



Technical Outlook: Nifty

The Benchmark index continued to close in red with a loss of more than one percent for the second straight day.

Nifty50 on the daily chart has witnessed a rising channel pattern breakdown and prices are trading below its trend line resistance. Benchmark index closed below its 21DEMA and 50 DEMA which is a negative signal for the Indian bourses.

Momentum oscillator RSI (14) has drift below 40 levels with negative crossover on the daily time frame. The MACD indicator has also closed below its line of polarity with a bearish crossover of the signal line.

India VIX has currently settled above 22 levels on the daily chart so we can expect high volatility in the coming trading sessions.

Nifty50 has given a negative breakdown so every uptick in the index should be utilized for a fresh shorting opportunity. Nifty will likely face a strong resistance near 14700 levels which is capped under a 50 day EMA. Meanwhile on the lower side support can be seen at 14000 which is again under the brace of the 100 DEMA support.

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