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■*Weekly Bank Nifty Analysis for 7th Oct Expiry* ■

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

1. Technicals

2. Data

Also, 3 strategies to deploy for:

1. Aggressive Traders

2. Moderate Risk Traders

3. Low-Risk Traders



1. Technicals

Let's start with technicals. We'll look at -
1. Daily charts.
2. Hourly / 60 min charts.
3. 15 min charts.

Formed an indecisive candle on the daily timeframe right at support. Unless we sustain below 36900 for 15 mins, the probability of a bounce is high.



2. 15 min charts.

Above Friday's High on 15 min charts, if we sustain that level for 15 mins can sell strangles.

If we gap down on Monday, only selling calls would be a good idea as the probability of the market going below 36900 would increase.



3. Hourly / 60 min charts.

On hourly charts, wait for a 1 hour close above 37900 levels to again look for Future buy opportunities.

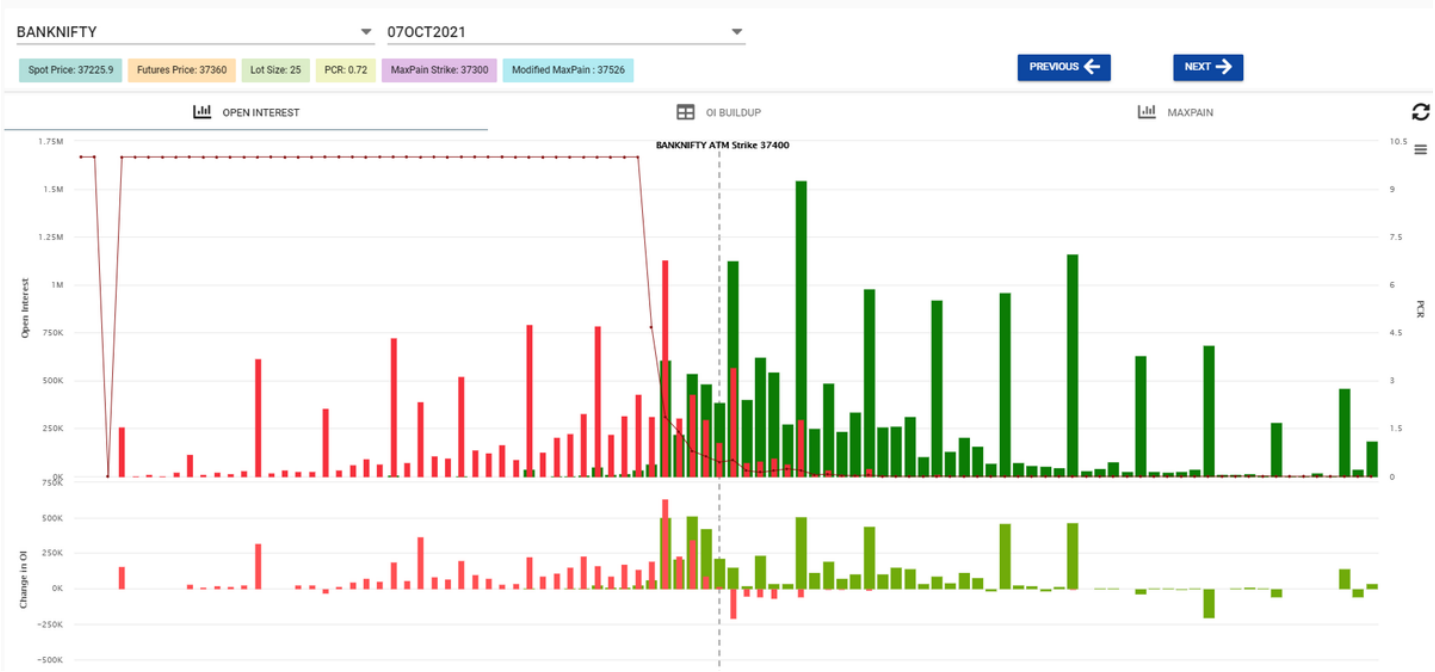
The structure of Lower high and lower low will change to a higher high here.



Option chain data.

Shows a stiff resistance at 38000 levels. There was an addition in put writing at 37000 levels, expecting them to run for cover if 36900 breaks.

Positions haven't been built a lot so best is to wait for a day or two.



