NIFTY

Key observation

On Friday nifty opened gap up with gains of (+104 points) at 21287 & whole day it was trending on higher side as it displayed a strong breakout outside consolidation range with a 'Break away 'gap. On daily scale low of break away gap candlestick should now act as a key support for trailing long position. Options data now suggest that 21200 could serve as a support while 21500 CE OI cluster would be immediate resistance for coming week. While checking its strength indicator RSI on daily scale is trending in extreme overbought zone. Hence it is advised to reduce longs/stay light on position & keep stop trailing at 21200.

On the weekly scale nifty has now formed second back-to-back strong bullish candle after giving decisive breakout of ongoing channel pattern however going ahead expecting the index to hold steady until 21000 is not breached on downside. Aggressive short could be considered as well at this junction but leverage short position can be added once index slips below 21200.Anticipated range for coming week is 21000-21700

RSI is above 70 which indicates that index is into bullish zone on weekly scale as well as index is trading above **5** EMA & **20** EMA on weekly scale.

Key levels to consider for coming week,

R1 21500   **S1 21200**

R2 21750   **S2 21000**

Bonanza
make money. not mistakes.

BANK NIFTY

NIFTY BANK · 1W · NSE O 47233.30 H 48219.95 L 46886.90 C 48143.55 +881.55 (+1.87%)

Key observation

On Friday Bank nifty opened at 47939 with gains of 207 points on higher side & same like nifty buying was witnessed which took nifty bank above its opening price and forming a bullish candle on daily scale as well as forming a new all-time high of 48219, expect index to hold steady until 47500 is not breached on downside while further up move would witness once 48200 is taken out on higher side while we see strength indicator RSI (14) is now trending in overbought zone.it is advisable to trail the long position with a stop of 47750 & maintain long short equation once index slips below 48000

On weekly scale price pattern suggest a failure of double top breakdown above 46300 which is indicating a bullish signal, immediate levels to track on upper sides will be 48200 followed by 48500 while support looks firm at 47750, options data for the week indicates a price range of 47750-48500.However price action front after forming two consecutive strong bullish candle expecting an inside bar candle for coming week

The strategy going ahead should be buy on dip as long as index is trading above 47000 in near term, leverage long should be added hereon once it moves above 48200 on daily time frame. one can be light on positions if 48000 is taken out on downside side & can maintain long short equation.

Key levels to consider for coming week

R1 48200   **S1 48000**

R2 48500   **S2 47750**

Sector Look: NIFTY IT INDEX

Key observation

Among nifty sectoral indices information technology (+7.16) is amongst the top gainer, after some minor correction earlier in previous month nifty IT index witnesses a rally along with this it is now trading near 52-week high zone of 35500-35900, so far in December series nifty IT index is up by almost 10% from its month's low (32252) outperforming the benchmark nifty 50 index which is up (6.57%) during the same period. The ongoing setup after breakout suggest a sharp rally going ahead can't be ruled out on upside.

Price action indicated a strong bullish candle on weekly scale exactly after decisive breakout from rising channel pattern, expecting further pickup in directional momentum as the RSI also breached decisively above 60.

On indicator front RSI (14) is reading above 60 apart from that it is now trading above 5,20,50 EMA on weekly time frame Going ahead the strategy should be **buy on dip**

Key level to consider for coming session

R1 35850   S1 35500

R2 36250   S2 35100

Research Analyst

Mr. Drumil vithlani

Disclosure:

M/s. Bonanza Portfolio Ltd here by declares that views expressed in this report accurately reflect view point with subject to companies/securities. M/s. Bonanza Portfolio Ltd has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations. The Analysts engaged in preparation of this Report or his/her relative: - (a) do not have any financial interests in the subject company mentioned in this Report; (b) do not own 1% or more of the equity securities of the subject company mentioned in the report as of the last day of the month preceding the publication of the research report; (c) do not have any material conflict of interest at the time of publication of the Report. The Analysts engaged in preparation of this Report:- (a) have not received any compensation from the subject company in the past twelve months; (b) have not managed or co-managed public offering of securities for the subject company in the past twelve months; (c)have not received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months; (d) have not received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months; (e) has not received any compensation or other benefits from the subject company or third party in connection with the Report; (f) has not served as an officer, director or employee of the subject company; (g) is not engaged in market making activity for the subject company.

M/s. Bonanza Portfolio Ltd is a registered Research Analyst under the regulation of SEBI, the year 2014. The Regn No. INH100001666 and research analyst engaged in preparing reports is qualified as per the regulation's provision.

Disclaimer:

This research report has been published by M/s. Bonanza portfolio Ltd and is meant solely for use by the recipient and is not for circulation. This document is for information purposes only and information / opinions / views are not meant to serve as a professional investment guide for the readers. Reasonable care has been taken to ensure that information given at the time believed to be fair and correct and opinions based thereupon are reasonable, due to the nature of research it cannot be warranted or represented that it is accurate or complete and it should not be relied upon as such. If this report is inadvertently send or has reached to any individual, same may be ignored and brought to the attention of the sender. Preparation of this research report does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Past performance is not a guide for future performance. This Report has been prepared on the basis of publicly available information, internally developed data and other sources believed by Bonanza portfolio Ltd to be reliable. This report should not be taken as the only base for any market transaction; however this data is representation of one of the support document among other market risk criterion. The market participant can have an idea of risk involved to use this information as the only source for any market related