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## NIFTY



Nifty 50 was trading in a rising channel pattern since March 20. But the index this week has witnessed a breakdown of a rising channel pattern and trading below its trend line resistance on the weekly time frame.

The Benchmark index on the daily chart is continuously trading between the 50 & 100- day exponential moving average and break on either side will decide the next intermediate trend for the Indian bourses.

MACD plotted on the weekly time frame can be seen forming a bearish crossover and is moving towards the zero lines, indicating the strong bullish trend has halted for the time being.

VIX index is inching towards its previous resistance zone which is placed at around 24 levels if VIX break above 24 levels then volatility will be a serious issue for the market.

On the upside if the Index breaks above 14700, we may see the index move higher towards 15000 levels, and if the index breaches below 14250 then it can test 14000 levels or even lower.

**BANK NIFTY**



Bank Nifty has closed within its previous week's candle range without making much impact on the weekly chart. The banking index has breached its horizontal trend line support on the weekly chart and currently trading below the same.

Selling pressure at higher levels once dampened Bank Nifty sentiment as the banking index ended below 32000 on the weekly time frame. The higher high higher low formation will be failed in the banking index if prices closed below 29600 levels.

On the daily interval, prices are trading below their 21, 50 & 100-day exponential moving averages which are negative for the index. Momentum oscillator RSI (14) is reading near 40 levels and MACD indicator is reading below its line of polarity on the daily chart.

On the upside if the Banking Index breaks above 32900, we may see the index move higher towards 34000 levels, and if the Bank Nifty breaches below 30800 then it can test 29500 levels.

**Sector Look: NIFTY AUTO INDEX**



Nifty Auto Index seems to have completed its throwback of the breakout of a horizontal trend line on the weekly chart.

In the previous weeks, candle prices have formed a bullish hammer-like pattern, and prices for this week traded within the previous week's candle formation.

The nifty AUTO index has also met with a 50 percent retracement at around 9400 levels from its previous intermediate low.

An auto index is trading above all the major exponential moving averages on the weekly interval, which indicates the Auto index, may rebound soon in the coming trading sessions.

Momentum oscillator RSI (14) is reading near 50 levels as the index has in a short-term correction mode.

On the higher end resistance is seen at the 10000/10200 level on the weekly chart. On the lower end support for the coming weeks is seen at 9300/9200 levels.

**Weekly Stock Idea: SANOFI**



On the daily chart, the stock has witnessed a descending triangle pattern breakdown and currently trading below its trend line support. Prices consolidate for almost nine months which indicates this breakdown can bring a serious correction in the stock price.

Prices are trading below their 21, 50, and 100- day exponential moving average which is negative for the counter in the short to medium term.

The majority of indicators and oscillators are showing a negative trend for the current scenario. MACD plotted on the weekly and the daily timeframe can be seen moving lower, indicating the presence of bearishness in the trend.

On the lower end supports are seen at 7400/7200. On the higher end, the stock may face resistance at 7750/7900 levels.

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

## Technical Research Analyst

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