

Date: 30<sup>th</sup> July 2018

**NIFTY**



Throughout the session on the last trading day Nifty manages to float above the opening low which indicates complete absence strong presence of bears. After three days consolidation Nifty moved up smartly, surpassing the previous swing high of 11171 which indicates that Nifty has given a clean breakout above previous inflection point. On the weekly chart Nifty formed a Marubozu candle which is a bullish formation. Weekly RSI (14) is in bullish crossover and rising which suggests momentum to remain positive in the near to short term.

On the option front, 11500 Calls and 11000 Puts ended the day with maximum open interest which suggests possibility of wide volatility during the August series.

The trend is expected to remain positive with a possibility of shoring towards 11330 in the near term. Again sustained trading above 11330 is likely to induce further upward move towards 11470. On the lower end support is visible at 11200-11171. The strength in Nifty is expected to stay intact as long as it sustains above 11171.

Indices	Close	S3	S2	S1	R1	R2	R3	Trend
NIFTY	11018.90	10800	10880	11940	11080	11120	11172	Positive

**NIFTY BANK**



Bank Nifty this week has witnessed breakout of its falling trend line and register its life time high at 27661.05 levels. A Long bullish candlestick pattern is formed in weekly chart which indicates strength throughout the week. Bullish crossover of 21 EMA and 50 EMA is indicative of positive trend for the short term. Positive crossover in the weekly RSI is indicating bullishness in the momentum for the short term.

Going forward, the index is expected to move higher as major indicators and pattern are bullish. On the higher end the index is expected to move towards the fresh high at around 28300 which is around 200% of Fibonacci projection from its previous low. On the lower end crucial support is pegged at 26000.

Indices	Close	S3	S2	S1	R1	R2	R3	Trend
BANK NIFTY	27634.40	26000	26700	27200	27900	28100	28300	Positive

**Sector Look: NIFTY PHARMA**



During the last few week Nifty pharma stocks witnessed unwinding as traders concentrated more on the metal and psu bank stocks. On weekly chart Nifty pharma index has witnessed breakout of its falling channel pattern and completed its pullback. In addition, the index has formed Bullish Harami candle stick pattern on weekly chart. Furthermore “Bullish Bat Harmonic Pattern” is observed on weekly time frame. Moreover price is taking support at 50% Fibonacci retracement levels.

Technically, price is gathering momentum and volume also are on the rise reviving bullish hopes for the coming days. Price could surpass the key level of 9400 area heading towards next resistance at 9800. On the lower end the index is expected to find support at 8670 which is previous support area.

Indices	Close	S3	S2	S1	R1	R2	R3	Trend
NIFTY METAL	9039	8500	8670	8800	9400	9600	10000	POSITIVE

**Weekly Stock Idea: AXIS BANK**



On daily chart, Axis Bank price has witnessed breakout of its inverted head & shoulder pattern at 553.25 levels. Price has also given breakout of its falling channel formation.

On the other hand, price is trading above its 21 DEMA, which is acting as crucial support. A momentum indicator MACD has shown positive crossover on daily time frame which indicates that positive momentum can be seen in further trading sessions. Momentum oscillator RSI is trading in Bullish range shift pattern which indicates strength ahead.

On the higher end 575 - 580 which is previous swing high may act as initial resistance for the rising price. Sustained trades above 565 may induce strong up move in the stock price. On the lower end 530 is expected to act as support on closing basis which near its 21 DEMA.



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