

Date: 14TH DEC 2020

NIFTY



It was again bulls dominated week where nifty registered its lifetime high and close the weekly candle with a gain of almost two percent.

Since nifty has broken its horizontal resistance line from 12500 index has roared 1000 points in only five weekly candles which call for we are in a wave of a strong bull market.

In this particular week, Nifty on the daily chart has formed two consecutive Doji candles on Thursday and Friday's session. Such formation near all-time levels indicates sideways or mild correction in the coming trading sessions.

On the open interest front, the highest OI of the monthly series is seen at 13000 and the 13500 Call which seems to be witnessing a long built-up. On the Put side, the highest participation is seen at 13000 which seem to be witnessing a short build-up.

Currently, we are in a scenario where the majority of the indicators are in an overbought zone. An overbought zone doesn't mean an immediate sell as whenever any stock or index is in a strong uptrend, indicators normally stay with the higher range of the indicator.

Going forward, the trend in Nifty to remain bullish, on the higher end rally may extend towards 13765. On the lower end support is placed at 13200.

BANK NIFTY



The banking index continued its bull run for the sixth continued week and closes the index to close above 30500 levels. Prices are trading in a rising channel formation on the daily time frame.

Bank Nifty witnessed a choppy trading session in the last couple of trading sessions but managed to recover during the last hour of trade. They came under pressure during the last hour of trade but recouped losses to the day with minor gains.

Since its lifetime of 32613 to its March month low of 16116 prices have completed its 88.60 percent retracement which is the place at 30732 levels. Currently Bank Nifty is 2000 points away from its lifetime high levels.

The banking index is trading above its exponential moving averages (50 & 100) on the weekly chart. Momentum Oscillator RSI (14) is reading above 60 levels with positive crossover, which is positive for the counter. The MACD indicator is reading above its line of polarity with positive sentiments.

Going forward, the trend in Bank Nifty to remain bullish, on the higher end rally may extend towards 31500. On the lower end support is placed at 29700.

Sector Look: NIFTY MEDIA



Since the index has given breakout of downward slopping trend line on 27th November 2020, the index continues to trade above its trend line and looking strong at the current juncture in weekly chart.

Nifty MEDIA has closed 4.75 % higher at 1658.70 level in the weekly time frame. The Index has closed above its previous week high, which shows significant recovery towards the end of the week.

The weekly chart is currently providing strong evidence for further prospects meanwhile 21 week simple moving average on the daily chart is acting as an anchor point for the benchmark index. RSI (14) is reading near to 60 on a weekly timeline.

The majority of indicators and oscillators are showing a positive trend for the current scenario on the daily time frame.

On the higher end resistance is seen at the 1760/1905 level on the weekly chart. On the lower end support for the coming weeks is seen 1580/1450 levels.

Weekly Stock Idea: HDFCAMC



After a prolonged consolidation, HDFCAMC has given a breakout of its consolidation range on a weekly time frame. After forming a strong base around Rs 2500, the stock has given a stellar move over the past couple of weeks along with the broader market rally.

Oscillators and momentum Indicators like RSI and MACD are showing strength in the stock on the weekly as well as daily charts. Stock is trading above its 20, 50, and 100 exponential moving averages on a daily interval which is a bullish sign for the prices.

Weekly price action surely suggests prices are getting ready for uninterrupted rally as prices are moving ahead out consolidation range.

On the higher end resistance is seen at the 3000/3220 level on the weekly chart. On the lower end support for the coming weeks is seen 2700/ 2590 levels.



Weekly Market Strategy

Technical Research Analyst

Mr. Rohan Patil,

Mrs. Pooja Jain

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Bonanza Portfolio Ltd. Bonanza House, Plot No. M-2, Cama Industrial Estate. Walbhat Road, Goregaon (E), Mumbai – 400063 Web site: <https://www.bonanzaonline.com>

SEBI Regn. No.: INZ000212137

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

| CDSL: a) 120 33500 |

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

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