

Date: 04th APRIL 2022

NIFTY



The bulls are back in action after a week of consolidation and prices closed above their previous week's high with a gain of three percent on the weekly closing basis. After eight days of consolidation, the benchmark index Nifty50 breaks the conjunction zone on the higher side and witnessed a bullish breakout.

India's VIX drift below 20 levels and closed 21 percent lower on the weekly chart. India VIX has closed in red for seven consecutive days this structure indicates gradual decreases in the volatility. April derivatives series has historically proven to be positive for the Indian stock market. The foreign investors have entered the April derivatives series with an increase in long positions on the index futures.

The momentum oscillator RSI (14) which was turned flat in the last few days suddenly hook up and closes at 60 levels with bullish crossover on the daily interval. The prices finally closed above their small and medium-term averages and these averages will act as an important support for the Nifty.

If we draw a horizontal trend line from joining the high of 16th Feb & 23rd March then prices have given a trend line breakout on the daily interval. As of now, index has given a breakout so the upper range for the nifty has extended till 18000 and the support for the Nifty is placed near 17350 levels.

BANK NIFTY



The first day of the new financial year started with a bang for the banking index and prices closed above 37000 with a gain of more than one and a half percent for the day and closed near five percent for the week.

On the daily chart Bank, Nifty was facing a stiff resistance of a moving average cluster at around 36200 – 36600 levels. Bank Nifty on 1st April witnessed a strong breakout above its moving average cluster and closed above the same. The index has also closed above its four-week high indicating bulls gearing an action.

If we draw a trend line on momentum oscillator RSI (14) it was given an inverted head & shoulder pattern breakout above 55 levels with positive crossover on the daily time frame. MACD has just crossed above its line of polarity on the daily chart again indicating a possibility of the continuation of a bullish trend.

On the higher side, 38000 is acting as a strong resistance for the Bank Nifty, if prices close above that level then there will be a breakout on the broader time frame in the banking index. Meanwhile, the immediate support for the banking index is placed at 35800 levels.

Sector Look: NIFTY CPSE



Nifty CPSE is currently trading at 2580 and the trend suggests that it is making higher highs and higher low formation. Moreover it is trading above all its major moving averages. The trajectory suggests that it is set to continue its journey northwards.

Important supports for the index are placed at 21 weekly EMA which is placed at 2400 and on the upside resistance can be faced near 2800 which is all time high for the index. Moreover the index has not seen major downtrend which indicates bullish bias from medium to long term perspective.

Momentum oscillator RSI is showing a reading of 66.28, still not confirming with the price action, ADX which shows the strength of the trend is currently falling which indicates that the strength of the trend is weak and yet to pick up. MACD has turned flattish as of showing no signs of weakness.

Weekly Stock Idea: INDIAN HOTELS



The stock has been in an uptrend since last 4 weeks and has given a pattern breakout after 6 months of range trading. The broad range for the stock has been 230 on the upside and 170 on the downside.

Last week, it has given a decisive breakout with stock sustaining the weekly CPR level and trading above all major moving averages. Looking at the price action, Important supports are placed near 225-230 zones whereas on the upside, since the stock is trading in an uncharted territory, as per fibonacci extension levels, the probable resistance is near 270-275.

Moreover on the indicator front too, bullish signs are witnessed. MACD can be seen with a positive crossover on weekly charts and ADX too has paused its downward trend showing a reading of 21.44. Momentum oscillator RSI is too moving up with a reading of 66.97 showing positive bias for the stock.

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SEBI Regn. No.: INZ000212137

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

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

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