

Date: 28th JUNE 2021

NIFTY



It was a narrow range volatile week for the Benchmark index where prices remained undecided about the trend and closed within its previous weeks range with a gain of one percent on the weekly closing basis.

Indian bourses on the Friday session witnessed a gap up opening following its global peers and closed at almost half a percent higher on the daily interval. Index continues to trade in higher top higher bottom formation on the weekly time frame.

Momentum oscillator RSI (14) is hovering near 65 – 70 range with positive crossover on the weekly scale which indicates up thrust in the momentum. A recent fall in the Nifty50 was got arrested near its 21-day exponential moving average which is placed at 15597 levels which is an important short-term support level for the index.

Looking at the current chart set up we are expecting a volatile movement with a bullish tilt in the coming trading sessions. Near-term support for the index is placed near 15600 levels and upside is capped near the 15900 – 16000 zone.

BANK NIFTY



Bank Nifty started the week with a bearish tone and witnessed a rising wedge pattern breakdown on the daily chart but later on as the week progressed prices failed its wedge pattern and closed above its trend line support.

Higher top higher bottom formation is well intact on the weekly chart indicates bulls are still in action.

NIFTYPSUBANK index has given a decisive breakout above its horizontal trend line and will most likely lead the banking sector from the front in the coming weeks.

Momentum oscillator RSI (14) is hovering within the 60 – 65 range and witnessing positive momentum. The MACD indicator is reading above its centerline and sloping higher on the daily time frame, which is positive for the banking index.

The above chart analysis suggests Bank Nifty will most likely continue its bull run and near-term support for the Banking index comes near 34200 and resistance rests near 36500 levels.

Sector Look: NIFTY IT INDEX



The Nifty IT index has witnessed a horizontal trend line breakout on the weekly chart and prices are trading above its trend line support. IT index gained 2.69 percent for this particular week and showing signs of moving ahead further.

IT index is trading above its upward rising trend line on the weekly chart which also indicates higher high higher low formation is well intact on the broader time frame. Momentum oscillator RSI (14) is hovering near 65 – 70 range with positive crossover on the weekly scale, which indicates positive momentum, is likely to carry ahead. The Parabolic SAR indicator is trading below the IT Index and acting as immediate support below the upward rising trend line. The MACD indicator is reading above its center and sloping higher on the daily time frame, which is positive for the IT index.

Based on the above chart analysis and technical outlook, the IT index seems to be in the control of bulls. The IT index is holding the key support zone, but the chart pattern suggests that there might be some action expected in the index if the price remains above the support zone or breaks the crucial resistance zone which rests at 29550 levels in the coming trading sessions.

Weekly Stock Idea: MAHSEAMLES



The prices were trading in a range of 290 to 310 for the almost two months and have formed inverted head & shoulder pattern on the daily chart.

MAHSEAMLES has broken out of an inverted head & shoulder pattern at 315 levels on 16th June and the prices has registered a decisive breakout that suggests a change in the trend from sideways to upside. Prices have also completed its throwback near its neckline in its recent pullback.

Stock is trading above its 21, 50 & 100- day exponential moving averages on daily time frame, which is positive for the prices in the near term.

MACD indicator is reading above its centerline with positive crossover above its signal line. Momentum oscillator RSI (14) is reading near 60 levels which indicates positive momentum will like to continue ahead.

Based on the above Technical studies we can come out with a view that the price may move towards lower levels over a short period.

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