

Date: 08<sup>th</sup> March 2021

## NIFTY



This week Nifty50 witnessed a breakout on the daily chart of its consolidation range but later on as the week progressed Indian bourses witnessed a sharp negative closing for two consecutive days and prices witnessed a whipsaw and closed below its trend line resistance.

The Benchmark Index is trading near the 50 percent retracement level which is placed at 14870 levels from its previous intermediate low of 14467 levels on the daily interval.

Momentum Oscillator RSI (14) is reading within the 60 – 70 range which can also be called a bullish range shift zone.

INDIA VIX for this week slipped more than nine percent and closed below 26 levels. Recently VIX index witnessed a breakout above 26.75 levels but couldn't hold on to it and created a whipsaw and drift below the 25 levels 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 14750 levels and resistance is capped near 15150 levels.

**BANK NIFTY**



This week Bank Nifty traded in a narrow range with a boost in the volatility which formed a long wick on the higher side and a small body in the lower end of the candle.

After a horizontal trend line, the breakout banking index is in process of completing its throwback near its trend line support which can be easily visible on the weekly chart.

On the daily chart, an index is trading in a flag formation and currently holding near its 21-day exponential moving average and also near the bottom of the trend line support.

Momentum Oscillator RSI (14) is reading within the 60 – 70 range which can also be called a bullish range shift zone.

The higher high higher low formation is still valid on the weekly as well as daily time frame, which indicates bull market phrase for the banking index.

We expect bank nifty to remain volatile for the next week with a sideways trading pattern in the corner. Support for the Bank Nifty is placed near 33000 levels and resistance is capped near 37000 levels.

**Sector Look: NIFTY RLTY INDEX**



Nifty Realty Index has witnessed a horizontal trend line breakout on the weekly time and the index is consolidating above its bullish pattern. Previous week Reality index has retested its trend line support and closed above its line of polarity, which is positive for the realty stocks.

On the daily & weekly time frame, the Reality index has closed above its 21 & 50-day exponential moving averages which indicate the Index to move higher in further trading sessions.

Momentum Oscillator RSI (14) is reading above 65 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.

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

On the lower end supports are seen at 340/330 on a weekly chart. The higher-end break of 365 will open the gate for 390 levels in the coming weeks.

**Weekly Stock Idea: MCX**



MCX on the monthly time frame has likely completed its throwback after its multi-year breakout. Prices have formed a bullish AB-CD harmonic pattern on the weekly chart and currently trading above their potential reversal zone (PRZ).

The counter is trading above its 50 & 100-day exponential moving averages on weekly as well as monthly time frame, which is positive for the prices in the near term.

Momentum oscillator RSI (14) on the weekly chart has formed bullish divergence near 40 levels and the oscillator is reading above its horizontal trend line support.

Prices have likely a completed throwback from its horizontal trend line breakout on the weekly chart. Bullish harmonic pattern, 21- day EMA, and trend line support are clubbed at almost at same levels, which indicate support at the current junction.

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.



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