

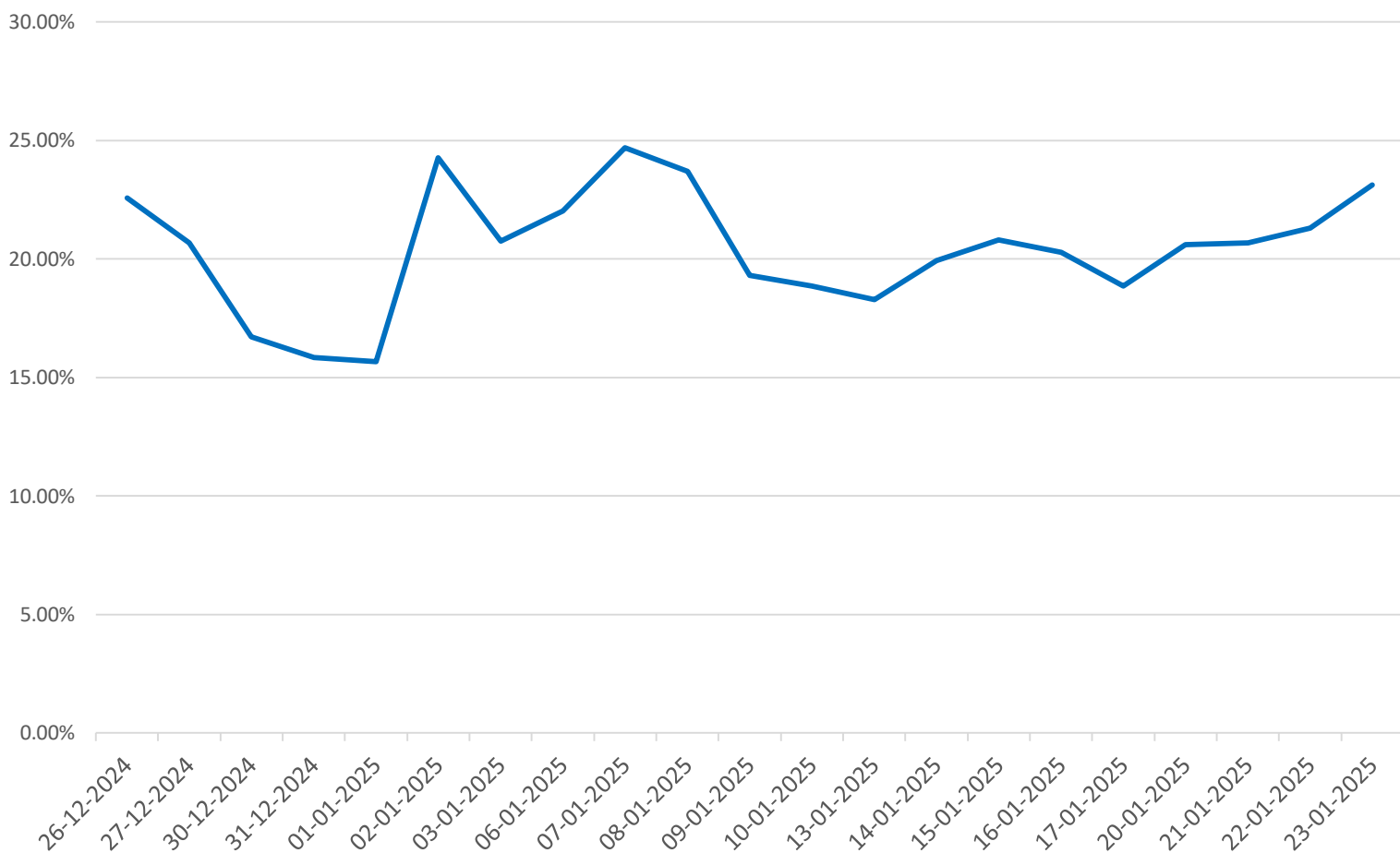
DERIVATIVE REPORT



24nd January 2025

FII's Long Short Ratio

Long Short Ratio



FII Long-Short Ratio: Slight increase from 21.29% to 23.12%, signaling short covering but not enough to indicate a strong bullish sentiment.

Cautious Stance by FIIs: The marginal change reflects a cautious approach, with FIIs not anticipating a sharp upward move in the market.

Critical Resistance at 23,500: FIIs have established fresh short positions around the 23,500 level during the January series. A decisive breakout above this level could trigger a sharp short-covering rally.

