

Date: 30th October 2023

NIFTY



Key observation

On Friday nifty opened flat at **18928** & in second half it started trending on higher side above its previous day's high. Earlier during the week, we saw sharp decline from the support zone around 19500 as it lacked the necessary strength to hold; while back-to-back last two sessions we saw it respecting the lower end of the range placed at 18850. But it still lacks the necessary conviction to regain its strength above its short-term averages. Leverage short could be held until 19300 is not surpassed on higher side on daily scale

On the weekly scale price pattern has given breakdown of broadening wedge nevertheless near swing high there was a clean negative divergence on weekly time frame, the hurdle has now shifted lower at 19850 with major resistance at 19300 for the coming sessions ahead,

RSI has moved below **50** which indicates that index is now into sideways zone on weekly scale as well as now index is trading below **5 EMA** & **20 EMA** on weekly scale

Key levels to consider for coming week,

R1 19150 **S1 19950**

R2 19300 **S2 19850**

BANK NIFTY



Key observation

On Friday Bank nifty opened at **42555** with gap up opening of 270 point & it started to trend on higher side by making day high of 42840. Earlier this week same like benchmark we saw a sharp fall after support zone was breached on daily scale.

On weekly scale price pattern suggest a breakdown from rectangular range of 46250-43600 with confluence of negative divergence nevertheless Options data also suggest that going ahead 43000 will act as an immediate resistance & also it is a psychological level.

The index is in sell on rise zone on daily scale as long as it's trading below 43600 in near term, leverage short should be added hereon once previous week low is breached on daily time frame. one can be light on positions if 43000 is taken out on higher side & can maintain long short equation.

Key levels to consider for coming week

R1 43000 S1 42550

R2 43600 S2 42250

Sector Look: NIFTY IT INDEX



Key observation

Among nifty sectoral indices IT (-2.76%) is amongst the top loser, after some minor upside earlier this month nifty IT index witness a rally on downside along with this it is now trading near its support zone of 30450 ,so far in October series nifty IT index is down by 7% from its month high of 32981 underperforming the benchmark nifty 50 index which is negative (3%) during the same period.

The ongoing setup of rectangular range suggest if there is closing below 30300 then further downside rally t can't be ruled out in coming session which will be a negative sign for benchmark.

On indicator front RSi (14) is reading below 50 apart from that it is now trading below **5.20,50** EMA on daily time frame

Going ahead the strategy should be ' **sell on rise**'.

Key level to consider for coming session

R1 30800	S1 30300
R2 31050	S2 30000



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Weekly Market Strategy

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