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NIFTY



Nifty once again rejected the bearish setup which was formed on a daily timeframe chart and rallied strongly.

The Nifty formed a bullish candle on the daily and weekly scale while making higher high-higher lows from the last four trading sessions.

Benchmark index finally broke its conjunction zone in which prices traded for almost more than two weeks. Index witnessed horizontal trend line breakout on daily time frame and formed a new intermediate high. This type of bullish setup normally continues its ongoing trend for next few sessions.

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

Momentum oscillator RSI (14) is reading above 60 levels with bullish crossover. The bias looks positive for the near term.

The body of the candles formed in the last three sessions has been tall which indicates strong positive surge in the prices.

As of now, strong support comes at 11700-11650; if the index breaks this support then further downside would be there up to 11500 levels which are supported with a 50-day simple moving average on a daily scale. While upside resistance comes at 12400 levels.

BANK NIFTY



On the monthly basis, after the largest ever bearish candle in March, Bank Nifty has formed bullish candle in six out of eight months in the monthly chart. Index after several month of consolidation moved above from the range which suggests bullish strength in the counter.

It was a super week for Bank Nifty as the index roared above 12 percent and closed at 26798.95 level. Index was traded between 50-100 week Simple moving averages on a weekly interval.

Bank nifty rallied more than 1000 points during the week with bulls making a strong comeback by surpassing the previous hurdle of 25230 level.

Weekly formation suggests prices are trading in the higher high higher low formation. The RSI (14) is also quoting near to 60 levels with positive crossover on the cards on a weekly interval.

We remain positive on Bank nifty with higher targets of 27800 for the coming weeks. On the downside, initial support is placed at around 24487 level which is supported by a 21- day simple moving average on the daily chart.

Sector Look : NFMIDCP100



On the weekly time frame, V shape reversal rally has almost completed 88.60 percent retracement of the entire downswing seen from January 2020 top to March 2020 bottom.

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

NFMIDCP100 has closed 4.31 % higher 17802.75 and formed a bullish 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 below its all the major simple moving averages on the weekly time frame, which adds more bearish tilt for the index.

RSI (14) has drifted near 60 level on weekly time frame.

On the higher end resistance is seen at the 18496/19496 level on the weekly chart. On the lower end support for the coming weeks is seen 16848/15554 levels.

Weekly Stock Idea: ESCORT



On the weekly time frame, Escort took the support of 21-week simple moving average which is formed at around 1153.75 levels. Today's candles have cut the previous weeks high which is a positive sign for the stock.

Since last more than 10 days stock has consolidated in a broad range of Rs 1145-1262, the stock has witnessed a breakout above its consolidation pattern on the daily timeline.

The stock has closed 7.04% higher at 1285.45 level on the weekly chart. The stock has formed bullish candle on weekly time frame.

On Previous week, stock has formed 'Doji' candlestick pattern which has tested the 21-week simple moving average but has closed above it.

The majority of indicators and oscillators are showing a positive trend for the current scenario on the weekly time frame. RSI (14) is reading near to 67 on a weekly timeline.

On the higher end resistance is seen at the 1350/1430 level on the weekly chart. On the lower end support for the coming weeks is seen 1214/1155 levels.



Weekly Market Strategy

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