Focus on Expiry Dynamics: As the January series expiry approaches, the 23,500 level becomes a critical zone to watch for a potential trend shift or continued downside.

Strategic Approach: A watch-and-wait strategy is advisable until the market breaks decisively above or below critical levels, providing clearer directional cues.

Derivative Report



Nifty : Short Covering Observed, Trend Remains Negative Below 23,800

S&P CNX NIFTY INDEX FUTURES, 1D, NSE O23,150.00 H23,319.85 L23,126.90 C23,263.70 +64.75 (+0.28%)
 Vol 4.03M 6.04M
 EMA 20/50/100/200 23,532.64 23,901.58



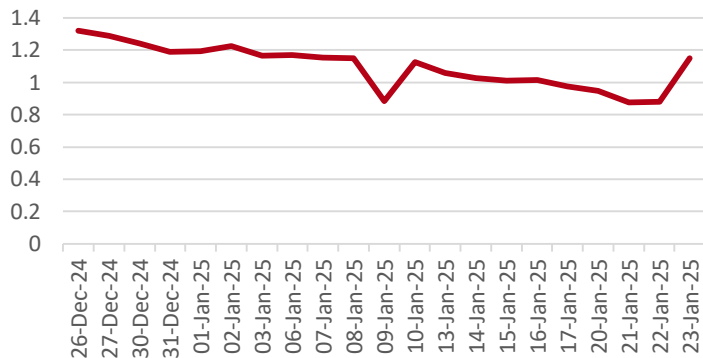
- Nifty is trading at a premium of 58.35, up from 43.6, and closed 0.28% higher with a 7.83% decrease in open interest, indicating short covering.
- Option data shows short covering on the call side, suggesting participants expect further covering.
- On the technical front, the index is forming a falling wedge pattern and is trading near its lower trendline.
- A breakdown below 22,700 could lead to a sharp decline
- The overall trend remains negative, and short covering should be seen as a selling opportunity until the market decisively breaks above 23,800. A breakdown from the current pattern would confirm further downside.

	SUPPORT	RESISTANCE		PRICE	OI
NIFTY 50	23200/23000	23500/23600	Near	23263.7	13637050
			Next	23394.3	5358825
			Far	23545.3	508800
	ADVANCE	DECLINE	AD RATIO		
NIFTY	30	20	1.5		
NIFTY F&O	181	18	10.05		

