

Nifty



Technical Outlook

The truncated week started on a cheerful note and Nifty made a valiant attempt to test its upper band of resistance placed near 15050 - 15080. However, we haven't seen any follow-up buying as a result nifty formed another "Narrow Range" candle during Monday. This was followed by a gap down opening owing to sharp profit booking in the US bourses. Subsequently, the selling pressure accelerated during the second half of the week and Nifty slipped below 14600 and eventually ended the week with a loss of nearly percent.

- In line with our expectations, Nifty witnessed profit booking as it approached near 15050 - 15080 zone.
- For the second consecutive week, Nifty traded within the price range of "Shooting Star" candle formed on April 30, 2021.
- Looking at daily chart, RSI (14) failed to cross 60 level and reversed from 57.72.
- During the course of further correction if any, one needs to focus on "Bullish Divergence Trend line" drawn on daily RSI (14) chart as any violation of said trend line will trigger fresh round of sell-off.
- Going forward, 14490 will be a current week pivot support and any break below 14490 will drift index lower towards its strong support near 14151. On the other side, 15050 - 15080 zone continue to act as a stiff resistance whereas immediate resistance seen near 14865.

Bank Nifty



Technical Outlook

Last week, Nifty Bank index opened higher with a mild gap and traded in a narrow range throughout the Monday. Subsequently, the bullish momentum exhausted and we saw decent profit booking. During the second half, index witnessed further selling pressure as a result Nifty Bank slipped below 32144.80 and eventually ended near the lowest point of the week. In the process, Nifty Bank underperformed the benchmark indices and concluded the week with a loss of 2.23%.

- Once again, Nifty Bank broke the low of "Shooting Star" candle i.e. 32144.80 and closed tad above the said candle low.
- Looking at weekly chart, Nifty Bank constantly found resistance at weekly 20-MA. For the sixth consecutive week, Nifty Bank closed below its weekly 20-MA.
- Looking at daily chart, Nifty Bank ended below 20-MA which is a probable sign of weakness.
- At this juncture, hourly RSI (14) is oscillating near 40 level and any sustain move 40 mark likely to trigger fresh sell-off.
- Going forward, 31580 which coincide with current week pivot support will be an immediate support. Any break below said level will lead to further correction in index towards 30840 - 30400 levels respectively. Higher side, 32760 will be an immediate resistance above which next resistance seen near 33300 - 34300 levels respectively.

ITC LTD (Cash)

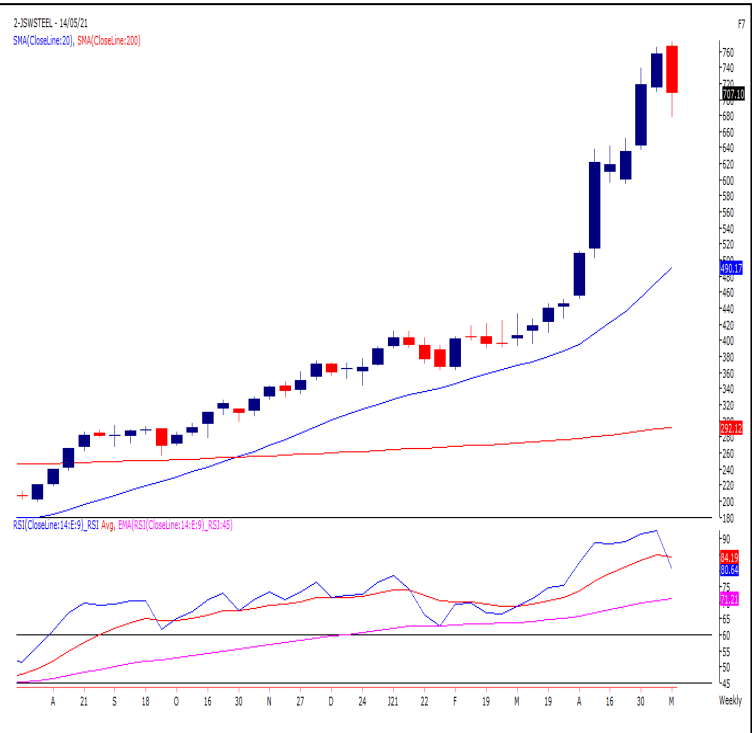


Technical Outlook

- ❖ After posting a fresh 52-week low of around 125; ITC witnessed serious buying interest as a result stock rallied sharply till 234 and formed “Higher Top Higher Bottom” formation on weekly chart.
- ❖ Subsequently, stock slipped into a consolidation and traded in a range of 235 to 192 since past few months.
- ❖ During last Friday, stock witnessed some serious buying interest as a result Friday’s candle resembles a formation of “Bull Elephant Bar”.
- ❖ The volume activity also increased sharply which support our bullish hypothesis.
- ❖ The weekly RSI (14) formed a “Bearish Divergence” during early February, 2021 and the impact of such development seen in terms of correction from 234 to 199.
- ❖ Now, we are seeing a formation of “Positive Reversal” on weekly RSI (14). The said pattern will be negated if stock closes below 196 on a weekly closing basis. Hence, we advocate buying ITC in a range of 212 to 210.

