

Date: 4th MAY 2020

NIFTY



Previous weeks Bearish Dark Cloud Cover candlestick pattern is neglected by a sharp positive surge in the benchmark index.

Nifty has closed above its previous six weeks high and that is positive sign for the Indian market.

Benchmark Index Nifty formed an Ascending triangle pattern breakout on the daily time frame. After a short consolidation, it has given a breakout and looks geared for its next leg of the up move.

21-day exponential moving average acted like a sheet anchor for the index as nifty never really breached that moving average and continued to close above the said average in daily interval.

Due to recent up move, the key technical indicator and oscillators have turned slightly in the favour of bulls on the weekly interval, which is positive sign for the index.

We believe 9500 will act as support and nifty is likely to march towards 10250 level in the coming trading session. 10250 level is capped under 200 week exponential moving average and break of that level will certainly change the picture of weekly chart. The breach of 9500 will drag Nifty to 9300 – 9200 levels for the coming weeks.

BANK NIFTY



Previous weeks Bearish Engulfing candlestick pattern is neglected by a sharp positive surge in the banking index.

Bank Nifty has closed above its previous five weeks high with weekly closing of almost 10 percent higher and that is positive sign for the banking index.

Bank Nifty has witnessed a smaller degree Rounding Bottom Pattern breakout on a daily interval. The state-run bank is still yet to participate in the current rally of banking index. The majority of state-run banks are trading in an extremely oversold zone and a sudden positive spike in these banks cannot be ruled in coming trading sessions.

Bank Nifty is trading above its support of 21-day exponential moving average which is placed at around 20400 level on the daily chart. Bank nifty on daily chart seems to have completed its intermediate 3rd wave at 16116 and currently, we are on 4th wave which is likely in a Zigzag formation.

Momentum oscillator RSI (14) on weekly time frame has shoot up from oversold zone and currently reading just above 30 level with positive crossover on the cards.

On the Higher side, Bank Nifty will initially face a hurdle at around 22500 mark. 22500 level is capped Bearish ABCD Harmonic pattern and break of that level will certainly change the range for the banking index. However, in case of a major decline, support is placed around 19000 and then around 18000 levels for the Banking index.

Sector Look: NIFTY METAL INDEX



Four out of five trading weeks metal index shut the shop in green, which calls for positive optimism among the traders

The index moved up in the last two trading sessions bringing some comfort to the market participants.

The Nifty Metal Index reversed from its low of 1480.70 due to positive global cues. On the weekly chart, Index has closed 13.05% higher at 1859.90 level and formed a bullish candle. Since the gap up opening on 7th April 2020, the benchmark index continues to trade above its gap and looking stronger at the current juncture.

On the daily timeline, Metal Index forming a “CUP and HANDLE PATTERN” that reverses the trend and the price starts rising. Prices are firmly holding the support near the 21-day simple moving average which is formed at around 1666.55 levels.

Weekly Momentum oscillator RSI (14) has bounced back strongly from around 22 level and in its recent move, RSI (14) found support at around 22 and moved to 40. On the previous two occasions whenever RSI(14) has drifted near 22 level sharp reversal in prices has been seen.

On the higher end resistance is seen at 1925/ 2032 level on the weekly chart. On the lower end support for the coming weeks is seen at 1724 / 1620 levels.

Weekly Stock Idea: BHARTIARTL



The stock has formed a double bottom formation between 400 and 490 level on the daily chart. After the breakout, the stock has retraced back to the neckline level and formed a bullish pole and pennant continuation pattern on the daily chart.

BHARTIARTL has closed 4.06% higher at 514.30 and formed a bullish candle in the weekly time frame. Prices are firmly holding the support near the 21-day simple moving average which is formed at around 489.95 levels on the weekly timeline.

The stock has closed above 21,50 and 100 DSMA in the daily and weekly timeline. Momentum Oscillator RSI (14) is reading above 55 levels in the weekly timeline.

On the lower end supports are seen at 478/450. On the higher end, the stock may face resistance at 540/570 levels.

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.

Technical Research Analyst**Mr. Rohan Patil,****Mrs. Pooja Jain****Disclosure:**

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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>

SEBI Regn. No.: INZ000212137

BSE CM: INB 011110237 | BSE F&O: INF 011110237 | MSEI: INE 260637836

| CDSL: a) 120 33500 |

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

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