Twitter Thread by Kirubakaran Rajendran

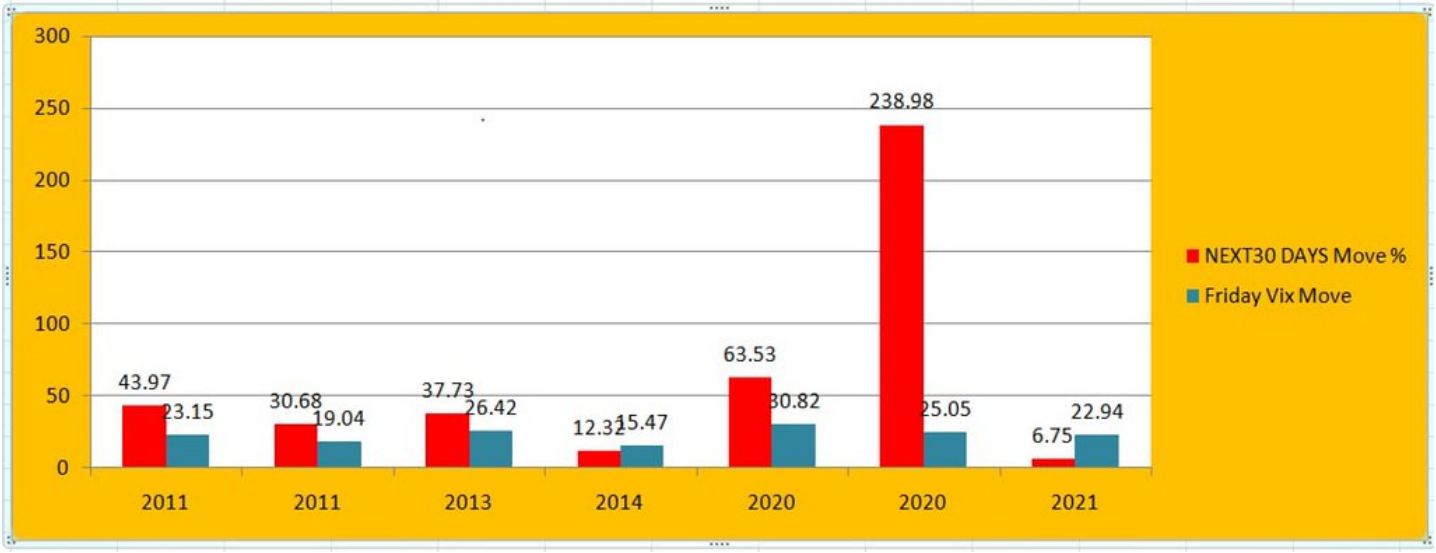
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Whenever #Nifty & #BankNifty closes less than -1% on Fridays, what happens on Monday and what happens on next 30 days. Interesting analysis, will be sharing the details shortly.

Only 7 times in last 11 years, #IndiaVix moved more than 15% on Fridays and only 2 times Vix dropped on following Monday, rest all the time Vix increased on Monday as well.



After Friday's Vix big move, What happens after 30 days, all 7 times the Vix went up much higher in next 30 days. So this Friday's fall could be start of the next big volatile sessions in the coming weeks



With 25 years of data, 251 times Nifty dropped < -1% on Fridays, 58% of the time following Monday witnessed further fall, average move on such Mondays are -1.8%

Nifty Move		
No of times	251	
No of times Monday Negative returns	146	58%
No of times Monday Postive returns	103	41%
Total Returns Monday	-132.0	
Avg returns	-0.5	
Avg returns - downside on Monday	-1.8	
Avg returns - upside on Monday	1.3	

This how Nifty moved in next 30 days, after the Friday fall. Market continued to slide in next 30 days as well. 58% of the time next 30 days returns turned negative.

Nifty move next 30 days		
No of times	251	
No of times next 30 days returns turns negative	146	58%
No of times next 30 days returns turns positive	104	41%
Total Returns next 30 days	-619.1	
Avg returns	-2.5	
Avg returns - downside next 30 days	-8.8	
Avg returns - upside next 30 days	6.4	

This how BankNifty moved on Monday when Friday fall is <-1%. 56% of the time Monday turned out to be a bearish day with average down side of -1.5%

And even BankNifty also sliding downwards for next 30 days after Friday's big fall. Where avg downside move was almost -10%.

Bank Nifty next 30 days		
No of times	248	
No of times next 30 days returns turns negative	135	54%
No of times next 30 days returns turns positive	110	44%
Total Returns next 30 days	-450.1	
Avg returns	-1.8	
Avg returns - downside next 30 days	-9.8	
Avg returns - upside next 30 days	7.9	

Only time will tell us, how deep this Down move could go. As long as you are dealing with right position sizing, even another world war won't damage to your portfolio. ✌■