

Date: 25TH NOV 2019**NIFTY**

Benchmark index on daily chart has formed small Rounding Bottom pattern, which base has created near 11800 levels. On the weekly scale, Nifty formed another Doji candles for the three continuous weeks, indicating that bulls and bears both are making attempts to drag the index on either side.

In last few session we saw some cooling off in nifty 50 as it went through some consolidation phase as well but in previous two trading days market witnessed some profit booking from the higher side.

In the derivatives front, put writing at 11,800-11,700 strike prices, indicating Nifty is likely to find strong support in the range of 11,700-11,800. Unless Nifty closes below it, the trend would be considered bullish for the markets from the derivative side also. On the higher side call writing was seen at 12,000 levels.

Nifty metal & Pharma index are well poised for new rally which can be visible on weekly chart. State – run bank are major centre of attraction for the last week session and current chart formation suggests bullish position should be hold with trailing stop loss.

In case of any decline, the index will continue to find support around 11,800 - 11700 levels, which coincides with horizontal trendline supports and till will act as line of polarity (resistance will act as support). However a stable move above 12050 level will invalidate resistance and it will strengthen the index to record new life-time-high till 12300 odd levels.

BANK NIFTY



Seventh straight week ended in green for banking index indicates clear out performance against nifty 50. Banking index has managed to close above its horizontal trendline on weekly intervals. Friday's session witnessed some profit booking on higher levels. Banking index is trading in a higher high higher low formation which indicates strong ongoing trend on monthly time frame.

In weekly chart, Momentum Oscillator RSI (14) is currently forming higher low formation which rightly reading near 60 levels with positive crossover. MACD is reading above zero line with positive crossover, which is bullish sign.

Bank nifty has witnessed a sweet rally from 28000 to 31400 in previous seven weeks. So some profit booking in coming session cannot be ruled out. In the near term, 30300 is an immediate support zone. In any case if there is breach of 30300 on closing basis then we may again visit 29500 levels in coming days. 31700 levels are near term resistance, breach of that level on higher side will open the gate for the new high in banking index.

Sector Look: NIFTY PRIVATE BANK



On the Weekly chart NIFTY PRIVATE BANK SECTOR INDEX is trading in a higher high higher low formation. A recent spurt in prices has shown breakout of a downward slanting trendline on weekly interval. 50 days exponential moving average is acting as a strong support on weekly time frame. Overall sentiments looks positive as index has shown strong strength towards upside.

Overall index is trading in rising channel formation on higher time frame which shows optimism in private banking index.

Every time whenever prices have shown a short term correction 100 week exponential moving average has acted as an anchor point which can be visible on above chart as white line. Momentum Oscillator RSI (14) is reading above 55 levels with positive crossover, which is positive for the index.

On the lower end supports are seen at 16700/ 16000 on weekly chart. On the higher end break of 17500 will open the gate for 18500 levels in coming weeks.

Weekly Stock Idea: CANARA BANK



PSU banking index is currently outperforming the bank nifty. After a recent consolidation CANBANK has witnessed a breakout of “Inverted Head & Shoulder Pattern” on daily time line.

Currently prices are trading above its Neckline support which is positive for the counter. Stock is trading above its 20, 50, 100 day exponential moving averages, which is bullish sign for the prices. On the weekly interval prices have retested its trendline support of a falling wedge pattern and sudden reversal was witnessed in prices.

Daily RSI (14) has shifted above 60 levels with positive crossovers, which is positive for the stock. Momentum Indicator MACD is reading above line of polarity with positive crossover.

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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Bonanza Portfolio Ltd. Bonanza House, Plot No. M-2, Cama Industrial Estate. Walbhat Road, Goregaon (E), Mumbai – 400063 Web site:

<https://www.bonanzaonline.com>

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| CDSL: a) 120 33500 |

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

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