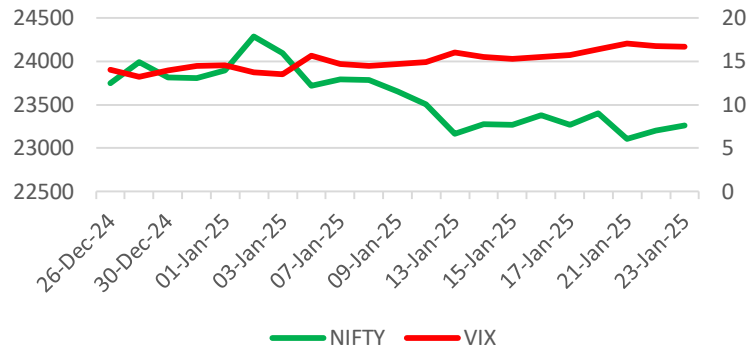
Derivative Report



PCR



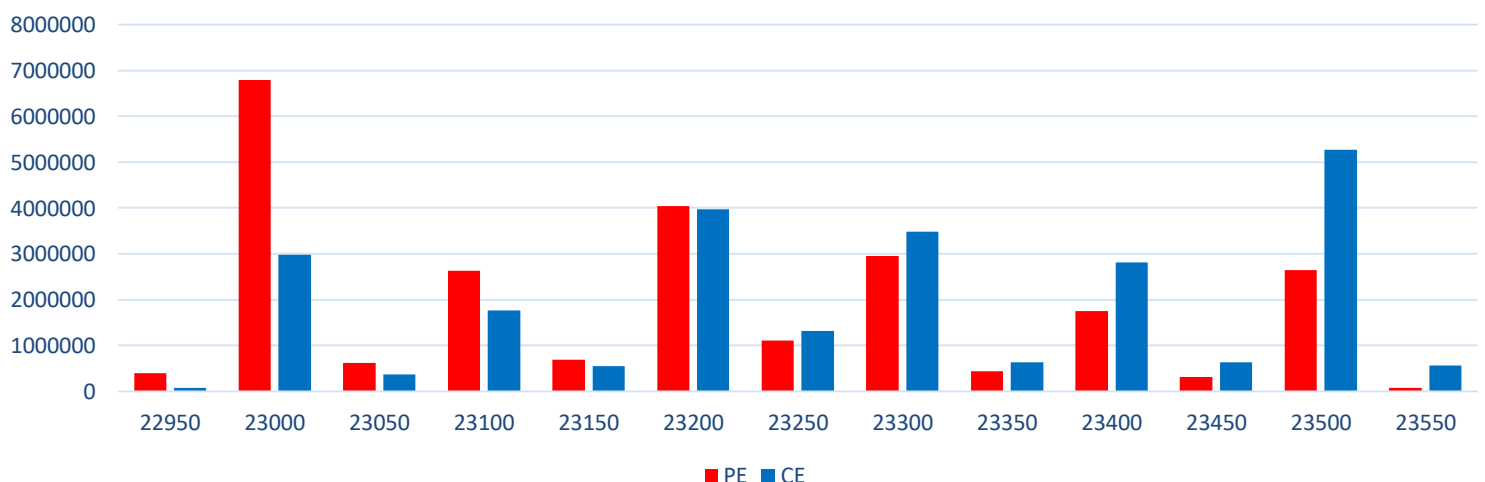
India VIX



The Weekly PCR is currently at 0.87, indicating that call (CE) participants are taking a more aggressive stance compared to put (PE) participants. This reflects a bearish sentiment, with call writers expecting limited upside in the market.

The India VIX closed at 16.69, slightly lower than the previous day's 16.77, indicating a decrease in market volatility. If the VIX sustains below 16, it is likely to move toward 12, reflecting a more stable market environment. Conversely, an increase above 17 could push it toward 21, signaling a rise in volatility and heightened market uncertainty.

