

Quantify Capital

WEEKLY NEWSLETTER



Blitzkrieg by Bulls!

With the POTUS returning to the White House all hale and hearty, the markets received a positive impetus and the **Bulls came out storming** from the gates and have been on a complete rampage for the last week.

The Bulls left no quarter for the Bears. The hopes of a stimulus in the US have fueled the current 10% rally on major indices globally. Back home too, the **RBI Governor's positive commentary** and a faster than expected economic recovery propelled the Nifty and Banknifty higher.

Major banks have shown better than expected numbers at the start of this month and the Banknifty may outperform the Nifty in the coming days. For now, all data on the index is bullish and we are likely headed higher, with the possibility of an all time high being round the corner. **12000** level is a major psychological resistance on the Nifty. Such resistances are usually taken out with a gap up opening.

Options data for Oct 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 11914.20

Weekly % Change = 4.4%

TOP GAINERS

WIPRO	19.5%
TCS	11.5%
HDFC BANK	11.4%

TOP LOSERS

ZEE	6.3%
POWER GRID	4%

52 W HIGH

WIPRO
HEROMOTOCO

52 W LOW

None

ACTIONABLE OPTION STRATEGIES

Instrument Name :

INFY

Sell 1 Leg of OCT 1100 PE @ 47.65

Buy 1 Leg of OCT 1070PE @ 33.4

Trend :

INFY has hit a new 52w High and so has the entire IT pack.

Max Profit : INR 17100

Max Loss : INR 18900 (exit if loss is more than 9K)

Breakeven : 1086

Options Data :

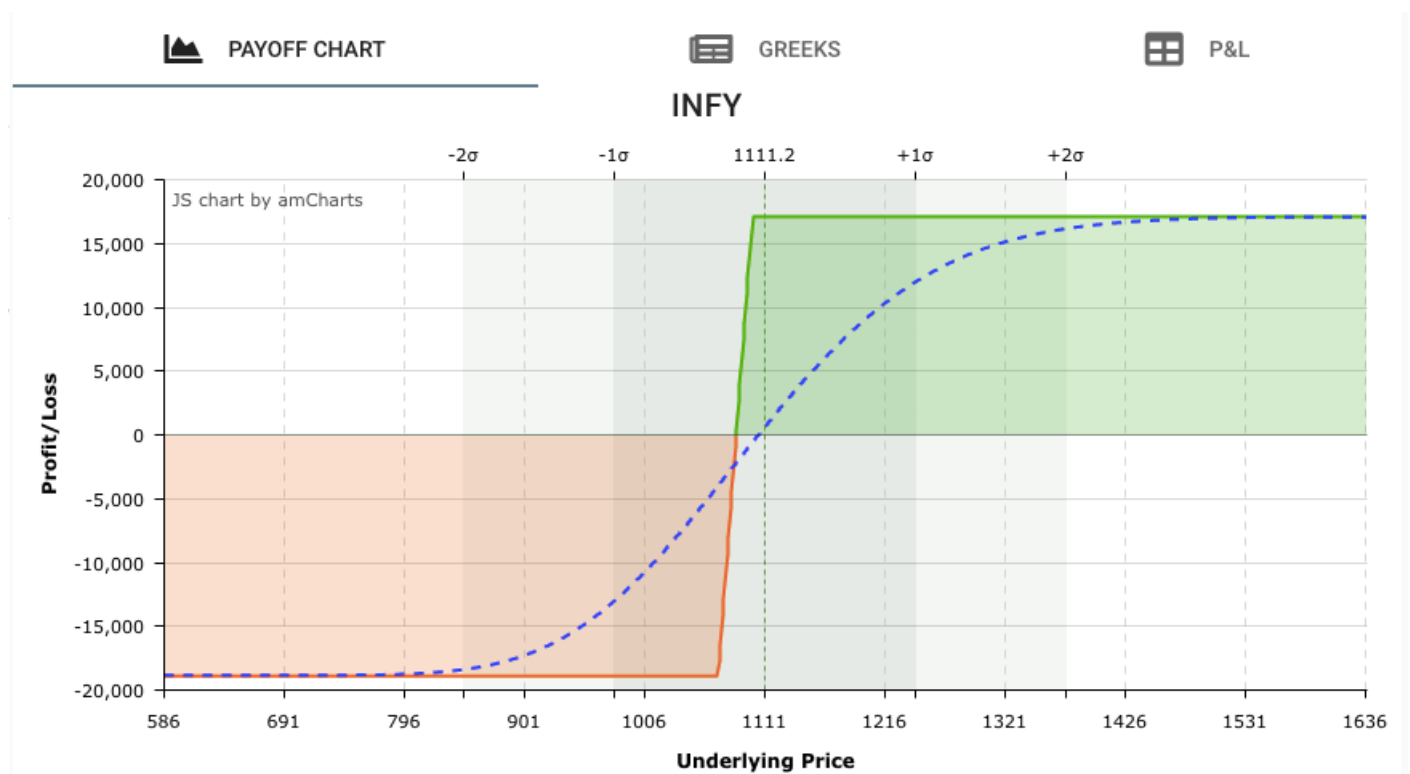
Oct OI data suggest

Support at 1000 (**Max Put OI**)

Resistance at 1200 (**Max Call OI**)

Additional Data

Future OI was up 2.58% and price was up 1.79%, indicating a long buildup on friday.