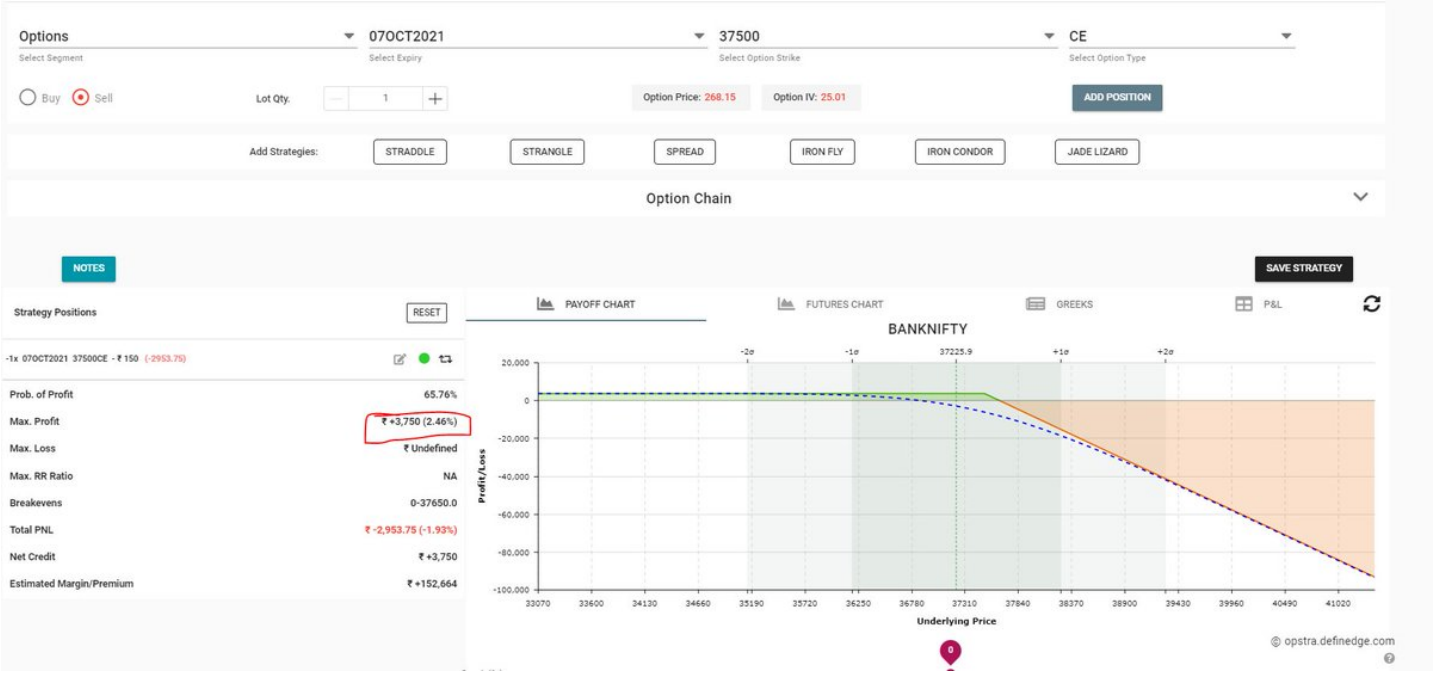
Strategies to deploy?

1. Aggressive Traders

Can sell 37500 calls if market sustains below 36900 for 15 mins.

Should get around 100-150 rs for your sold call that time.

ROI is around 2.5%.

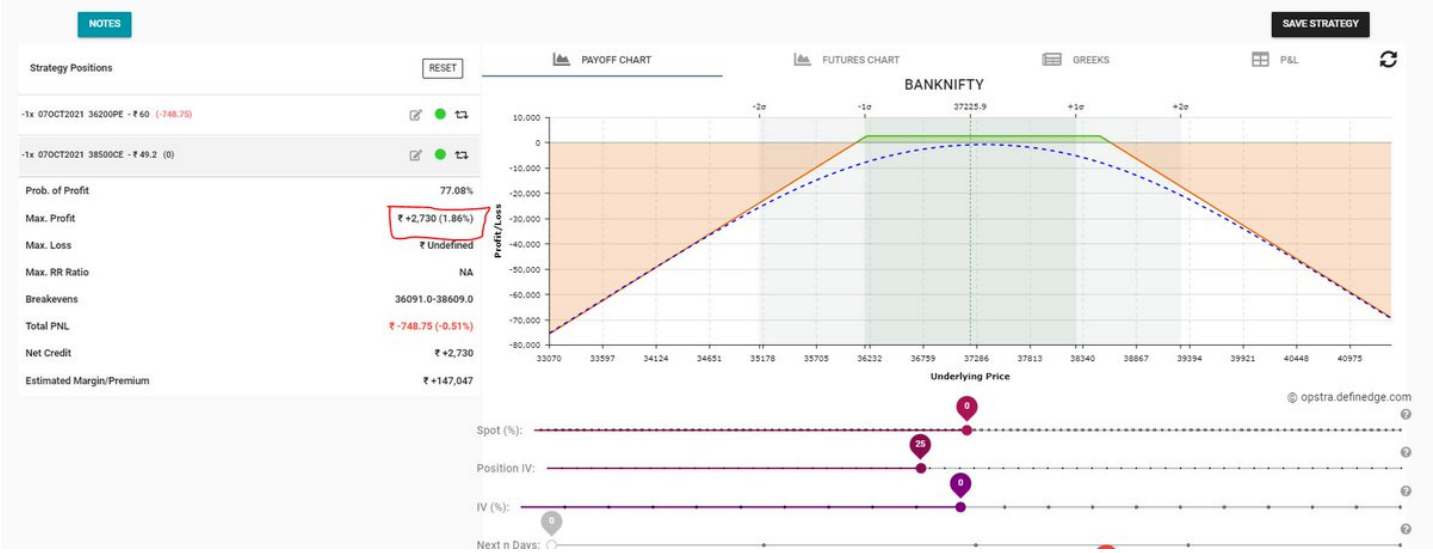


2. Moderate Risk Traders

Expecting all puts below 36200 to expire at 0 & Calls above 38500 to expire at zero too.

If the market sustains 15 mins above Friday High can sell strangles of 36200 and 38400.

ROI is approximately 1.8%.



3. Low-Risk Traders

Sell puts below 35800 and calls above 38700.

I have chosen a strangle of 35600 and 38900 for you. Fetches you approximately 1% 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%.



Let us see how this analysis plays out, if you have other ideas on how to trade this week let me know in the comments.

Good luck! ■✌■