

Date: 05th Nov 2018

NIFTY



Nifty this week has shown respect to psychological support of 10,000 levels and witnessed some buying from lower levels. On the weekly chart price has formed above the stomach candlestick pattern which indicates continuation of prevailing trend. Still benchmark index is trading below all the major averages on daily time frame. Furthermore momentum indicator RSI (14) is trading near 30 levels indicating sideways to negative momentum in near term.

Going forward, Nifty index is expected to remain with a negative to sideways sentiment; on the lower end it may reach towards 10100; again sustained trades below 10100 may induce a fall towards 9800. On the higher end 10700 is expected act as crucial resistance.

Indices	Close	S3	S2	S1	R1	R2	R3	Trend
NIFTY	10553	9900	10100	10300	10650	10700	10850	SIDEWAYS

NIFTY BANK



Nifty bank was unable to break its consolidation and has underperformed benchmark index this week. On the weekly chart price has formed above the stomach candlestick pattern which indicates continuation of prevailing trend. Furthermore index has completed bullish reciprocal ABCD harmonic pattern on weekly time line which hints for some pullback in bank nifty in coming days. As niftybank has respected its harmonic levels and find support from lower levels.

Weekly momentum oscillator RSI (14) has been in a bearish crossover and falling which suggests a negative momentum to prevail in the days to come. In addition, RSI is seen reacting to the bearish divergence.

Going forward, Bank Nifty index is expected to remain with a negative to sideways sentiment; on the lower end it may reach towards 24700; again sustained trades below 24700 may induce a fall towards 24350. On the higher end 27000 is expected act as crucial resistance which comes neat its trendline resistance.

Indices	Close	S3	S2	S1	R1	R2	R3	Trend
BANK NIFTY	25701	24700	25000	25300	26000	26500	27000	SIDWAYS

Sector Look: NIFTY FINANCIAL SERVICES



On the weekly chart the nifty financial service index prices has witnessed a breakdown of its rising channel pattern. Furthermore prices have kissed its trendline resistance and is trading below its trendline resistance.

Going ahead spurt in volume is also visible and momentum indicator RSI (14) is trading at below 50 levels and has spotted bearish crossover which suggests selling pressure in near term.

Going forward, sustained trades below 11000 may induce a selling pressure towards 10600; again decisive move below 10600 the index may move up towards 10200. On the other hand failure to sustain below 11000 may trigger a upside towards 11400 over the short term.

Indices	Close	S3	S2	S1	R1	R2	R3	Trend
NIFTY FINANCIAL SERVICES	10864	10000	10200	10500	11000	11200	11400	NEGATIVE

Weekly Stock Idea: PIDILITE INDUSTRIES LTD



On the weekly chart the stock has completed bullish BAT Harmonic pattern; the coordinates of which are: XA leg is from 845 to 1195, AB from 1195 to 1019 (which is 50% of XA leg), BC leg is from 1019 to 1188 (which is 88.60% of the AB leg) and CD leg is 1188 to 897 (which is 161.80% projection of BC leg and 88.60% of XA leg).

The momentum indicator RSI (14) is trading has come out of oversold levels indicating rising momentum in near term. Furthermore on daily chart stock has completed bullish BAT Harmonic pattern.

Going forward, sustained trades above 1010 may induce a rally towards 1075-1120. On the other hand failure to sustain above 970 may trigger a correction towards 900 over the short term.

Disclaimer:

This report, contains information based on research carried by or on behalf of Bonanza Portfolio Limited, is neither advice nor any offer to sell or a solicitation to buy any securities, Further the reader is also advised to exercise restraint in placing any dependence on this report, as the sender, Bonanza Portfolio Limited, neither claims or guarantees the accuracy of any information contained herein nor assumes any responsibility in relation to losses arising from the errors of fact, opinions contained herein or the dependence placed on the same. The situational factors affecting the information herein may change any time due to the volatile market conditions, and may not be accurate, complete or exhaustive, the recipient therefore is advised to use his own discretion and judgment, while entering into any transactions, whatsoever.

Further, please note that Bonanza, its directors employees and associates may have trading or investment positions in the securities mentioned herein.

BONANZA PORTFOLIO LTD

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 Industrial Estate, Walbhatt Road, Goregaon (E) Mumbai – 400063.