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NIFTY



The Nifty after forming a double top just below 11080 has slipped towards 10900. During the last two days of the week, Nifty was seen to consolidating with the tight range of 11000 and 10900. In addition, the index has been respecting the bearish AB=CD pattern which it has formed on the daily chart.

On the option front, 11000 and 11100 CALLs closed with highest OI whereas 10800 and 10900 PUTs closed with maximum open interest at the end of the week.

The momentum oscillator RSI (14) has been in a sideways pattern the daily chart. Moreover, RSI's failure to pass above the overbought mark continuously for the last several days confirms the weak momentum in the index.

The trend is expected to remain sideward to negative as long as it is trading below 11080; on the lower end Nifty may trade within a range of 10930 - 11030. Conclusive trades beyond the said bands may decide the future trend of the barometer index. On the lower end support at 10930/10870/10800 whereas on the higher end resistance seen at 11080/11120/11171.

Indices	Close	S3	S2	S1	R1	R2	R3	Trend
NIFTY	11018.90	10800	10880	11940	11080	11120	11172	Positive

NIFTY BANK



Bank Nifty so far has been trading within a bigger rising channel since the starting of the previous year. On the higher end, the upper band is acting as resistance. A Long Legged Doji candlestick pattern is formed in weekly chart which indicates volatile and indecision throughout the week. Bullish crossover of 21 EMA and 50 EMA is indicative of positive trend for the short term. Positive crossover in the weekly RSI is indicating bullishness in the momentum for the short term.

Going forward, the index is expected to move higher as major indicators and pattern are bullish. On the higher end the index is expected to move towards the previous swing high of 27650. On the lower end crucial support is pegged at 26000.

Indices	Close	S3	S2	S1	R1	R2	R3	Trend
BANK NIFTY	26873.20	25800	26000	26400	27200	27600	28000	Positive

Sector Look: NIFTY METAL



During the last few week Nifty metal stocks witnessed unwinding as traders concentrated more on the large cap stocks and remained away from small and midcap stocks. On daily chart the Nifty metal index has completed “Bullish AB = CD harmonic pattern”, at 3062.25 levels which suggests the chances of trend reversal. Technical Parameter: AB of the leg from 4256.40 to 3409.40, BC of the leg completed at 3944.10 (i.e 61.80% AB leg), BC of the leg completed at 3062.25 (i.e. 161.80% Fibonacci projection of BC leg). In addition, the index has formed Bullish Hammer candle stick pattern on daily chart. Momentum indicator RSI (14) is trading in oversold zone.

Technically, extreme oversold condition warns of a bullish pull back in coming sessions, the trend remains overwhelming bearish. Prices could surpass the key level of 3200 area heading towards next resistance at 3350. On the lower end the index is expected to find support at 2950 which is previous support area.

Indices	Close	S3	S2	S1	R1	R2	R3	Trend
NIFTY METEL	3092.20	2900	2950	3050	3200	3338	3430	POSITIVE

Weekly Stock Idea: CEAT



On weekly chart, CEAT price has completed “Bullish Cypher Harmonic Pattern” at 1234.20 levels, the coordinates of which are as follow:

Technical Parameter: XA of leg from 1060.10 to 1947.90, AB of the leg completed at 1612.30 (i.e 38.20% of XA leg), BC of the leg completed 2013.95 (i.e near 113% of AB leg) and CD of the leg completed at 1234.20 levels. (i.e 78.60% of XA and 200% Fibonacci projection of BC leg).

On the other hand, price has formed “Bullish Engulfing candle stick pattern” with volumes on weekly chart, which is a bullish reversal indication. A momentum indicator MACD has shown positive crossover on weekly time frame which indicates that positive momentum can be seen in further trading sessions.

On the higher end 1521-1621 which is 50 EMA may act as initial resistance for the rising price. Sustained trades above 1400 may induce strong up move in the stock price. On the lower end recent lowest closing of 1225 is expected to act as support on closing basis.



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