



Technical Outlook: Nifty

Nifty on 20th January has engulfed the previous six days candle and formed Bearish Engulfing Pattern on a daily interval. Today's nifty has also formed a 'bearish belt hold' candlestick pattern which is double-decker negative confirmation for the short term. Benchmark index continues to drift lower with the loss of 1.03 % and closed below 12250 levels on the daily chart. As fifty pack has witnessed an uninterrupted rally from 11900 to 12430, so profit booking at the current level cannot be ruled out. On the downside 12,200-12,150 is the critical support zone where the bulls can get back into the action. Except realty and FMCG all other indices ended with the loss of close to 1 %.

Nifty took the support of 21 days exponential moving average which is placed at 12224.50 on daily time frame. Daily RSI (14) is reading near 50 levels.

However, looking at the recent movement volatility will be at its peak due to nifty is trading in an uncharted territory, so trading with proper stop loss is advisable. Drift below 12180 may see further correction till 12000 in coming trading session. The near term resistance is 12430.

Indices	Close	S3	S2	S1	R1	R2	R3	Trend
NIFTY	12224.55	12000	12100	12180	12350	12450	12520	Negative
BANK NIFTY	31080.65	30550	30750	30900	31100	31250	31350	Negative

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SEBI Regn. No.: INZ000212137

BSE CM: INB 011110237 | BSE F&O: INF 011110237 | MSEI: INE 260637836

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

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