

Date: 12th April 2021

NIFTY



Nifty50 has formed Doji candle stick pattern on the weekly chart near the lower band of the rising channel pattern.

For the last couple of weeks, Nifty has been witnessing super volatility, facing a strong tug of war between bulls and bears.

Nifty50 on the weekly chart is locked within a rising channel pattern and currently trading near the lower band of the rising channel pattern which will act as an important support zone in the weekly interval. In the current scenario of the higher high higher bottom, prices are located just at the right junction from where it can take a U-turn.

Momentum oscillator RSI (14) is hovering within a 45-55 range and the MACD indicator is reading below its line of polarity on the daily chart.

We expect Nifty to remain volatile for the next week with a sideways trading pattern in the corner. Support for the Nifty is placed near 14500 levels and resistance is capped near 15200 levels.

BANK NIFTY



Bank nifty has slipped for more than four percent for this particular week and closed below 33000 on the weekly chart.

Bank Nifty on the weekly chart has completed its 61.80 percent Fibonacci retracement which is placed at 32751 levels from its previous intermediate low on the weekly chart.

Momentum Oscillator RSI (14) has witnessed a horizontal trend line breakdown which is placed at 65 levels and currently reading near 50 levels with negative crossover.

The US Dollar index, which has seen a sharp retracement off late, is likely to see a pullback one again, and this is something the domestic market will have to watch closely.

The higher high higher low formation is still valid on the weekly time frame, and trend line support and 61.80 percent Fibonacci retracement has almost clubbed at same levels.

We expect bank nifty to remain volatile for the next week with a sideways to bearish trading pattern in the corner. Support for the Bank Nifty is placed near 31500 levels and resistance is capped near 35000 levels.

Sector Look: NIFTY PHARMA INDEX



Nifty PHARMA Index has witnessed a falling wedge pattern breakout on the weekly time frame and currently trading above its trend line support.

PHARMA Index has completed its 23.60 percent price retracement at 11769 levels from its March 2020 intermediate low which is placed at 6242 levels.

Momentum Oscillator RSI (14) is reading above 50 levels with positive crossover on the weekly interval. The MACD indicator is also reading above its line of polarity which is again a sign of positive momentum. Prices are sustained above its 50 & 100- week exponential moving averages.

Furthermore, the PHARMA index is trading in a higher high higher low formation on the weekly time frame and the index has also given its four-month-long trend line breakout on the weekly chart.

On the lower end supports are seen at 12500/12000 on a weekly chart. The higher-end break of 13500 will open the gate for 13900 levels in the coming weeks.

Weekly Stock Idea: BHARTI AIRTEL



BHARTI AIRTEL on the daily time frame after a prolonged consolidation has witnessed a falling channel pattern breakout and currently trading above its trend line support.

Stock is trading above its 21, 50 & 100- day exponential moving averages on daily time frame, which is positive for the prices in the near term.

When we observe volume activity there has been above-average volume set up for the past few days. Momentum oscillator RSI (14) has given a horizontal trend line breakout which was placed at 40 levels. Currently, RSI is reading below 50 levels with a bearish crossover.

With the current close, the stock has decisively broken out its one month's down sloping trend line resistance around 535, indicating a trend reversal to upward.

Based on the above Technical studies we can come out with a view that the price may move towards higher levels over a short period.

Technical Research Analyst**Mr. Rohan Patil****Disclosure:**

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Bonanza Portfolio Ltd. Bonanza House, Plot No. M-2, Cama Industrial Estate. Walbhat Road, Goregaon (E), Mumbai – 400063 Web site: <https://www.bonanzaonline.com>

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| CDSL: a) 120 33500 |

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