

Twitter Thread by Bijay

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A small write up on how the OPTION PRICES BEHAVES AT SUPPORT & RESISTANCE

Telegram Channel : bjbfnf

OPTION PRICE ACTION AROUND SUPPORT & RESISTANCE ZONE

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<https://t.co/EIbXwcHpHf>

As you can see in the chart, this call has a resistance zone around ₹ 1190 - ₹ 1230 levels and whenever the price reaches around ₹ 1200/- , the option price reverses. The effect of this is that Banknifty also faces Resistance at this time and reverses. Refer to the data summary and chart below:



DATE	TIME	HIGH PRICE	DATE	TIME	LOW PRICE
25/6/21	14:00:00	1199.00	25/6/21	15:15:00	1050.00
28/6/21	09:15:00	1205.00	02/7/21	09:15:00	560.00
06/7/21	13:45:00	1225.00	07/7/21	09:15:00	922.00
08/7/21	09:15:00	1201.00	09/7/21	09:45:00	612.00
15/7/21	11:30:00	1220.00	15/7/21	12:45:00	1100.00
16/7/21	09:15:00	1229.00	16/7/21	13:45:00	935.00

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<https://t.co/zDamXyOhh6>

Now let us see if the same logic is working on ITM PE also trading around ₹ 1000 at the start of the series. So we choose 36000 PE of July expiry and plot the prices at same time stamps .



DATE	TIME	LOW PRICE	DATE	TIME	HIGH PRICE
25/6/21	14:00:00	960.00	25/6/21	15:15:00	1082.00
28/6/21	09:15:00	875.00	02/7/21	09:15:00	1445.00
06/7/21	13:45:00	670.00	07/7/21	09:15:00	898.00
08/7/21	09:15:00	609.00	09/7/21	09:45:00	1240.00
15/7/21	11:30:00	460.00	15/7/21	12:45:00	532.00
16/7/21	09:15:00	458.00	16/7/21	13:45:00	575.00

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