

Date: 20<sup>th</sup> Aug 2018

## NIFTY



Nifty started the week slightly higher and remained sideward throughout the week. On the daily chart, nifty filled its breakaway gap which was created on 13<sup>th</sup> august which indicates bullish momentum is likely to continue. During the last week Nifty has consolidated with a range of 10340 -10470.

On the broader end in daily chart the stock has completed Bearish Butterfly Harmonic pattern at 11495.20; the coordinates of which are

XA leg is from 11171.55 to 9951.90 AB from 9951.90 to 10929.20 (which is 78.60% of XA leg), BC leg is from 10929.20 to 10417.80 (which is 50% of the AB leg) and CD leg is 10417.80 to 11495.20 (which is 200% projection of BC leg & 127.20% of XA leg).

The option data and technical levels suggest that the Nifty is expected to trade in consolidation phrase. Resistance is placed at 11540 whereas on the lower end the index may drift towards 11300 if Nifty sustains below 11400. Again, below 10300 Nifty may slip towards 11200.

Indices	Close	S3	S2	S1	R1	R2	R3	Trend
NIFTY	11470.70	11100	11200	11300	11540	11580	11650	Negative

## NIFTY BANK



The banking index ended the week on positive note with indices closed marginally higher. On the daily chart, Bank Nifty has reached up to the upper band of the wedge channel. The proximity of its resistance pushed the index down towards the lower band of the wedge. However, it recovered significantly on the last day of the week. In addition, nifty bank filled its breakaway gap which was created on 13<sup>th</sup> august which indicates bullish momentum will continue.

Momentum indicator RSI (14) is in bullish crossover and trading above 50 level in daily time frame indicates strength in current momentum.

Going forward, the index may continue to face resistance at the higher levels. On the lower end the index may find support at 28000 on immediate basis; failure to sustain above which, it may face selling pressure which may take the index towards 27800/27500. On the higher end the index may find resistance at 28400-28500.

Indices	Close	S3	S2	S1	R1	R2	R3	Trend
BANK NIFTY	28128.50	27400	27500	27800	28400	28500	28800	Positive

**Sector Look: NIFTY REALTY**



On the daily chart the nifty realty index has given breakout above a neckline of its inverted head & shoulder pattern at 276.05 level which is bullish in nature. This type of contention, when occur near bottom results in a steep movement in the direction of the penetration. Furthermore on broader end index has witnessed breakout of its falling wedge pattern on daily time frame.

Daily RSI (14) is in bullish crossover and trading above 50 level which signifies a strength in current momentum.

Technically, the index is gathering momentum and volume also are on the rise reviving bullish hopes for the coming days. The index has surpassed the key resistance level of 270 and may head towards next resistance at 298 once again. Upon sustaining above 298 the index may move up towards 313 over the short term. On the lower end the index is expected to find support at 260.

Indices	Close	S3	S2	S1	R1	R2	R3	Trend
NIFTY REALTY	276.05	250	260	265	284	298	313	Positive

**Weekly Stock Idea: ARVIND LTD**



On the daily chart the stock has completed bullish BAT Harmonic pattern; the coordinates of which are:

XA leg is from 384 to 438.70 AB from 438.70 to 411 (which is 50% of XA leg), BC leg is from 411 to 435 (which is 78.60% of the AB leg) and CD leg is 435 to 387 (which is 88.60% projection of BC leg).

The daily RSI (14) is in bullish crossover and rising which signifies a bullish momentum ahead. Daily MACD is in bullish crossover.

On the daily chart a price has been finding support at rising trend line. Engulfing pattern is visible on the daily chart of the stock.

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.

We expect upward consolidation to continue and price may move towards 413-419 in the short term. On the lower end support is visible at 387.

**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.**