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NIFTY



Benchmark index nifty traded in a very narrow for the previous week and defended 10900 levels on weekly time frame. Since past previous four weeks nifty pack is trading in a range between 10800 and 11200 levels. Currently index is trading in a band between 50 EMA & 100 EMA on weekly interval.

In terms of candle stick bullish harami pattern is formed on weekly time frame which is placed near the upward rising trendline support. Currently momentum oscillator RSI (14) is reading near 40 levels.

Stock selection will be key process for the coming week as overall index, as market looks glittery at current scenario. On lower side small support will be seen near to 10500-10400 range, where else intermediate support is seen at 10800. On break of the same Nifty may rest last support level of 10400. Resistance is seen at 11200 & 11300 for the coming week.

NIFTY BANK



Banking index is shaded in a range of 28400 – 26700 since past previous four weeks. Currently bank nifty is trading in band of 50 and 100 EMA which is placed at 28500 (50EMA) and 26850 (100EMA). Second leg of lower low formation is witnessed in banking index on daily interval.

Three consecutive red closing is witnessed on monthly chart. Since March 2016 banking index has never closed in three consecutive red candles on monthly chart.

Any uptick in prices should be considered for selling as overall trends remains negative for the banking index in coming sessions. Banking index faces stiff resistance at 28500 which is supported by 50 EMA on weekly chart. On lower side small support will be seen near to 26800 - 26600 range. On break of the same banking index may rest last support level of 26000. Intermediate Resistance is seen at 29000 & 29500 for the coming week.

Sector Look: NIFTY METAL INDEX



NIFTY METAL INDEX after a prolong correction has formed bullish AB = CD harmonic pattern at 2174.10 levels on weekly interval. The coordinates of which are as follow:

XA of the leg from 3776.05 to 2649.25, BC of the leg completed at 3177.40 (i.e 50% of XA leg), CD of the leg completed at 2174 (i.e 200% Fibonacci projection of AB leg).

In terms of candle stick Dragon Fly Doji pattern is formed on weekly time frame, which is bullish reversal in nature. Momentum oscillator RSI (14) is currently reading near oversold zone, so technical bounce back from current levels cannot be ruled out. On the lower end supports are seen at 2100/2000. On the higher end the index may face resistance at 2450/2600 levels.

Weekly Stock Idea: BATAINDIA



Prices on weekly chart have witnessed a breakout of a Rectangle pattern on weekly interval which is placed at 1481 levels. A recent price action has forced prices to surpass its horizontal trend line resistance which has help price to move in uncharted territory. A price pattern breakout has supported with an above average volume on weekly interval.

Prices are sailing above its the medium & long exponential moving averages. Momentum oscillator RSI (14) is hovering between a 55 - 65 ranges which hint for continuation of ongoing momentum. MACD indicator is reading above zero line with positive crossover on the cards.

Based on the above technical's we expect prices to move high in the near term. On the lower end supports are seen at 1485/1450. On the higher end the index may face resistance at 1580/1600 levels.



BONANZA PORTFOLIO LTD

Mumbai: Bonanza House, Plot No. M-2, Cama Industrial Estate, Walbhatt Road, Goregaon (E) Mumbai – 400063. Tel: 91 22 30863744/30863742

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

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