| Action | Entry | Target | Stop |
|--------|------------------|-----------|------|
| Buy | Around 212 / 210 | 234 / 247 | 195 |

JSWSTEEL LTD (Cash)



Technical Outlook

- ❖ Metals stock significantly outperformed the benchmark indices in past few weeks amongst them JSWSTEEL has gained significantly in past few months. In that optimism, stock rallied and hit a fresh all-time high of 773 during last week.
- ❖ Subsequently, we saw decent profit booking during last week which rub-off all its previous week gains and formed “Bearish Engulfing” pattern on weekly chart.
- ❖ The said pattern is a reversal pattern and required confirmation in terms of weekly closing below 679. Whereas, pattern will be negated if stock closes above 773 on a weekly closing basis.
- ❖ The weekly RSI (14) scaled to 92.52 which is a sign of an overextension.
- ❖ On a daily chart, we are seeing “Bearish Divergence” formation and impact of such development seen during last week.
- ❖ Combining the above technical evidences, we recommend traders to build short position in a range of 714 to 730 with a down side price target of 640 and 600 levels respectively. Stop loss to be placed at 778.

| Action | Entry | Target | Stop |
|--------|------------------|-----------|------|
| Sell | Around 714 / 730 | 640 / 600 | 778 |

TEAM

| ANALYST | DESIGNATION | EMAIL | TELEPHONE |
|-----------------|---|--|-----------------|
| Monil Shah, CMT | AVP – Technical Analyst – Equity & Forex | monilshah@way2wealth.com | +91 22-61462980 |
| Harish Jujarey | Sr. Technical Analyst – Equity, Forex & Commodity | harishjujarey@way2wealth.com | +91 22-61462981 |
| Rakesh Gandhi | Technical Analyst – Forex & Commodity | rakeshgandhi@way2wealth.com | +91 22-61462982 |

Disclaimer

Analyst Certification: I, Monil Shah, the research analyst and author of this report, hereby certify that the views expressed in this research report accurately reflect our personal views about the subject securities, issuers, products, sectors or industries. It is also certified that no part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views in this research. The analyst(s), principally responsible for the preparation of this research report, receives compensation based on overall revenues of the company (Way2Wealth Brokers Private Limited, hereinafter referred to as Way2Wealth) and has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations.

It is confirmed that Monil Shah, the author of this report has not received any compensation from the companies mentioned in the report in the preceding 12 months. Our research professionals are paid in part based on the profitability of Way2Wealth, which include earnings from other business. Neither Way2Wealth nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information contained in this report.

This report is for the personal information of the authorized recipient and does not construe to be any investment, legal or taxation advice to you. Way2Wealth is not soliciting any action based upon it. Nothing in this research shall be construed as a solicitation to buy or sell any security or product, or to engage in or refrain from engaging in any such transaction. The contents of this material are general and are neither comprehensive nor appropriate for every individual and are solely for the informational purposes of the readers. This material does not take into account the specific objectives, financial situation or needs of an individual/s or a Corporate/s or any entity/s.

This research has been prepared for the general use of the clients of the Way2Wealth and must not be copied, either in whole or in part, or distributed or redistributed to any other person in any form. If you are not the intended recipient you must not use or disclose the information in this research in any way. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. Way2Wealth will not treat recipients as customers by virtue of their receiving this report. The distribution of this document in other jurisdictions may be restricted by the law applicable in the relevant jurisdictions and persons into whose possession this document comes should inform themselves about, and observe any such restrictions.

The report is based upon information obtained from sources believed to be reliable, but we do not make any representation or warranty that it is accurate, complete or up to date and it should not be relied upon as such. Way2Wealth or any of its affiliates or employees makes no warranties, either express or implied of any kind regarding any matter pertaining to this report, including, but not limited to warranties of suitability, fitness for a particular purpose, accuracy, timeliness, completeness or non-infringement. We accept no obligation to correct or update the information or opinions in it. Way2Wealth or any of its affiliates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. The recipients of this report should rely on their own investigations. In no event shall Way2Wealth be liable for any damages of any kind, including, but not limited to, indirect, special, incidental, consequential, punitive, lost profits, or lost opportunity, whether or not Way2Wealth has advised of the possibility of such damages.

This material contains statements that are forward-looking; such statements are based upon the current beliefs and expectations and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. These uncertainties include but are not limited to: the risk of adverse movements or volatility in the securities markets or in interest or foreign exchange rates or indices; adverse impact from an economic slowdown; downturn in domestic or foreign securities and trading conditions or markets; increased competition; unfavourable political and diplomatic developments; change in the governmental or regulatory policies; failure of a corporate event and such others. This is not an offer to buy or sell or a solicitation of an offer to buy or sell any security or instrument or to participate in any particular trading strategy. No part of this material may be copied or duplicated in any form by any means or redistributed without the written consent of Way2Wealth. In no event shall any reader publish, retransmit, redistribute or otherwise reproduce any information provided by Way2Wealth in any format to anyone. Way2Wealth and its affiliates, officers, directors and employees including persons involved in the preparation or issuance of this report may from time to time have interest in securities / positions, financial or otherwise in the securities related to the information contained in this report.