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NIFTY



Nifty50 on the daily chart continues to trade in a downward sloping channel pattern and the width of the channel is almost a thousand points henceforth prices are trading within a band of 14100 to 15100 levels.

The index has broken out its Rising channel pattern on the weekly chart and has most likely completed its pullback near its trend line resistance. After trading within the rising channel pattern for more than 12 months, the index registered a decisive breakdown that suggests if prices continued to trade below their trend line resistance then there will a change in the trend from upward to negative.

INDIA VIX is reading in a range between 16.50 – 24 levels and currently hovering around 20.27 levels. If VIX moves above 23, then it might test the upper band of the channel at 25 levels.

Indian bourses on the daily chart are trading above their 100-day exponential moving average which is placed above the lower band of the channel pattern acting as a crucial support zone for the index.

We expect Nifty to trade with a sideways to negative bias as prices have prices has taken a stiff resistance near the upper band of the pattern. Support for the Index is placed at 14450 levels while resistance rests near 14950 post-break of the level will open the gate for 15100 levels.

BANK NIFTY



Bank Nifty on the weekly chart has engulfed its previous week's candle and has formed a bearish engulfing candlestick pattern near the downward slanting trend line resistance.

Bank Nifty on the daily chart has witnessed a breakdown of an upward sloping trend line and the index has closed below its 21 & 50- day exponential moving averages, which is negative for the banking index.

Momentum oscillator RSI (14) continues to roll in a lower low formation for the past 10 weeks and closed near 52 levels with a bearish crossover on the weekly time frame.

The index price is trading below its parabolic SAR indicator, acting as a crucial resistance zone at the 34382 level.

Currently, the prices are taking the support of the upward slanting trend line and if it manages to hold the immediate support of 31000, then the price might trade higher towards the parabolic SAR resistance.

Sector Look: NIFTY FMCG INDEX



Nifty FMCG index has sustained above its upward sloping trend line support and post-May 20, the Index is trading in a higher high higher bottom formation on the weekly chart.

In the previous week's chart, the FMCG index has formed a bullish engulfing candlestick pattern and this week's index has closed above the bullish pattern and has confirmed the same.

FMCG Index is trading above its 50 & 100 exponential moving averages on daily & weekly time frame, which is positive for the prices in the near term. Currently, RSI is reading above 50 levels with a bullish crossover, which indicates bullish momentum will likely continue in the near term.

Prices have retraced near 61.80 percent Fibonacci retracement levels from their previous intermediate low which is an important support level for the index.

Based on the above chart analysis and technical outlook, the FMCG index seems to be in the control of bulls. The FMCG index is holding the key support zone, but the chart pattern suggests that there might be some action expected in the index if the price remains above the support zone of 33500 or breaks the crucial resistance zone which rests at 35500 levels in the coming trading sessions.

Weekly Stock Idea: MARUTI



The prices were trading in a falling wedge pattern for the past four months and it also followed lower bottom lower high formation on the daily chart.

MARUTI has given a decisive break out of a falling wedge pattern and currently hovering above the upper band of the falling wedge pattern on the daily interval.

Prices on the daily chart have also completed a Bullish Bat Harmonic pattern and currently, prices are trading above their potential reversal zone (PRZ).

When we observe volume activity there has been above-average volume set up for the past few days. Momentum oscillator RSI (14) has given a trend line breakout which was placed at 40 levels and currently indicator is reading at 50 levels.

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

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