Twitter Thread by Aditya Todmal

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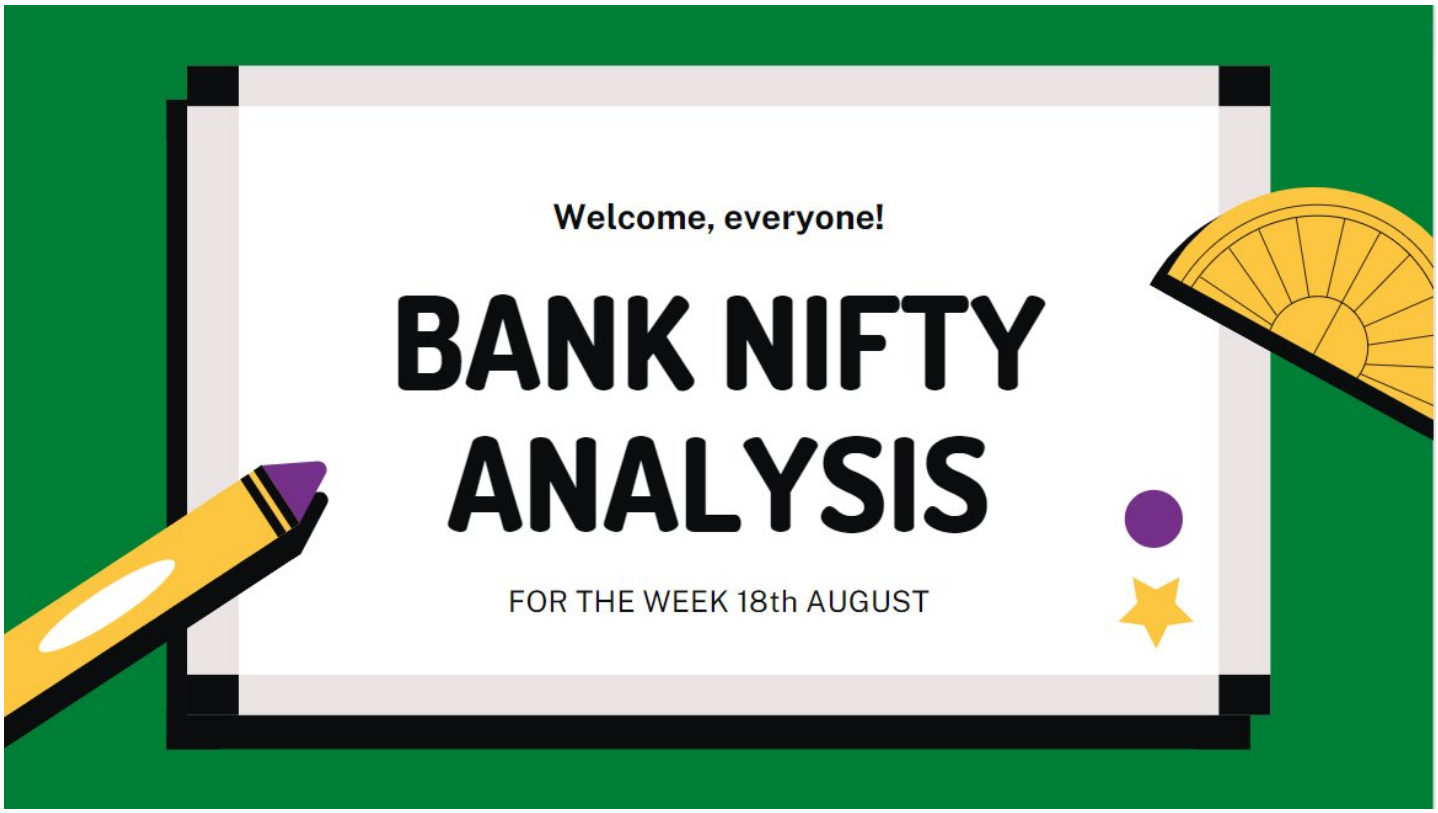
Technical Analysis and 3 Strategies to deploy for Aggressive, Moderate, and Conservative Traders.

