

Nifty



Technical Outlook

Last week, Nifty opened on cheerful note and witnessed decent traction during the initial part of the week. In that optimism, nifty precisely tested the 12000 mark however the bullish momentum exhausted near the said zone and nifty gradually descended during the second half. In the process, nifty eventually erased all its intra-week gains and ended the week with a loss of 0.40%.

- The first half of the week was in line with our expectations as we had mentioned in our previous update regarding the formation of positive reversal pattern however index reversed from the 12000 mark and closed below the June 06, 2019 close of 11843.75 which diminished the bullishness.
- During the week, nifty traded in a range courtesy to weekly bearish divergence pattern.
- On a monthly chart, the three period bearish divergences remained intact.
- Going forward, 11720 which coincide with the weekly pivot support will be an immediate support. Any break below this level will pull nifty further lower towards the crucial support of 11614.50 which coincide with the 50% retracement of its entire swing move joined from the bottom of 11108.30 to the top of 12103.05 along with the X-point of daily positive reversal pattern. On the other side, 11925 - 12025 are resistance for the forthcoming week.

Bank Nifty



Technical Outlook

After forming an 'Inside the week' candle, the Nifty Bank index saw decent profit booking during last week and eventually concluded with a loss of 1.46% over its previous week close.

- During the week, banknifty made a valiant attempt to bounce however index resist near its previous support zone. Subsequently, the selling pressure accelerated during the second half of the week and index broke the support of 30623 and closed below the same.
- The impact of bearish divergence mentioned in our previous update played its role and index broke the 'Spinning Top' candle low of 30623.05.
- Looking at the daily chart, index failed to close above the 9-SMA during last week which is a sign of caution.
- In our previous update, we had mentioned the formation of positive reversal pattern. The said pattern will be negated if index closes below 30265 which also coincide with the daily 45-EMA. In that case index will correct sharply towards 29750 which coincides with the 61.8% retracement of its entire move joined from the bottom of 28525.45 to the top of 31783.60 along with the monthly pivot support. On the other side, 31060 will be an immediate resistance on index above which index might rally till 31500 - 31784 levels respectively.

JUBLFOOD LTD (Cash)



Technical Outlook

- ❖ Looking at the daily chart, stock confirmed its breakdown from upward sloping trend line joined from the bottom of 977 during late April, 2019 and slide below the 1200 mark.
- ❖ Subsequently, stock saw decent recovery and rallied till 1370. However, it resist near 1370 as this level coincided with the 61.8% retracement of its entire move from the top of 1487.70 to the bottom of 1186.05.
- ❖ The daily RSI (14) resist near the 60 level which is a bear range.
- ❖ Due to recent consolidation, stock formed a bearish head & shoulder pattern on daily chart and the neckline of said pattern peg near 1295.
- ❖ On a weekly chart, we are seeing a series of shooting star candle.
- ❖ Considering the above technical evidences, we advocate traders to build short position below 1295 with a price target of 1220 & 1186.

Action	Entry	Target	Stop
Sell	Below 1295	1220 / 1186	1350

BAJAJ-AUTO LTD (Cash)



Technical Outlook

- ❖ Looking at the daily chart, stock has seen sharp correction from its all-time high of around 3400 and registered a fresh 52-week low of 2420 during late October, 2018.
- ❖ Subsequently, stock saw gradual recovery but the momentum exhausted near 3150 and eventually formed lower peak.
- ❖ Looking at the overall chart structure, Bajajauto has formed a rising wedge pattern and during last week it confirmed its breakdown from said pattern.
- ❖ The weekly RSI (14) resist near the 60 levels which is a bear range.
- ❖ The daily RSI (14) slipped below the 40 level which indicates further down move.
- ❖ The daily 9-45 EMA on price signaled negative crossover.
- ❖ Hence, we advocate traders to short this counter around 2900 with a price target of 2740.

Action	Entry	Target	Stop
Sell	Around 2900	2740	2960

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