With the new margin requirements, the margin required for above trade is only around 83K.

But as a risk management rule, one should **initiate this trade with at least 4 lakh per lot** and not be aggressive due to new margin rules.

ACTIONABLE OPTION STRATEGIES

Instrument Name :
BANK NIFTY

Sell 1 Leg of OCT 24000 PE @ 709
Buy 1 Leg of OCT 23700PE @567.3

Trend :

Bank Nifty is in strong uptrend with 7 consecutive positive days

Max Profit : INR 3543

Max Loss : INR 3958 (exit if loss is more than 2K)

Breakeven : 23859

Options Data :

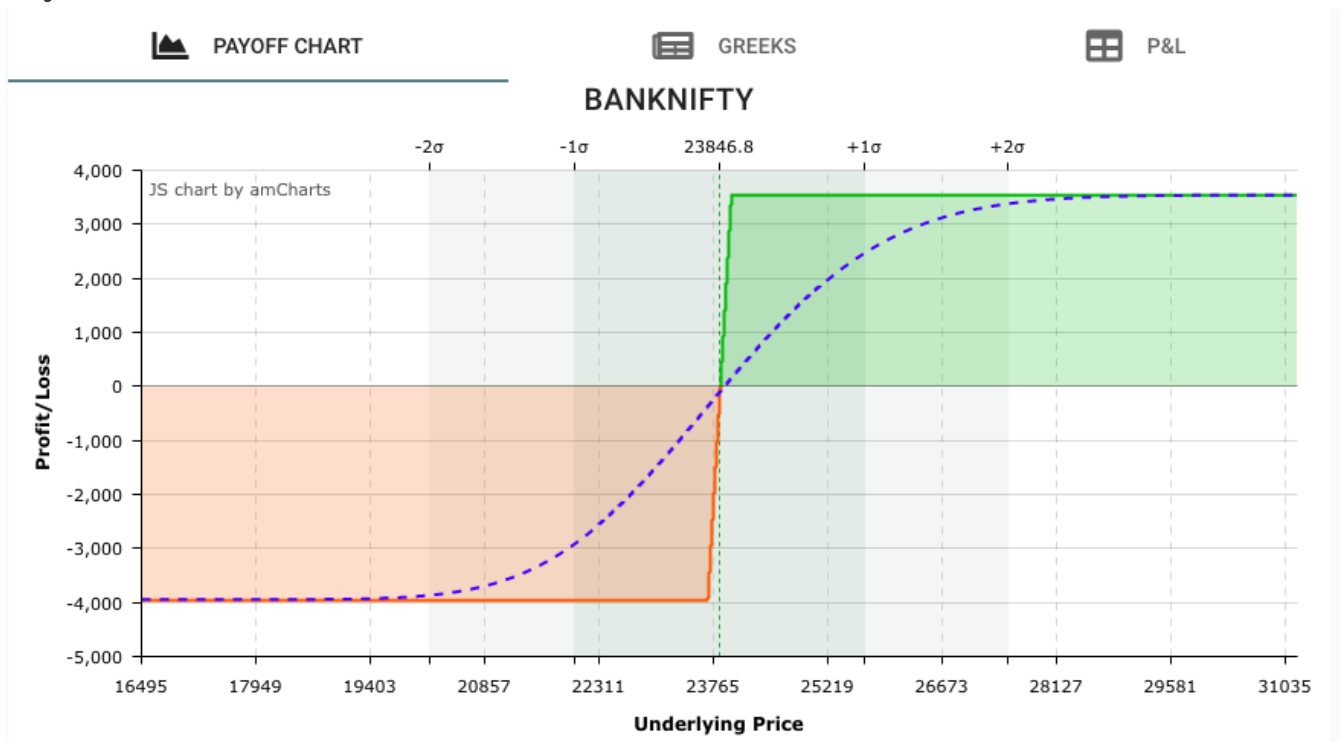
Oct OI data suggest

Support at 23000(**Max Put OI**)

Resistance at 25000 (**Max Call OI**)

Additional Data

Future OI was up 7.88% and price was up 3.1%, indicating a long buildup on friday



With the new margin requirements, the margin required for above trade is only around 19K.

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)

