



## Technical Outlook: Nifty

Today, owing to monthly expiry, Nifty turned volatile and closed on flattish note at 16635 levels. It started off with a minor gap down opening and covered up all the losses in the opening hour of the trade. It was able to touch its day high level of 16683 but was unable to sustain the momentum due to heavy call writing at 16700 Strike price and soon turned negative in the afternoon session. The broad trading range for the day was 16600-16700 which the expectation for today's expiry session was.

On daily time frame charts, Nifty is trading well above its 21 Day EMA which is placed at 16348. This will act as a crucial support level in upcoming trading sessions. On the indicator front, daily RSI is hovering near overbought levels, showing a reading of 71. This means that we may witness profit booking sessions if it is not able to generate the thrust. There has been no major change in MACD reading and is still showing no signs of weakness. ADX has moved to 25 and is rising which means the strength of the trend remains intact.

Important supports are placed at 16500-16540 levels where as on the upside resistance is pegged at 16680-16720 levels. The Advance to decline ratio remained at 1:1 where 22 stocks were on advancing side & 28 were on declining side.

Nifty futures have witnessed rollover of 73.42% whereas bank nifty futures have witnessed a rollover of 74.59% for September series. There are chances that Volatility will increase in this series as India VIX is indicating by giving a close at 13.58.

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