

### Nifty



#### Technical Outlook

The truncated week kick started on pessimistic note and Nifty made its opening tick well below its previous Friday's low of 8522.90. The pessimism extended further and nifty slipped tad below 8250 mark. Subsequently, index made a valiant attempt to rebound however such bounce got sold-into during the second half of the week and nifty resumed its southward journey. In the process, nifty ended seventh consecutive week well inside the negative territory and shed another 6.66% over its previous week close.

- Looking at the daily chart, nifty precisely closed near the 61.8% Fibonacci retracement of its recent bounce from the bottom of 7511.10 to 9038.90.
- Looking at the daily chart, we are seeing a 'Complex Bullish Divergence' pattern which is a powerful pattern. In this pattern, we continued to see the formation of 'Bullish Divergence' followed by 'Negative Reversal'.
- Going forward, nifty has an immediate support near 7770 which coincide with the weekly pivot support. Any break below 7770 will pull index further lower towards 7511.10 and 7342 levels respectively which coincide with the recent swing low along with the 50% retracement of its entire move from the bottom of 2252.75 to the top of 12430.50. On the other side, 8400 will be a pivot resistance for week above which strong resistance seen at 8678 - 8750 zone.

### Bank Nifty



#### Technical Outlook

Last week, Nifty Bank index opened lower with a decent gap and index gradually descended during Monday. Subsequently, index tried to rebound during the Tuesday however follow-up buying was clearly missing which triggered fresh sell-off. As a result, index pared most of its previous week's gain and concluded sixth consecutive week well inside the negative territory and registered a double digit loss of 13.62% over its previous week close.

- Looking at the daily chart, Nifty Bank retraced 78.6% of its bounce which we saw from 16166.25 to 21462.40.
- During the week, index also broke and close below its weekly pivot support of 17300 which do not augur well for bulls.
- Also, Nifty Bank trades below its daily 9-SMA which indicate that the short term trend is weak.
- At this juncture, 16570 on a daily closing basis likely to act as an immediate support below which strong support seen near 16116.25 and 15960 zone as it coincide with the recent daily swing low along with the weekly pivot support. Any break of weekly pivot support i.e. 15960 will lead to further sell-off in our market. On the up side, 18540 which coincide with the weekly pivot resistance will act as an immediate hurdle above which next resistance at 19470.

### NESTLEIND LTD (Cash)



#### Technical Outlook

- ❖ Looking at the daily chart, NESTLEIND had seen a Vertical slide from its all-time high of 16835.10 and corrected till 12200.
- ❖ Subsequently, stock rebound sharply and made a high of 16456 which was below its previous peak of 16835.10.
- ❖ Looking at the daily chart, we are seeing a multiple bearish divergence on daily chart and impact of such development seen as stock nosedived from 16835.10 to 12200.
- ❖ The daily RSI broke the support level of 40 and during this recent bounce it failed to cross 60.
- ❖ On a weekly chart, last week candle resemble a formation of 'Shooting Star'. The said pattern will be confirmed if stock closes below last week low of 14687.70.
- ❖ Considering the above technical parameters, we expect stock to correct further in the near term. Hence, we recommend traders to build short position in a range of 15500 to 15800.

Action	Entry	Target	Stop
<b>Sell</b>	Around 15500 / 15800	12700	16850

### BAJAJ-AUTO LTD (Cash)



#### Technical Outlook

- ❖ Looking at the weekly chart, BAJAJ-AUTO witnessed substantial sell-off from its peak of 3177 made during February 07, 2020.
- ❖ In the course of sell-off, stock broke crucial support of 2269 and fell till 1789 which eventually confirmed its breakdown from 'Rectangle' formation.
- ❖ The weekly RSI (14) convincingly broke 40 level and slipped till 19.
- ❖ Of late, stock made a valiant attempt to rebound however stock found resistance near its previous weekly swing low of 2270 which reversed its role post breakdown (change of polarity rule).
- ❖ On a daily chart, we are seeing a formation of 'Complex Bullish Divergence'.
- ❖ On a monthly as well as on a quarterly chart, stock closes below 2270 (i.e. crucial swing low).
- ❖ Considering the above technical evidences, we recommend traders to build short position in a range of 2100 to 2125 with a down side price target of 1800.

Action	Entry	Target	Stop
<b>Sell</b>	Around 2100 / 2125	1800	2280

### TEAM

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