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NIFTY



Benchmark index is consolidation from previous two weeks after registering life time high. Prices are trading in a higher high higher low formation on weekly chart. Index is finding support near its trend line which is supported by a runaway gap. The momentum indicator RSI is above 60 and is hovering around 55 to 65 range. MACD is in a positive crossover and is able to cross above zero line.

However overall sentiment remains positive for future trend. Nifty is trading above 11600 which will act as a crucial support near its runaway gap. Drift below 11600 may seen further correction till 11400 in coming trading session. Going forward, resistance is pegged at 11950/12050 levels for coming weeks.

NIFTY BANK



Nifty Bank is trading in higher high higher low formation which suggests upward momentum in prices. This week Nifty bank observed some selling pressure which drags prices 500 points down from its previous week closing. As prices are trading near all its time high amid volatility can be witnessed in prices. Nifty bank outperformed Benchmark index Nifty and showing the clean break out of broadening formation. Index is trading above all its major exponential moving average. Momentum indicator RSI (14) is reading above 60 levels.

However overall bias remains positive for banking stocks has index is holding a strong support of run away gap. On the lower end support is seen at its horizontal trendline & run away gap which is placed at 29800/29500; a breakdown below the trendline is likely to trigger a bigger correction towards 28500. On the other hand sustained trades above the trendline may induce rally towards 31700.

Sector Look: NIFTY INFRA INDEX



Nifty INFRA index has witnessed breakout of bullish Rectangle Pattern on weekly time frame. After a prolong consolidation stock has shown a positive momentum and surpass its trend line resistance. In daily chart index is trading a bullish Flag formation. Momentum indicator RSI (14) is reading above 60 levels with positive crossover.

Based on the above technical set up we can come out with a view that the INFRA sector stocks may show strength in coming days. On the lower end supports are seen at 3250/3200. On the higher end the index may face resistance at 3450/3600.

Weekly Stock Idea: TATAMOTORS



Tata motors on daily chart have given breakdown of Head & Shoulder pattern, which is bearish reversal in nature. Currently prices are trading below its neckline support. On weekly chart prices are trading in lower low lower high formation.

Stock is trading in corrective pattern since past 3 years and current trend suggest there is more room for down side. Momentum indicator RSI (14) is in a bearish range shift reading in a range of 50 - 30. MACD indicator is reading below zero line indicates weak momentum in stock price.

Based on the above Technical studies we can come out with a view that the price may drift lower levels over the short period.



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