY 12263.55
Weekly % Change = **5.1%**

TOP GAINERS

INDUSIND BANK	25.5%
SBI	16.2%
HINDALCO	12.1%

TOP LOSERS

UPL	6.2%
MARUTI SUZUKI	3%

52 W HIGH
HDFC BANK

52 W LOW
-

ACTIONABLE OPTION STRATEGIES

Instrument Name :

NIFTY

Trend :

Nifty seems to be in a strong trend with 12000 as new base and may face some resistance at 12500.

Options Data :

Oct OI data suggest

Support at 11500 (Max Put OI)

Resistance at 12500 (Max Call OI)

Sell 1 Leg of NOV 12500 CE @ 91.35

Buy 1 Leg of NOV 12700 CE @ 37.6

Sell 1 Leg of NOV 12000 PE @ 118.5

Buy 1 Leg of NOV 11800 PE @ 78.1

Max Profit : INR 7061

Max Loss : INR 7939

Breakeven : 11906-12594



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

But as a risk management rule, one should **initiate this trade with at least 3 lakh per lot** and not be aggressive due to new margin rules.

ACTIONABLE OPTION STRATEGIES

Instrument Name :

HDFCBANK

Sell 1 Leg of NOV 1300 PE @ 33
Buy 1 Leg of NOV 1260 PE @ 18.7

Trend :

HDFCBANK has hit a new 52 week high and showing strong trend.

Max Profit : INR 7865

Max Loss : INR 14135 (Exit if loss is more than 7K)

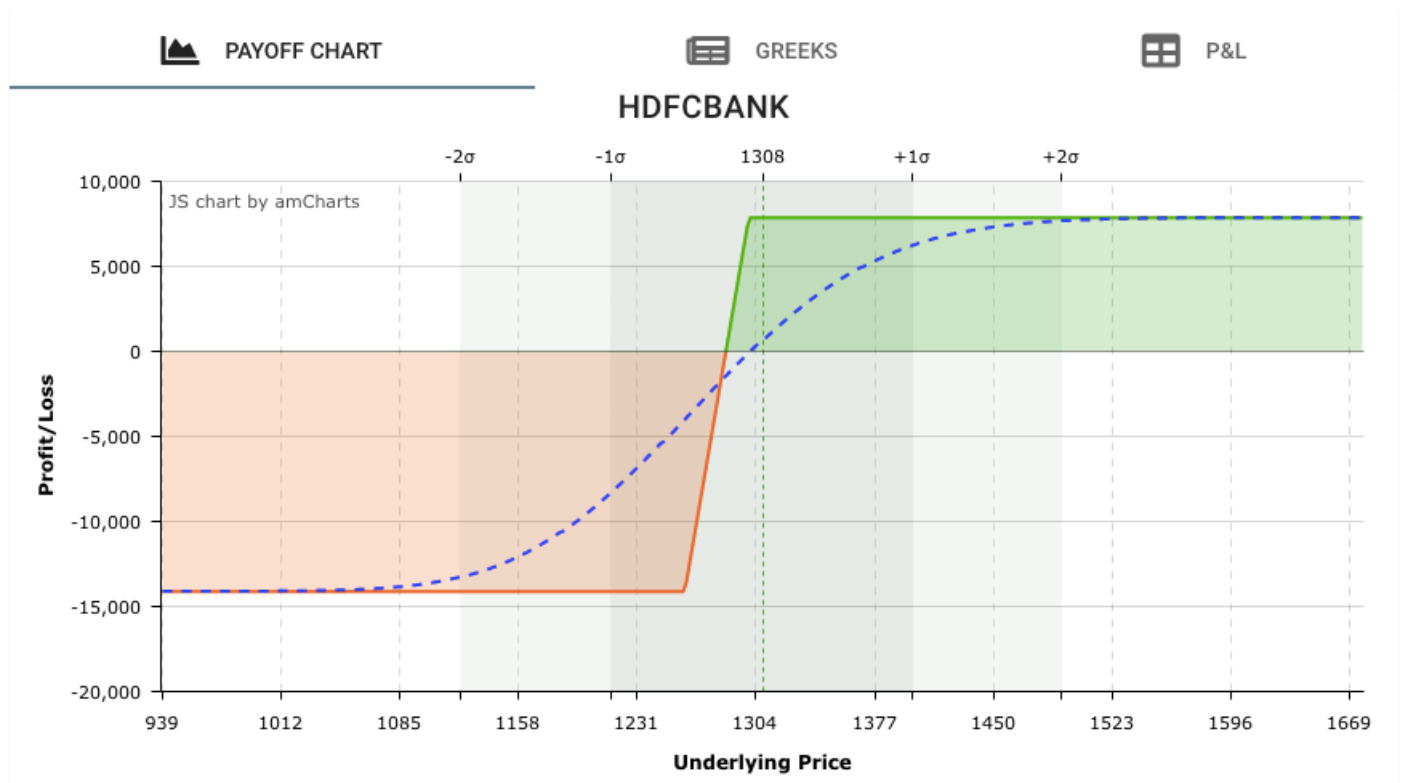
Breakeven : 1286

Options Data :

Oct OI data suggest

Support at 1200(**Max Put OI**)

Resistance at 1300 (**Max Call OI**)



With the new margin requirements, the margin required for above trade is only around 47K.

But as a risk management rule, **one should initiate this trade with at least 2 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 or connect over WhatsApp on [+91- 8928381567](tel:+918928381567)

