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NIFTY



It was a bear controlled week for the Indian bourses where prices closed in red for the four consecutive days and lost almost 500 points after registering a lifetime high of 18604.45 on 19th Oct.

On the daily chart prices are trading within the rising channel pattern with a higher high higher bottom formation on the cards. Index has able to close above the lower band of the pattern and the upward slanting trend line is acting as an anchor point for the prices.

If we draw an upward rising trend line from the low of 15513 on 28th July and connect it to 1st Oct low which is 17452 then the next support for the prices is placed at 18000 levels which is the next point of the trend line support. And the lower band of the trend line is also supported with a 21-day exponential moving average on the daily time frame.

Benchmark index has formed bearish dark cloud cover candle stick pattern and drift more than one percent on the weekly closing basis. The momentum oscillator RSI (14) has shown a negative divergence at over bought levels where prices has made a new high but oscillator failed to do so near 75 levels on the weekly interval.

As prices have taken support near the lower band of the pattern which is placed near 18050 -18000 levels. If index breaks below 18000 levels then the gate is open for 17750 levels. The resistance is pegged near 18500 levels if the price successfully breaks the above level then a new high will be on the cards for the Benchmark index.

BANK NIFTY



Banking index traded with a bullish bias and outperformed the benchmark index and has given a two and half percent return on the weekly chart. Bank Nifty has given a pennant pattern breakout on the daily chart.

Prices have given an ascending triangle pattern breakout on the weekly chart and continue to trade higher post breakout. The Momentum oscillator RSI (14) is also sustaining above 70 levels with bullish crossover indicates a strong upside momentum. Currently, the Banking index is trading above its Parabolic SAR indicator on the weekly chart which is placed near 37750 levels.

The MACD indicator is reading above its line of polarity and continuously reading above 9 period signal lines.

The banking index has given a return of almost 10 percent since 1st Oct, indicates a strong outperformance in the banking index. Major resistance is placed near 41200 levels & on the downside; if prices break below 39800 then we may test 39000 levels.

Sector Look: NIFTY FMCG INDEX



Nifty FMCG is currently travelling in a rising channel pattern. The index saw a sharp fall in last week and is trading below its 50 Days Exponential moving average. On the daily timeframe, the index has made a double top pattern and has given a breakdown from its neckline. Moreover the target of the pattern is exactly the low of the rising channel.

Index is currently trading at 38834.10 and on the downside it has support near 38000 where buying interest was previously visible whenever it has touched its lower end of the channel.

If the index fails to hold the lower band of the channel then the next support is seen near 36450 which is also the 200 Days EMA. On the upside, the index can face resistance near 40,000 where sellers have been active.

On the indicator front, RSI on daily timeframe is hovering near oversold zones and is showing a reading of 34.15.

MACD has given a negative crossover indicating that the momentum is on the downside and will continue further. On the ADX front, it has started to give an uptick which means that the strength of the trend is strong with negative DMI starting to move on the upside.

Weekly Stock Idea: APOLLOPIPE



The stock is trading in a higher high higher bottom formation on the daily time frame indicates a progressive uptrend in the counter.

Prices are trading within the rising channel pattern and the lower band of the pattern is supported with a 21-day exponential moving average.

Currently, the counter is trading above its Parabolic SAR indicator on the weekly chart which is placed near 1678 levels.

On the indicator front, momentum oscillator RSI (14) is hovering near 60 levels and has found support near its previous support zones. The recent dip in the prices can be utilized as a fresh buying opportunity in the counter.

The support for the stock is placed near 1800 levels if stock breaks below 1800 levels then prices may dip towards 1750 levels. The resistance is pegged at 1950 levels.

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