■Weekly Bank Nifty Analysis for 18th August Expiry:

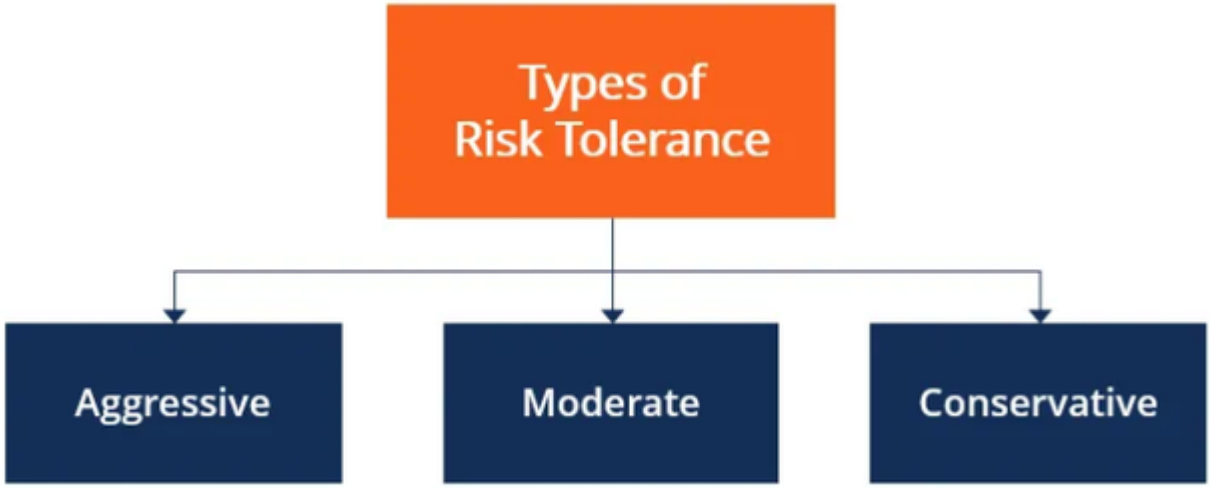


To form a view, let's have a look at:

1. Multi-timeframe Technical Analysis
2. Option Chain Data

Also, 3 strategies to deploy for:

1. Aggressive Traders (3.36%)
2. Moderate Risk Traders (1.89%)
3. Low-Risk Traders (0.72%)



1. Technicals

Let's start by doing some basic technical analysis.

We'll look at:

• Weekly charts
• Daily charts.
• Hourly / 60 min charts.

1. Weekly-

• The market has broken out from the trendline and is extremely bullish.

• However, also note that there are 4 continuous green candles in the weekly chart.

• Until Bnf closes below the current green candle low which is 37680, bias should not be bearish.



2. Daily:

• Candlestick pattern—Bullish Marubozu on the daily timeframe.

• Chart Pattern—Gave a rectangle breakout and is running up.

Buyers are in control so until we close below the wick made today can't take aggressive bearish positions.



3. Hourly

• We are in a higher high and higher low formation in the hourly chart. (Bullish)

• It's going up continuously which means there is buying pressure present on every dip.

• Support on the hourly chart for the week comes at 38180.

