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NIFTY



On the daily chart, the Nifty has been hovering within a rising wedge pattern. Besides, the price has sustained above 38.2% retracement of the previous fall from 12152 to 7511 which again indicates a bullish movement over the short term.

Nifty has failed to cross the months opening near 9535 convincingly despite the announcement of a strong economic package and pushed lower to trade back near the lows.

PM Narendra Modi announced Rs 20 Trn/10% of GDP stimulus package is impressive as the size of the package is significantly higher than market expectation. This leaves a space of Rs 12.56 Trn/6% of GDP for incremental announcements. We expect the package to include additional spending on improving the nation's infrastructure thus benefiting cement, steel, and road developers.

The market may not see a vertical kind of movement that we have seen in the past; it is more likely to be slow grinding kind of movement.

For this week despite of the gap up opening Nifty was not able to hold its gain and witnessed sharp profit booking around 9600 level. We believe the positive momentum in the broader market will be only above 9600 and break of 9000 would put further pressure on the index.

BANK NIFTY



The banking index on the daily chart is continuously trading below its 21-day exponential moving average and it is acting as stiff resistance for the Bank Nifty.

Bank nifty has closed below its previous week low which is again a sign of underperformance against benchmark index Nifty.

The majority of State-Run Banks are continuously trading with a negative bias with a lower high lower low formation on all time frames. Since all-time high to a recent intermediate low of 16116 banking index has almost retraced 38.20 percent of its entire fall.

Bank Nifty is trapped in a range of almost 1500 points and creating multiple whipsaws on both the sides of the range. So, till the time it does not give a breakout on either side range will get compress within it.

On the Higher side, Bank Nifty will initially face a hurdle at around the 20200 mark. The said level is capped with a smaller degree horizontal trend line resistance and break of that level will certainly change the range for the banking index. However, in case of a major decline, support is placed around 18200 and then around 17150 levels which is April first week intermediate low for the Banking index.

Sector Look: NIFTY METAL INDEX



After consolidating in a broad range of 1641-1872 prices has witnessed a positive strength on the weekly timeline. On the previous week index witnessed profit booking but this counter gave a bullish strength with above average volume, which indicates optimism towards the prices.

The Nifty Metal Index reversed from its low of 1480.70 level. On the weekly chart, Index has closed 3.94% higher at 1742.60 level and formed a bullish candle. Prices are firmly holding the support near the 21-day simple moving average which is formed at around 1720.73 levels on daily time frame.

Metal Index is trading between 21 and 50 days simple moving average that is placed at 1720.73 and 1773.59 level on daily time line.

Weekly Momentum oscillator RSI (14) has bounced back strongly from around 22 level and in its recent move, RSI (14) found support at around 22 and moved to 38. On the previous two occasions whenever RSI(14) has drifted near 22 level sharp reversal in prices has been seen.

On the higher end resistance is seen at 1815/1875 level on the weekly chart. On the lower end support for the coming weeks is seen at 1620/1470 levels.

Weekly Stock Idea: INDIACEM



On the Weekly chart, INDIACEM has given a breakout of the “Consolidation Pattern”. Prices have completed it's through back near the trend line support that is placed at 97 level and is ready to move upside. 100 days simple moving average is acting as strong support which is placed at 94 on the weekly time frame. Moreover, on the daily time frame, 21 and 50 days of simple moving average is acting as an anchor point which is placed at 102.46 and 98.82 levels. Overall sentiments look positive as the stock has shown strong strength towards the upside.

The stock has closed 16.63% higher at 114.30 level. A bullish candle is formed on a weekly time frame and has closed above its previous several weeks' high.

Momentum Oscillator RSI (14) is reading above 65 levels with positive crossover, which is positive for the index. MACD indicator is reading above its line of polarity with positive sentiments.

On the lower end supports are seen at 94/78. On the higher end, the stock may face resistance at 130/145 levels.

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

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