

Date: 21<sup>st</sup> MARCH 2022

**NIFTY**



After forming a bullish engulfing a reversal candlestick pattern in the previous week, the index continued to trade higher and closed above its previous week's high indicating a bullish pattern confirmation. On 15th March prices formed a bearish dark cloud cover pattern and on the next immediate day, Nifty closed above the high of the bearish pattern and confirms the failure of the bearish setup.

On analyzing the daily chart we have witnessed two unfilled gaps created on 10th & 17th March which can be called a continuation gap on the daily time frame. Nifty50 has given almost four percent returns in just two trading sessions which indicates a strong comeback from the bulls.

A ten percent drop in the India VIX index and closing of 22.61 from a high of 33.37 on the weekly chart indicates a drop in the volatility and a stable move ahead. The momentum oscillator RSI (14) has also given a trend line breakout near 50 levels and currently closed at 57.19 levels with a bullish crossover on the daily time frame.

As of now, the prices have given a positive breakout above their important resistance level which is placed at 16900 levels and will act as immediate support in the coming weeks. On the higher end if everything goes right then the 17800 level cannot be ruled out in the near further.

**BANK NIFTY**



Two back to back strong closing on the weekly chart of the banking index indicates roaring comeback of the bulls in the Indian market. Prices close five percent higher from its previous week's close and also closed above its two weeks high on the weekly time frame; indicate a strong bullish structure for the short to medium term.

Bank Nifty never closed below its 50 week exponential moving average but it closed below its 21 EMA for the limited period of time on the weekly interval. This week prices closed successfully above it are all the important averages which are very appreciating.

The momentum oscillator RSI (14) has made a double bottom formation on the weekly chart near 30 levels and prices have shown a strong reversal since their after. Currently the indicators and oscillators are on the bull mode and trending higher on the daily time frame.

As of now, the prices have given a positive breakout above their important resistance level which is placed at 35650 levels and will act as immediate support in the coming weeks. On the higher end if everything goes right then the 38000 level cannot be ruled out in the near further.

**Sector Look: NIFTY REALTY INDEX**



The index was in a corrective mode and has Taken support from its 50 weekly EMA placed near 430.

It is current trading above all its medium term averages but still not above 21 week EMA which tells us that the index can yet rally further to catch the momentum.

A huge bullish green weekly candle tells us that the Bulls are seeing traction in this index and investors might be looking for realty counters to bet their money. Short term trend reversals signs are seen on price action but yet to be visible on indicators.

Important supports are placed near 400-420 zones whereas resistance lies near 480-500.

On the indicator front RSI has seen an uptick which means that momentum is rising on bullish side, showing a reading of 48.5 whereas MACD it is currently trading below its centreline. ADX is currently flattish which means that index has been trading in a short range and had been consolidating since beginning of November with negative bias.

**Weekly Stock Idea: JSW STEEL**



The stock has been currently trading above all its major moving averages and 3 white soldiers pattern on candle stick is witnessed indicating bullish bias. The stock is trading at 685 and has broken its falling trend line resistance.

Stock might be heading towards to 730-750 zones in short term where resistance is witnessed and supports are placed at 635-650 zones.

The structure of the stock is indicating bullish stance with indicators all pointing to move on the upside. ADX which tells the strength of the trend has flattened for some time since it was consolidating. Momentum oscillator RSI is at 55 which mean that the bulls are seeing traction in this stock.

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