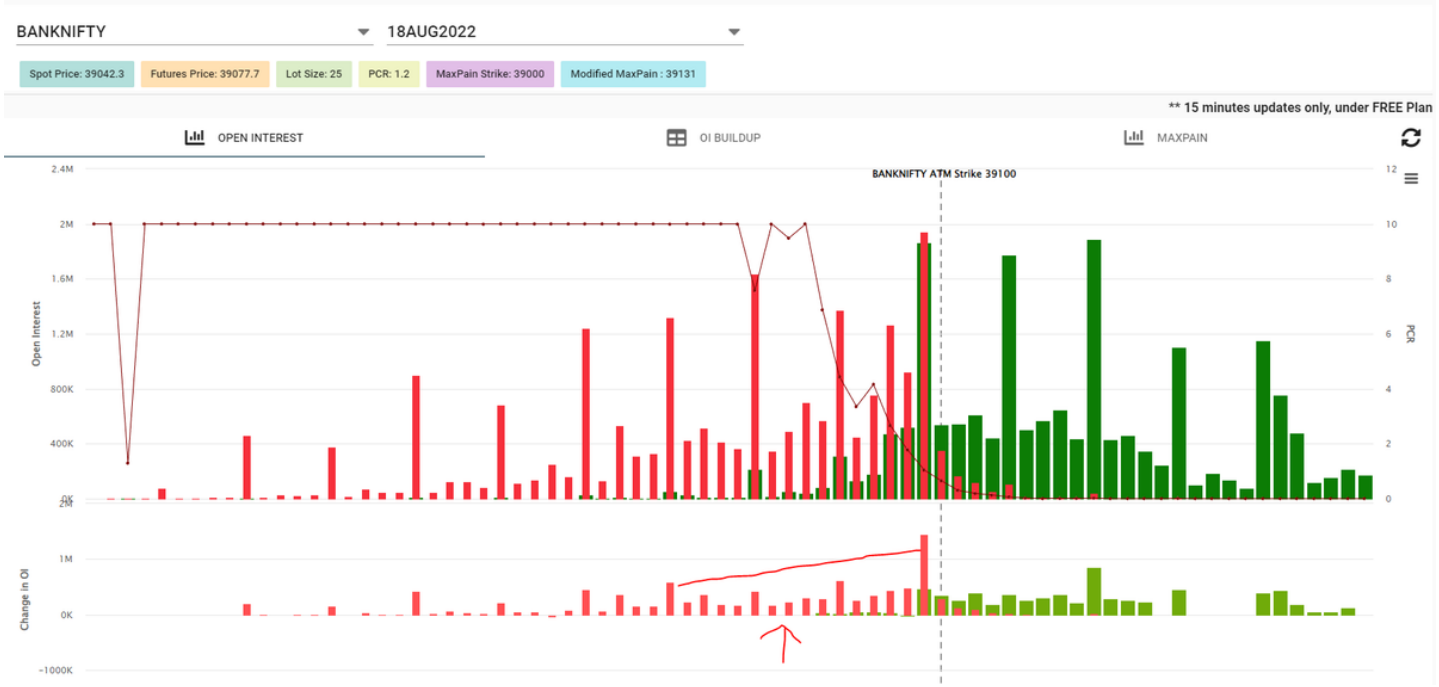


Option chain data:

• Opstra shows that the options chain data is bullish.

• ATM Puts were being written very aggressively yesterday and that's the strike where the highest number of puts are sold on Friday.

• Data is matching with our bias and technicals which are bullish.



Strategies to deploy?

1. Aggressive Traders

Aggressive traders would have sold puts as market closed at day high.

For eg, 38200 puts with a stop loss of 38600.

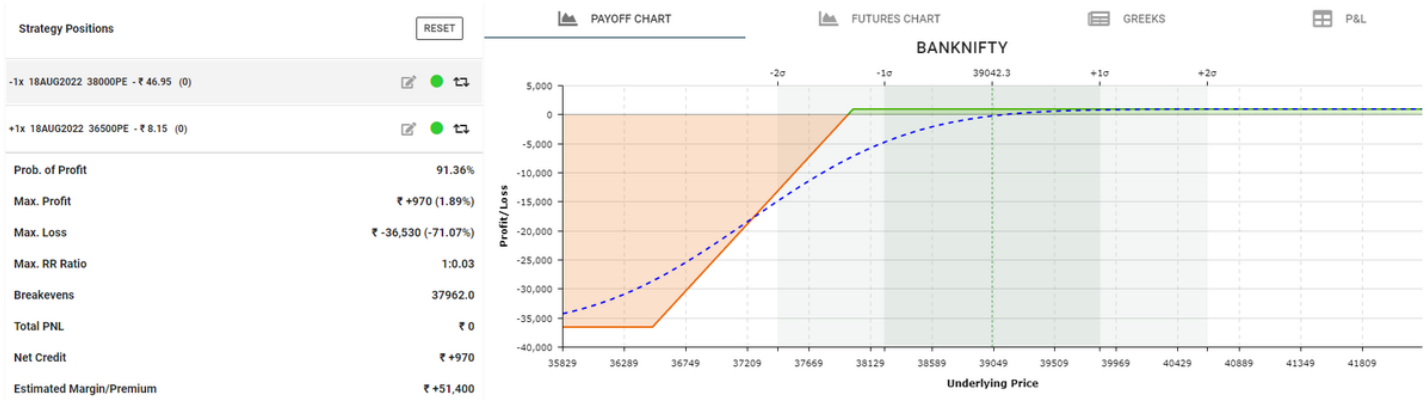
ROI is around 3.36%



2. Moderate Risk Traders

Can sell 38000 puts with a stop loss of 38400.

ROI is approximately 1.89%.



3. Conservative Traders

Can sell strangles of 37500 puts and 40100 calls. Fetches you approximately 0.72% ROI.

You guys should be targeting 2% per month and playing far away from spot levels of BNF.

4 expires per month to make 0.50% each week and end with 2%.



If you ❤■ this analysis and derived some value from it, consider liking and sharing the first tweet.

Check out @niki_poojary's analysis which she will post before Tuesday, hers is a bit different from mine each time.

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