**Defensive RSI Strategy Bank Nifty and Nifty**

**Points to remembers:**

1. We should time the trade i.e., buy / sell the stock on time.

2. We should not trade in option daily or whole day, we should trade opportunistic i.e. if there is opportunity only then trade.

3. Accuracy is 70-80 % and We should always consider risk management and use stop loss.

4. Don’t overtrade in range bound market.

**Defensive bank nifty and nifty strategy:**

Defensive strategy is more useful for beginners. In this strategy, We use other strategy in more defensive/Secure way.

**How to Time Trade in RSI in defensive Strategy:**

Use RSI more defensively,

When RSI <=20 (more oversold) then buy the stock or buy the call option (either ATM or ITM option).

When RSI >=80 (more overbought) then sell the stock or buy the put option (either ATM or ITM option).

Don’t buy OTM, It is cheaper but it is riskier also.

In range bound market, RSI strategy is not applicable successfully.

Note:

1. MACD bullish/strong bullish and bearish/strong bearish → confirmation is helpful in this strategy.