



## Technical Outlook: Nifty

The index has given wild swings throughout the day's trading session and selling pressure was visible from the first tick itself. The selling was heavily supported by banking & IT stocks. A sharp recovery too was seen in the latter half of the session. Indices tend to be volatile in the last week of monthly expiry and it is imperative to see the futures rollover data to gauge the expectation of the move for next month.

On daily time frame charts, Nifty is trading well above its 21 Day EMA which is placed at 17408. 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 70. MACD reading is still showing no signs of weakness and is likely that the sideways to upward momentum will continue.

Important supports have now been placed at 17680-17720 and resistance is pegged near 17850-17900 levels. Index has taken important support from lower band of the channel. A break below 17640 will see the nifty sliding to 17480 levels on closing basis. The Advance to decline ratio for nifty was at 1 :1.8 where 18 stocks were on advancing side & 32 were on declining side.

India VIX has just crossed its 200 Day EMA at 18.51 which tell us that in coming days there may be strong swings and the volatility is likely to increase.

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