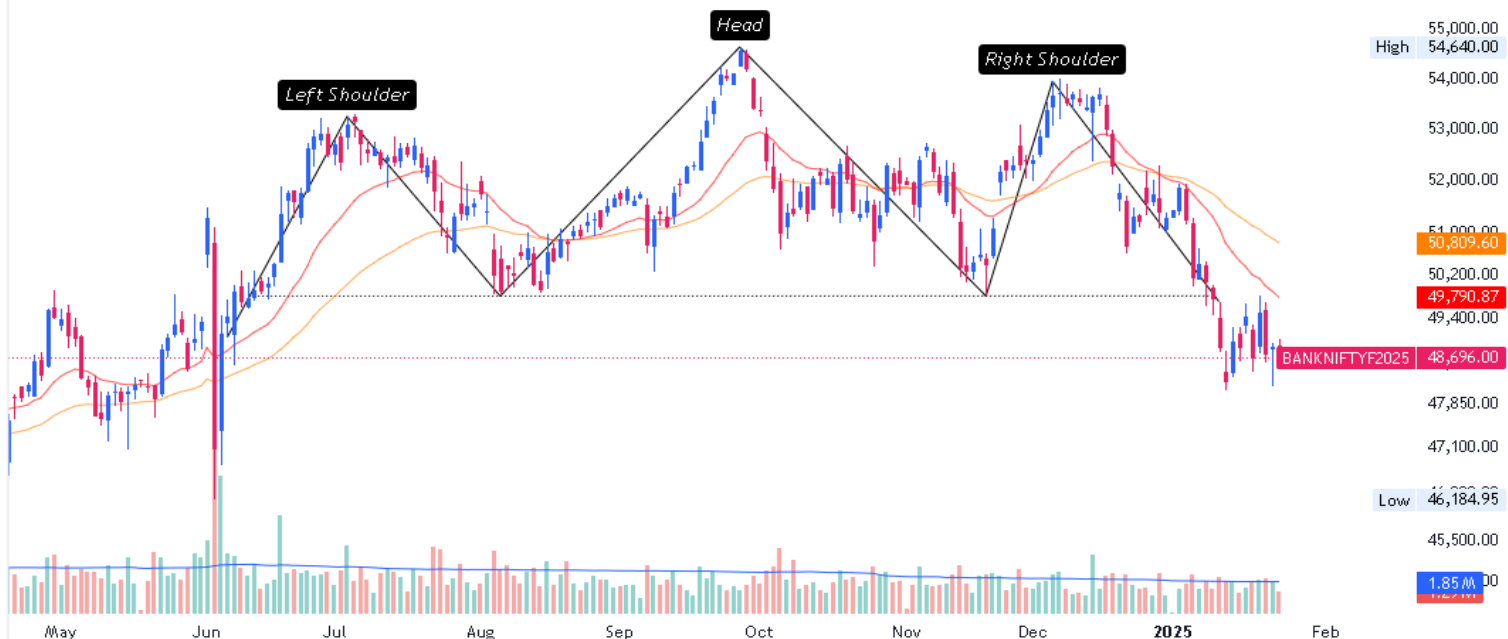
NIFTY DAILY OI



At the weekly expiry, the highest open interest on the call side is at the 23,500 strike, followed by 23,200, with fresh long positions. On the put side, the highest open interest is at 23,000, followed by 23,200, with short positions observed. This setup indicates that participants expect the market to hold above the 23,200 level, reflecting a bullish outlook for the near term.

Bank Nifty: Aligning technical and derivative setups, selling OTM strikes would be a prudent strategy.

BANKNIFTY INDEX FUTURES, 1D, NSE O48,900.00 H49,022.65 L48,586.45 C48,696.00 -191.65 (-0.39%)
 Vol 1.29M 1.85M
 EMA 20/50/100/200 49,790.87 50,809.60

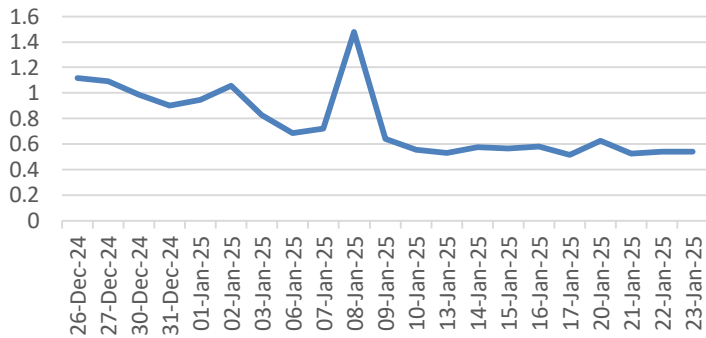


- The Banking Index is trading at a premium of 107, down from the previous day's 163.25, as the approaching expiry reduces the premium.
- The index closed 0.39% lower, with a 2.07% increase in open interest, indicating the formation of fresh short positions.
- Option data reveals long liquidation on the put side and fresh short positions on the call side, suggesting that participants do not anticipate a major move in the Banking Index.
- The decline in implied volatility (IV) reflects reduced fear and uncertainty, favoring option writers.
- On the technical front, the index continues to trade within a broader range of 49,800-48,000, indicating a range-bound movement.
- Aligning both technical and derivative outlook the broader market is expected to trade in a range with sentiment on negative side.

	SUPPORT	RESISTANCE		PRICE	OI
BNF	48500/48000	48900/49350	Near	48696	2319075
	ADVANCE	DECLINE	Next	49019	1327170
BNF	6	6	Far	49365.3	166050

