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Bank Nifty Bull Spread Strategy – July 16 Expiry

Date: 11 July 2024



Bank Nifty Bull Spread Strategy



BANK NIFTY INDEX	CMP	Recommended Action	Time Horizon
BANK NIFTY (16-July) 52200 CALL	400	BUY	Till 16-July Expiry
BANK NIFTY (16-July) 52700 CALL	192	SELL	Till 16-July Expiry

From the recent high, Bank Nifty has corrected more than 1000 points which we believe is a running correction in an overall uptrend. Bank Nifty has now reached near to support level of 51800-52000 levels. In the option segment we have seen put writing at 51500-52000 levels. We therefore believe Bank Nifty is likely to trend higher till 16 July 2024 expiry. We recommend a Bull Call Spread strategy in Bank Nifty to profit from this view.

Action to be taken

Buy 52200 Call @Rs 400 & Simultaneously Sell 52700 Call at Rs 192 (16-July Expiry).

Max Profit Rs 4380 If Bank Nifty closes at or above 52700 on 16-July Expiry.

Max Loss Rs 3120 If Bank Nifty closes at or below 52200 on 16-July Expiry.

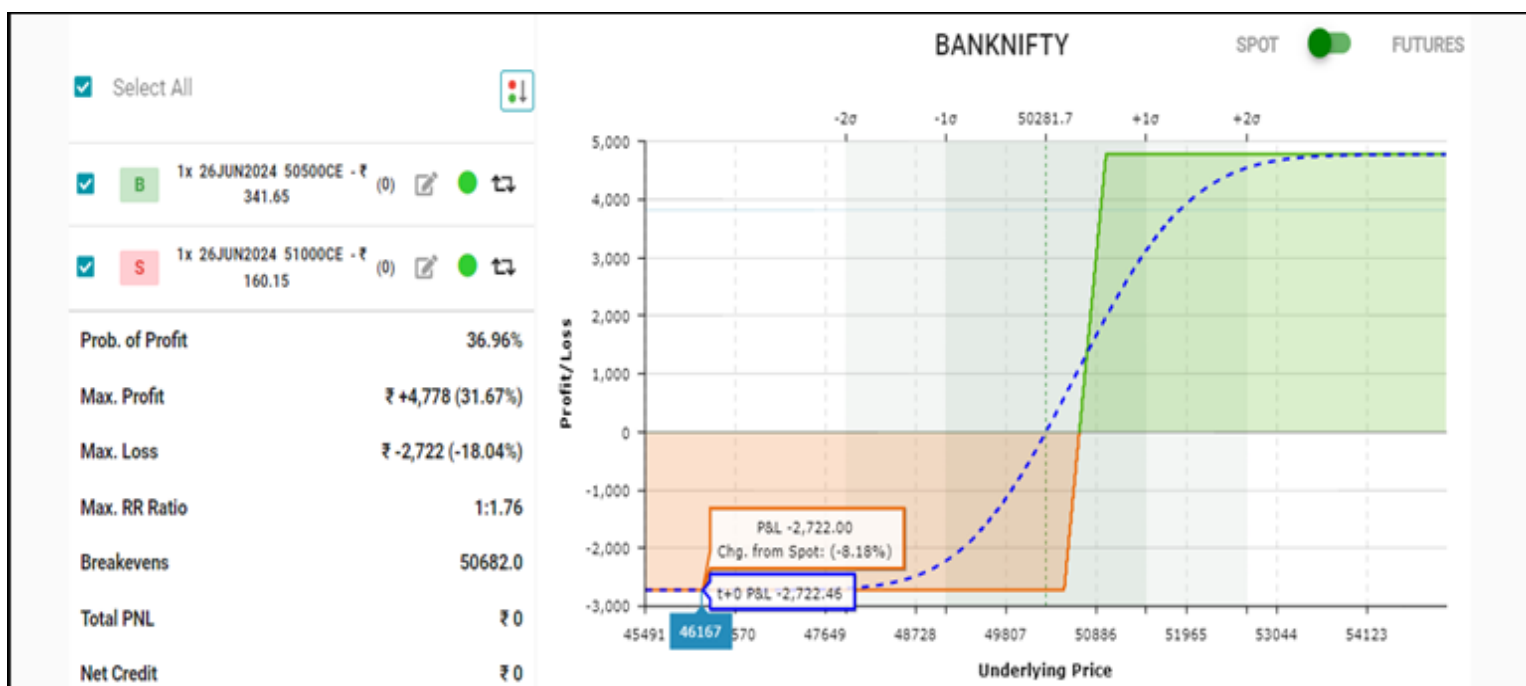
Breakeven point: 52408

Risk Reward Ratio: 1:1.4

(Approximate margin payable for the strategy Rs.15700 (for exact margin, pls consult risk team email or check margin calculator on website))

Please note that the spread position may be exited early depending on the reading of the market.

BANK NIFTY BULL CALL SPREAD STRATEGY PAYOFF DIAGRAM



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HDFC securities Limited, I Think Techno Campus, Building - B, "Alpha", Office Floor 8, Near Kanjurmarg Station, Opp. Crompton Greaves, Kanjurmarg (East), Mumbai 400 042 Phone: (022) 3075 3400 Fax: (022) 2496 5066

Compliance Officer: Murli V Karkera Email: complianceofficer@hdfcsec.com Phone: (022) 3045 3600

For grievance redressal contact Customer Care Team Email: customer-care@hdfcsec.com Phone: (022) 3901 9400

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