

Date: 4th JAN 2021

NIFTY



Nifty continued its bull run and closed above the 14000 mark for the first time in the Indian stock market history. It was again a bull's dominated week where weekly candle closed almost two percent higher than its previous week's close.

Since a big candle down day of December 21, there has been a consistent rally in the market. The rally negated the bearishness of December 21. More than 300 stocks hit a fresh 52-week high on the BSE.

Prices are trading near its upper band of the upward rising channel pattern and which can act as the next level of resistance for the benchmark index.

Momentum oscillator RSI (14) continues to settle above its bullish range-shift zone and is currently reading well above 70 levels with bullish crossover on the daily scale.

Now it has to continue to hold above 13800 levels to witness a fresh rally towards 14200 levels, while on the downside major support is seen at 13750 and 13650 levels.

BANK NIFTY



The Bank Nifty kicked off the new calendar year 2021 on a positive note with Banking Index managing to end with gains of more and 2.5 percent on the weekly chart with closing above 31000 since February 2020.

Prices have successfully neglected its previous week's bearish hanging man candlestick pattern on a weekly time frame. Failure of the bearish candle in its next immediate week indicates a strong ongoing bull market where every dip should be using a buying opportunity in the market.

India VIX of the volatility index slipped 7.27 percent on Friday, as it slipped below 20 levels on the first day of trade in 2021.

Daily prices have closed above its 21-day exponential moving average which is again a positive sign for the index in the short term. Weekly RSI (14) continues to move in a higher high higher low formation and currently reading near 70 levels with bullish crossover on the cards.

Going forward, the trend in Bank Nifty to remain bullish, on the higher end rally may extend towards 32000. On the lower end support is placed at 29500.

Sector Look: NIFTY PHARMA



On the weekly time frame, 21 week simple moving average is acting as a support that is placed at around 11903.40 level.

On the weekly chart, index after several weeks of consolidation moved above from the range which suggests bullish strength in the counter. On previous week, Index has given a breakout of the “Consolidation Pattern”.

Nifty PHARMA has closed 0.72 % higher at 12908.90 level formed a doji candle in the weekly time frame. The Index has closed above its previous week high, which shows significant recovery towards the end of the week.

Index has closed above its all the major simple moving averages on the weekly time frame, which adds more strength for the index.

The majority of indicators and oscillators are showing a positive trend for the current scenario on the daily time frame. RSI (14) has drifted near 69 level on weekly time frame.

On the higher end resistance is seen at the 13300/13480 level on the weekly chart. On the lower end support for the coming weeks is seen 12560/12370 levels.

Weekly Stock Idea: DMART



DMART has shown some positive momentum in this week and closed 4.34% higher at 2789.10 level. Index has witnessed breakout of its Rising wedge pattern on weekly time line. It is expected to continue its bullish momentum for next couple of weeks.

On the weekly chart, Post breakout of trend line stock is consolidating just above the trend line. The chart is showing a bullish higher high and higher low formation.

On the daily time frame, 21 Days simple moving average is acting as a support that is placed at around 2636.94 level.

Currently stock is trading above all the major simple moving average on the weekly timeline.

The majority of indicators and oscillators are showing a positive trend for the current scenario on the daily time frame. RSI (14) is reading near to 65 on a weekly timeline.

On the higher end resistance is seen at the 2980/3180 level on the weekly chart. On the lower end support for the coming weeks is seen 2640/2460 levels.



Weekly Market Strategy

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SEBI Regn. No.: INZ000212137

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

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