

Date: 07<sup>th</sup> August 2023

## NIFTY



Nifty index opened gap up and trade sideways in most part of the day and closed with gains of around 130.75 points. It formed a Bullish candle on the daily scale. The technical indicator ichimoku cloud suggests that price is trading below conversion and base line which is now acting as a resistance for the market.

Now, important level to watch on the downside is 19250. On an hourly chart, the Nifty has been moving lower highs and lower lows formation, confirming the bearish trend.

Nifty's weekly chart shows an interesting development - 14 consecutive weekly closes above the previous week's high, indicating a strong uptrend. However, the recent close below the previous week's low suggests a possible pause in the uptrend. Now, it has to continue to hold below 19,600 zones to witness a down move towards 19300 and 19100 zones while on the upside resistance exists at 19600 and 19700 levels.

The momentum indicator Relative Strength Index RSI (14) has also sustained below 50 levels.

The upside resistance is placed near the 19680 & 19750 levels. Support exists at 19320 to 19200 levels.

**BANK NIFTY**



Nifty Bank index opened a gap up and trade sideways to lower in the first one hour of the session and later part of the day witness buying from the 44500 zone which now acting as a strong support. It formed Doji candlestick on the daily scale.

On a daily chart, the technical indicator Ichimoku Cloud suggests that the price is trading below the conversion and base line, which now acting as a resistance for the market. On a weekly scale, the nifty banks index has formed a bearish candle stick and managed to close below the previous weekly low which indicates pause in the ongoing uptrend.

On an hourly chart, Bank nifty has been moving lower highs and lower lows formation, which shows a bearish trend, and which may continue.

The momentum indicator Relative Strength Index RSI (14) has also sustained below 50 levels.

The upside resistance is placed near the 45200 & 45444 levels. Support exists at 44550 to 44300 levels.

## Sector Look: NIFTY AUTO INDEX



The Nifty Metal index is currently exhibiting a favourable technical setup on the weekly timeframe. The index is showing strong adherence to its long-term trend line, which signifies a robust level of support for the metal sector. This suggests a positive underlying sentiment in the market.

Recent price action has indicated increased buying interest in the metal index, leading to a noteworthy base breakout. This breakout has been confirmed by the presence of a bullish candlestick pattern on lower timeframes, reinforcing the potential for an upward move in the sector.

The Technical indicator Ichimoku Cloud analysis supports the positive outlook as well. The current price levels are trading above the conversion line and the base line, acting as significant support levels for the sector. This reinforces the notion of a bullish bias.

A momentum indicator RSI (14) is reading above 55 levels, which suggests a bullish move may continue in the near term.

The immediate support for the Metal Index is placed at 6480 and below those 6350 levels. The resistance is placed at 6777 to 6880 levels.

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