

Twitter Thread by Sharad Jadhav



Sharad Jadhav

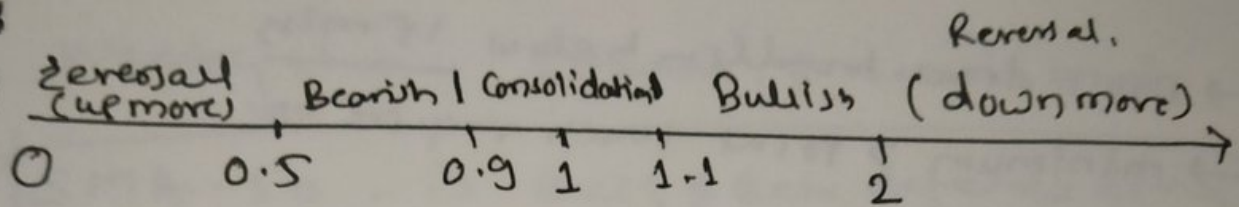
@shinysharad31



How to analyse n interpret Put Call ratio (PCR) perfectly explained by @saketh1998 in his open interest (OI) series on YouTube.. This might give you slight edge to find direction in intraday trades of index.. My summary..Thanks @optionables n @sujith_nadig <https://t.co/Kfi91GWR8i>

Open Interest: Analysis - (One of the factor of Market movement)

PCR Interpretation: — High call OI \Rightarrow Bearish
High put OI \Rightarrow Bullish



if

- \rightarrow PCR is betⁿ 0.9 - 1.1 \Rightarrow Consolidation.
- \rightarrow PCR is betⁿ 0.5 - 0.9 \Rightarrow Bearish sentiment.
- \rightarrow PCR is betⁿ 1.1 - 2 \Rightarrow Bullish sentiment.
- \rightarrow PCR is ^{below} betⁿ 0.5 - 0 \Rightarrow Reversal may happen (you expect up move)
- \rightarrow PCR is above ~~1.1~~ 2 \Rightarrow Reversal may happen (you expect down move)

Credit: optionable OI series