

June 19, 2018

## Derivatives Strategy – Positional Option

### Sell Nifty June 10800 Call at ₹ 52-56...

Index & Strike	Action	Initiation Range	Target	Stoploss	Time Frame
Nifty June 10800 Call	Sell	52-56	4	101	Till June Expiry

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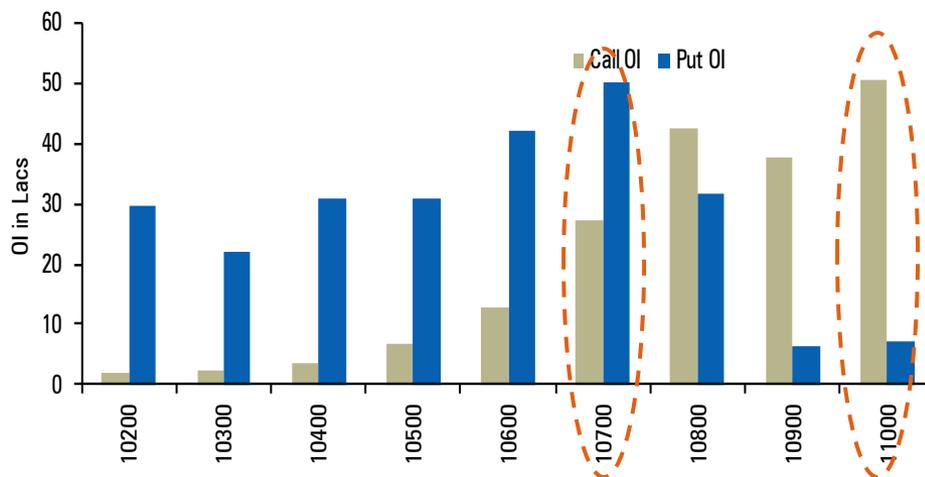
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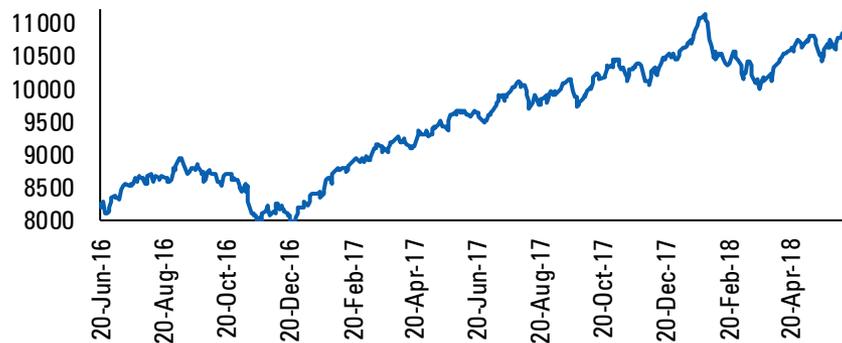
# Nifty Positional Option: Sell Nifty June 10800 Call at ₹ 52-56. Target ₹ 4. SL ₹101. (Time frame : till June expiry)

- After staying resilient in June series, the Nifty is facing some resistance in 10800-10850 range, which is near its high call base of 10800. Trade tensions between US & China and strong Dollar, because of increasingly divergent central bank policy is pushing EM currency and asset class lower. Nifty had bucked this trend till now, but some weakness in emerging markets with strong risk-off wave is seen in Asian EM's, post fresh trade war issues.
- Looking at the options concentration for the June series, the highest call base of almost 5 million shares is seen at 11000 call, with fresh writing also seen in 10800 call strike that has already seen its OI increasing to 4.2 million shares.
- Selling ATM option 10800, ensures time value play as well.

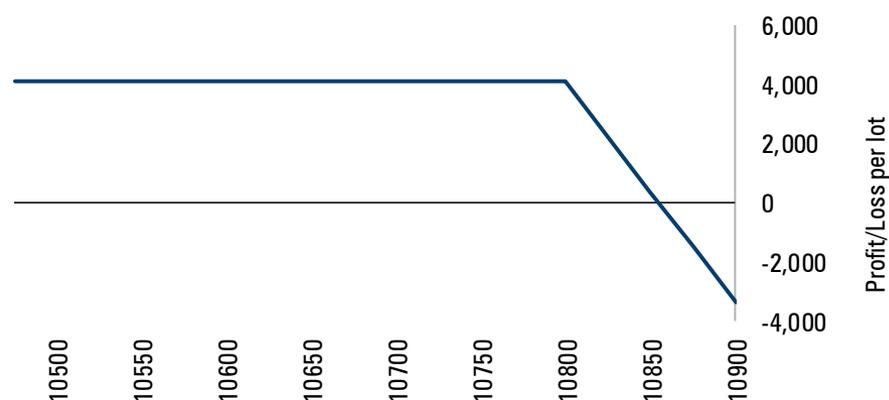
## Options build up



## Price performance in trailing 24 months



## Strategy payoff



**Note:** Recommendation initiated on iclick-2-gain on June 19, 2018

Source: Bloomberg, ICICI Direct Research



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