

# BANK NIFTY

20 January 2025

## About Index

The Nifty Bank Index comprises of the most liquid and large Indian Banking stocks. It provides investors and market intermediaries a benchmark that captures the capital market performance of the Indian banks. The Index comprises of maximum 12 companies listed on National Stock Exchange of India (NSE). Nifty Bank Index is computed using free float market capitalization method. Nifty Bank Index can be used for a variety of purposes such as benchmarking fund portfolios, launching of index funds, ETFs and structured products.

## Portfolio Characteristics

METHODOLOGY	Periodic Capped Free Float
NO OF CONSITUENTS	12
LAUNCH DATE	SEP 15,2003
BASE DATE	JANUARY 1,2000
BASE VALUE	1000
CALCULATION FREQUENCY	REAL TIME
INDEX REBALANCING	SEMI- ANNUALLY

## Top constituents by weightage:

HDFC BANK LTD	27.58
ICICI BANK LTD	24.06%
STATE BANK OF INDIA	10.54%
KOTAK MAHINDRA	10.32%
AXIS BANK LTD	9.33%
INDUSIND BANK	5.46%
FEDERAL BANK	2.76%
BANK OF BARODA	2.73%
PUNJAB NATIONAL BANK	2.13%
AU SMALL FINANCE	2.08%

## Fundamentals

P/E RATIO	15.01
P/B RATIO	2.86
DIVIDND YIELD	0.88%

## Our recommendation

**OPTIONS INSIGHT- BUY BANKNIFTY 50000 CALL ABOVE 380 TARGET 430/480 STOPLOSS BELOW 330**

## Technical analysis

Nifty Bank Index prices gave a gap up opening and remained on higher side. The prices continuously trading above its 20 EMA levels, indicating strength in bullish trend. Most of the heavy weights stocks such as HDFCBANK, SBIN, KOTAKBANK etc are performing strong today since morning. The bullish trend can be confirmed with couple of indicators such as EMA, as the prices are trading above its 20 EMA level of 49061, indicating strength in index, and Supertrend indicator which is showing green zone, indicating bullish momentum (as shown in image below). Hence, we recommend BANKNIFTY 50000 CALL option.

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