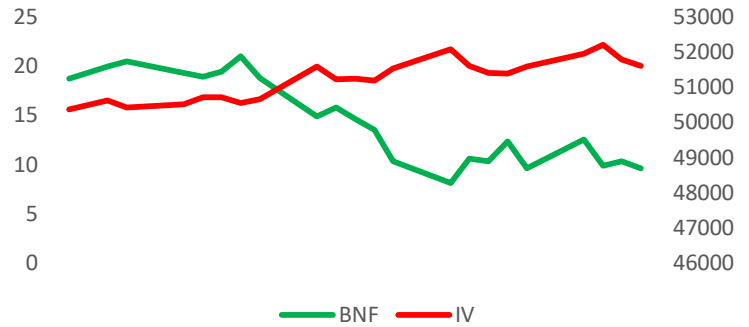
Derivative Report

PCR



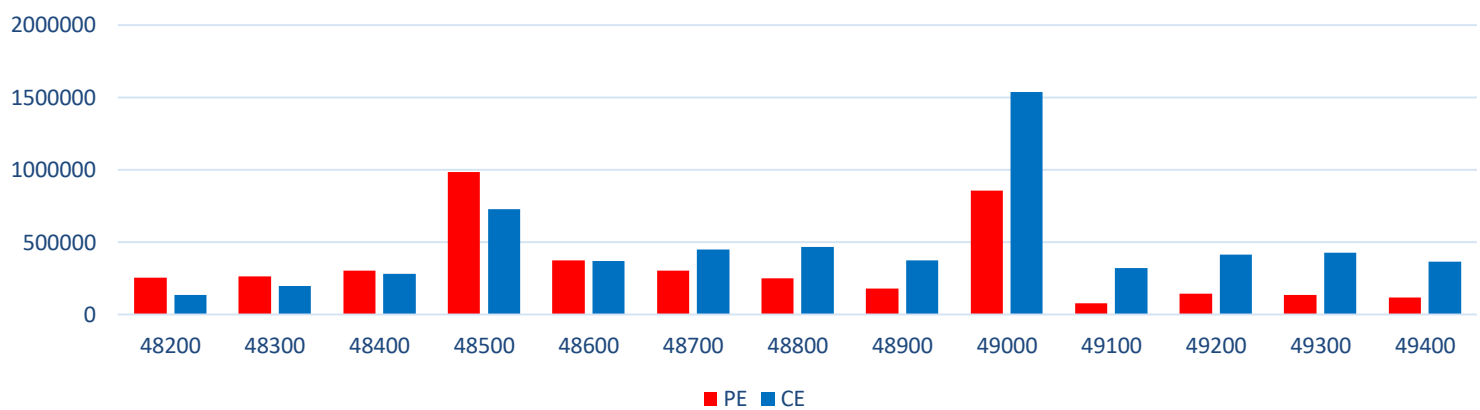
The monthly PCR has increased slightly from 0.53 to 0.54, indicating minimal change in option writing. However, the PCR remains in the oversold zone, suggesting a cautious outlook on further downside and the potential for a near-term reversal.

BNF IV



The Implied Volatility (IV) has decreased from 20.6 to 20, marking a decline of 3.11%, signaling reduced market volatility. If IV falls below 18, it could further decline toward the 16-14 range, indicating a more stable and less volatile market environment.

BNF DAIL OI



The highest open interest on the call side is observed at the 49,000 strike, followed by 48,500, where short positions have been added. On the put side, the highest open interest is at 48,500, with short positions, while long liquidation is seen at the 49,000 strike. This setup suggests that market participants expect the market to trade within a 49,000-48,500 range, with strong resistance at 49,000 and support at 48,500.

Derivative Report



Participant wise Future Index OI

Participant	Long	Short	Ratio
Client	511175	206868	2.471020167
DII	191808	151091	1.269486601
FII	98795	427306	0.231204336
Pro	78359	94872	0.82594443

Participant wise Future Stock OI

Participant	Long	Short	Ratio
Clients	2656305	364332	7.2908913
DII	252283	4161728	0.0606198
FII	3436627	2233917	1.5383862
Pro	887698	472936	1.8769939

Long Build-up

Symbol	Price	Price (Chng %)	OI (Chng %)
ADANIENSOL	810.65	0.79%	18.62%
SYNGENE	846.35	1.92%	14.44%
PERSISTENT	6268.2	10.35%	14.38%
KPITTECH	1348.05	3.73%	11.79%
ULTRACEMCO	11438.8	6.73%	9.80%

Short Build-up

Symbol	Price	Price (Chng %)	OI (Chng %)
KALYANKJIL	479.2	-2.32%	16.35%
JIOFIN	256.55	-2.53%	14.37%
AXISBANK	955.7	-0.79%	10.19%
CGPOWER	627.7	-1.68%	10.07%
DRREDDY	1290.6	-0.34%	7.42%

Short Covering

Symbol	Price	Price (Chng %)	OI (Chng %)
KEI	4488.5	9.14%	-17.96%
POLYCAB	6268.2	1.91%	-7.91%
MCX	5853.4	2.19%	-6.92%
PAGEIND	46850.95	1.91%	-6.65%
COROMANDEL	1851	4.23%	-5.43%

Long unwinding

Symbol	Price	Price (Chng %)	OI (Chng %)
INDIAMART	2101.2	-1.33%	-6.61%
KOTAKBANK	1896.2	-1.24%	-3.72%
CUB	170.77	-1.15%	-3.07%
LT	3508.95	-0.40%	-2.92%
CHOLAFIN	1248.2	-0.75%	-2.67%

Security In Ban

ABFRL	BANDHANBNK	CANFINHOME	DIXON	INDIAMART	LTF	MANAPPURAM	MGL
PNB							

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