



Technical Outlook: Nifty

Nifty today open today below yesterday's close and traded in negative through the day. Nifty extended selling in final hour of trading session. Nifty closes below the yesterday's bearish hanging man candlestick pattern, which validates the significance of the pattern. Even Nifty bank showing sign of weakness ahead of monthly expiry. However pattern visible on weekly chart suggests bulls are well intact for southward journey which is supported by the runaway gap. As expected some profit booking was witnessed as momentum indicator RSI (14) was overbought on 60 mins charts. However RSI (14) on daily chart is reading above 60 with upward trend.

Every dip in nifty should be considered for buying. So the overall bias is said to be positive. As we are trading in uncharted territory some knee jerk movements cannot be ruled out. Index hold a strong support at 11600/11700 level Drift below 11600 may seen further correction till 11400 in coming trading session. Going forward, resistance is pegged at 12000/12050 levels for coming weeks which will be a new high for a nifty.

Indices	Close	S3	S2	S1	R1	R2	R3	Trend
NIFTY	11861.10	11700	11750	11800	11900	11950	12000	Sideways
BANK NIFTY	31295.55	30800	30950	31100	31450	31550	31650	Sideways

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New Delhi: 4353/4C, Madan Mohan Street, Ansari Road, Darya Ganj, New Delhi – 110002. Tel: 91 11 30181290/94 Fax: 91 11 30412657

Mumbai: Bonanza House, Plot No. M-2, Cama