**PCR-RSI Mix Strategy Bank Nifty and Nifty**

When market is news driven then technical trading does not performs well.

This strategy is mixing of PCR Strategy and RSI Strategy.

1. When PCR is in Extremely Over Sold Zone i.e., PCR <= 0.7 then market show recovery in short

period of time and is trend reversal:

Now, While working with RSI → Use only Call Option.

Because if RSI is in overbought here then it correct little bit and will continue its recovery.

So, Don’t buy Put Option even if the RSI is in overbought zone here. Just wait there for correction.

1. When PCR is in Extremely Over Bought Zone i.e., PCR >= 1.7 then market show adjustment in short period of time and may be trend reversal:

Now, while working with RSI → Use only Put Option.

Because, if RSI is in oversold here then it correct little bit and will continue its recovery.

So, Don’t buy Call Option even if the RSI is in oversold zone here. Just wait there for adjustment.

Note:

1. We use Open Interest to calculate PCR.
2. When PCR strategy comes into picture then RSI strategy does not applicable and does not show much effect.
3. We should use option chain data of next current expiry which is more clear. i.e., to watch put call ratio use weekly current expirty data, don’t use montly expiry as it may not give clear view.