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NIFTY



Nifty50 has formed a bullish ABCD harmonic Pattern at 15350 levels and currently prices are trading marginally above its PRZ (potential reversal zone) on the weekly time frame.

This week we have seen a decent pullback in the prices after a consecutive negative closing on the weekly closing basis. In terms of candle stick prices have formed a bullish harami pattern on the weekly chart. The harami pattern requires a bullish confirmation by closing above the pattern in the coming weeks; if we are not getting any confirmation then we may see a failure of this pattern.

On the indicator front momentum oscillator RSI (14) is forming lower bottom since October 2021, and continues to follow the same. Currently RSI is settled near 40 levels on the weekly time frame with bearish crossover.

The support for the Nifty is placed near 15200 levels and if prices close below the same then previous year's low will be tested which is placed near 14800 levels. On the higher side the immediate resistance for the index is placed at 15900 levels and above those 16200 levels.

BANK NIFTY



After trading in a bear shade for more than three weeks Bank Nifty witnessed a strong pullback and close above 33500 with a gain of more than two and half percent of the weekly closing basis.

In terms of candle stick prices have formed a bullish harami pattern on the weekly chart. The harami pattern requires a bullish confirmation by closing above the pattern in the coming weeks; if we are not getting any confirmation then we may see a failure of this pattern.

Despite this short term rally prices are still trading below its (21, 50 & 100) – day exponential moving average on the daily chart. The momentum oscillator RSI (14) after forming a double bottom pattern on the daily chart near 30 levels has shown a enough strength to close above the 40 levels with positive crossover on the daily scale.

The support for the Bank Nifty is placed near 32600 levels and if prices close below the same then 31000 will be the next levels to watch out for. On the higher side the immediate resistance for the index is placed at 34300 levels and above those 34900 levels.

Sector Look: NIFTY AUTO INDEX



Nifty Auto was the outperformer for this week which gained almost 7 percent and close above 11500 levels. The index on the weekly chart has witnessed a breakout of a downward sloping trend line which was placed near 11400 levels.

Since April 2020, Auto index is trading in a higher high higher low formation and since few months when benchmark index was trading in the bearish zone Nifty Auto index was trading sideways and it out perform on the relative basis,.

The majority of the indicator and the oscillators are reading above its oversold zone and has shown a strong signs of reversal. On the weekly chart RSI (14) is reading above 50 levels with positive crossover on the cards.

The immediate support for the Nifty Auto index is placed at around 11200 levels and the upper band of the index is capped at 12200 levels if the Auto index is closed below the said levels then the gate for the prices is open till 12600 levels.

Weekly Stock Idea: IPCA LAB



IPCALAB on the daily chart has given a consolidation breakout on 21st June and prices have formed an accumulation phrase near 850 levels. In this recent rally prices have closed above its 21 – day exponential moving average on the daily time frame.

In terms of candle stick prices have formed an inverted hammer bullish reversal pattern and prices have completed a basing formation near the lower level of the pattern on the weekly time frame.

Momentum oscillator RSI (14) witnessed a sharp reversal from the oversold levels and since then was hovering within the 30 – 40 levels. Recently the RSI has also witnessed a range breakout above 40 levels with positive crossover on the daily time frame.

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