

Date: 24<sup>TH</sup> FEB 2020

## NIFTY



After a short bearish trauma nifty fifty has shown strong reversal and index is likely to form another V shape reversal on daily time frame like previous two occasions.

Bullish piercing pattern on weekly chart is acting as a base support for the benchmark index. Prices have completed its 50% retracement at 11908.05 from its intermediate low which is place at 11614.50 to its immediate high of 12246.70.

This week index has formed long trailing tail candle stick pattern and closed the weekly candle in red. Benchmark index has formed Bullish Island Reversal Candle Stick Pattern on daily time frame.

Today's bullish candlestick formation suggests nifty is likely resume the northward journey as its momentum indicator are positively poised above their respective averages and its trend following indicator has given positive cross-over.

On the lower end nifty will find major support at around 11900 level which is well supported with a bullish hammer candle stick pattern. However on the higher side, index will continue to face hurdle around 12300 level and positive breakout above that level will stretch nifty to uncharted territory.

## BANK NIFTY



There is not much significant change in chart this week as previous weeks bullish engulfing candle stick pattern is acting as an anchor point for banking index.

This week index has formed long trailing tail candle stick pattern and closed the weekly candle in green. Banking index has formed Bullish hammer Candle Stick Pattern on daily time frame on 18<sup>th</sup> February 2020.

Overall chart structure looks promising as bank nifty index is trading in higher high higher low formation on the weekly chart. Index is also closed above its small degree trend line support which could lead to positive momentum.

20 days simple moving average is acting as a support that is placed at 30828.30 in the weekly time frame.

PSU banking index seems to have bottom out on daily chart and a strong bounce back can be expected in coming week or so. Current chart formation of PVT banking index suggests consolidation at current stage cannot be ruled out.

On the lower end bank nifty will find major support at around 30200 level which is well supported with a bullish hammer candle stick pattern. However on the higher side, index will continue to face hurdle around 31400 level and positive breakout above that level will stretch bank nifty to 32000 level.

**Sector Look: NIFTY MNC INDEX**



On weekly chart, NIFTY MNC INDEX has given a breakout of “Channel pattern” on 18th October 2019 and still continues and continues to trade above its trend line support. The index closed flat for this week at 14110 on the weekly chart and formed green candle with long wicks on both the ends.

50 days simple moving average is acting as strong support which is placed at 13300 on the weekly time frame. Moreover on the weekly time frame, 50 and 100 days Exponential moving average is acting as an anchor point placed at around 13500 and 13200 levels. Overall sentiments look positive as the index has formed rounding formation after breakout and looking strong towards the upside.

Momentum Oscillator RSI (14) is reading above 50 levels. MACD indicator is reading above its line of polarity with positive sentiments.

On the lower end supports are seen at 13600/ 13200 on the weekly chart. On the higher end break of 14350 will open the gate for 15000 levels in the coming weeks.

**Weekly Stock Idea: NILKAMAL**



NILKAMAL has given breakout of its "Inverted Head and Shoulder Pattern" on weekly time frame.

After witnessing a breakout above its Neckline on 17th January 2020 stock was in consolidation mode since past few weeks. Prices are currently trading above 50 and 100 days simple moving averages in weekly and daily time line.

A current spurt in prices has witnessed a follow up buying in stock. Strong reversal in Momentum oscillator RSI (14) from 50 level has set up a strong base for the stock and currently reading near 70 level with positive crossover on weekly horizon.

MACD indicator on the other hand is nicely poised above its line of polarity and currently is in a positive crossover on weekly interval.

On the lower end supports are seen at 1420/ 1380 on the weekly chart. On the higher end break of 1530 will open the gate for 1650 levels in the coming weeks.

**Technical Research Analyst**

**Mr. Rohan Patil,**

**Mrs. Pooja Jain**

**Disclosure:**

Bonanza Portfolio Ltd here by declares that views expressed in this report accurately reflect view point with subject to companies/securities. Bonanza Portfolio Ltd is responsible for the preparation of this research report and has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations. Bonanza Portfolio Ltd or its associates or Analyst or his relatives may or may not hold beneficial ownership of 1% or more in the subject company at the end of the month immediately preceding the date of publication of this research report.

Bonanza Portfolio Ltd operates under the regulation of SEBI Regn No.INM000012306

**Disclaimer:**

This research report has been published by Bonanza portfolio Ltd and is meant solely for use by the recipient and is not for circulation. This document is for information purposes only and information / opinions / views are not meant to serve as a professional investment guide for the readers. Reasonable care has been taken to ensure that information given at the time believed to be fair and correct and opinions based thereupon are reasonable, due to the nature of research it cannot be warranted or represented that it is accurate or complete and it should not be relied upon as such. If this report is inadvertently send or has reached to any individual, same may be ignored and brought to the attention of the sender. Preparation of this research report does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Past performance is not a guide for future performance. This Report has been prepared on the basis of publicly available information, internally developed data and other sources believed by Bonanza portfolio Ltd to be reliable. This report should not be taken as the only base for any market transaction; however this data is representation of one of the support document among other market risk criterion. The market participant can have an idea of risk involved to use this information as the only source for any market related activity. The distribution of this report in definite jurisdictions may be restricted by law, and persons in whose custody this report comes, should observe, any such restrictions. The revelation of interest statements integrated in this analysis are provided exclusively to improve & enhance the transparency and should not be treated as endorsement of the views expressed in the analysis. The price and value of the investments referred to in this report and the income from them may go down as well as up. Bonanza portfolio Ltd or its directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such information / opinions / views. While due care has been taken to ensure that the disclosures and opinions given are fair and reasonable, none of the directors, employees, affiliates or representatives of Bonanza portfolio Ltd shall be liable. Research report may differ between Bonanza portfolio Ltd RAs and other companies on account of differences in, personal judgment and difference in time horizons for which recommendations are made. Research entity has not been engaged in market making activity for the subject company. Research analyst has not served as an officer, director or employee of the subject company. Research analyst have not received any compensation/benefits from the subject company or third party in connection with the research report

*Bonanza Portfolio Ltd. Bonanza House, Plot No. M-2, Cama Industrial Estate. Walbhat Road, Goregaon (E), Mumbai – 400063 Web site: <https://www.bonanzaonline.com>*

*SEBI Regn. No.: INZ000212137*

*BSE CM: INB 011110237 | BSE F&O: INF 011110237 | MSEI: INE 260637836*

*| CDSL: a) 120 33500 |*

*NSDL: a) IN 301477 | b) IN 301688 (Delhi) | PMS: INP 000000985 | AMFI: ARN -0186*

*2018 [Bonanza Portfolio Ltd.](https://www.bonanzaonline.com)*