



## Technical Outlook: Nifty

Indian equity benchmarks extended their previous session losses with a negative start on Wednesday 12th May, mirroring weakness in the global markets. In the afternoon session, Indian equity benchmarks continued to trade in the red zone and closed one percent lower below 14750 levels.

Nifty50 on the daily chart continues to trade in a downward sloping channel pattern and the width of the channel is almost a thousand points henceforth prices are trading within a band of 14100 to 15100 levels.

On the 10th of May, Nifty witnessed a gap opening and closed positive but was not able to close above its previous intermediate high meanwhile momentum oscillator RSI (14) witnessed a new high above its previous intermediate high and formed a negative divergence on the daily chart.

INDIA VIX is reading in a range between 16.50 – 24 levels and currently hovering around 20.08 levels. If VIX moves above 23, then it might test the upper band of the channel at 25 levels.

We expect Nifty to trade with a sideways to negative bias as prices have taken a stiff resistance near the upper band of the pattern. Support for the Index is placed at 14450 levels while resistance rests near 14950 post-break of the level will open the gate for 15100 levels.

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*NSDL: a) IN 301477 | b) IN 301688 (Delhi) | PMS: INP 000000985 | AMFI: ARN -0186*

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