

Weekly Technical Outlook

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A Chart Book On Benchmark,
Sectors, Global Market and Inter Market Analysis

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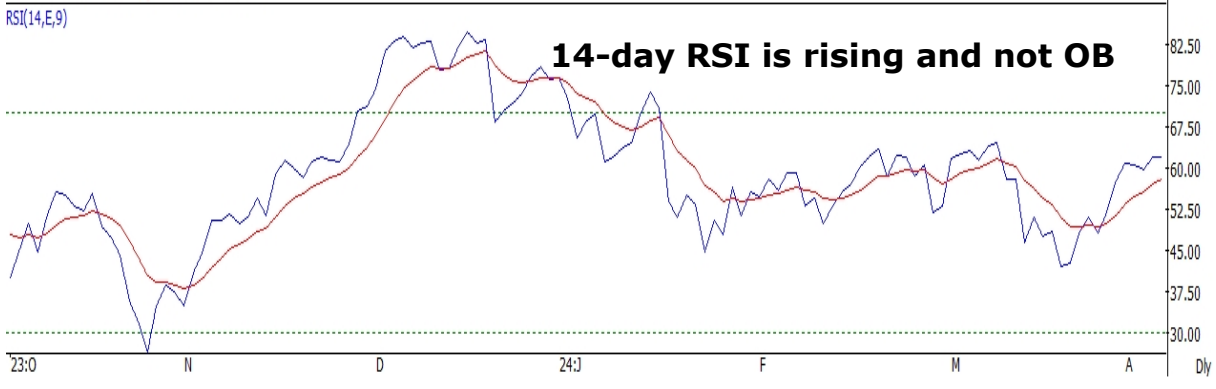
Nifty: Consolidating near the life highs. Upside target at 22800 once the immediate high of 22619 is taken out.

Nifty Daily Chart

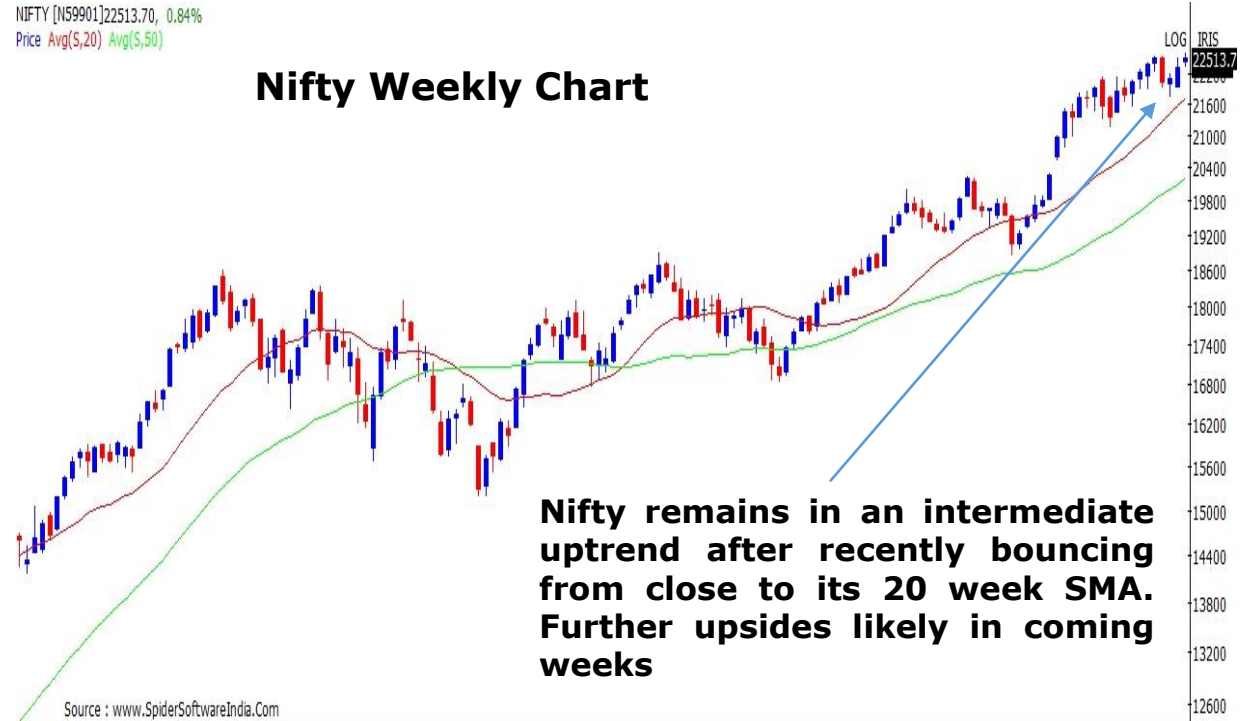


Nifty is now consolidating in a tight range after recently bouncing back from the 21700 levels.

14-day RSI is rising and not OB

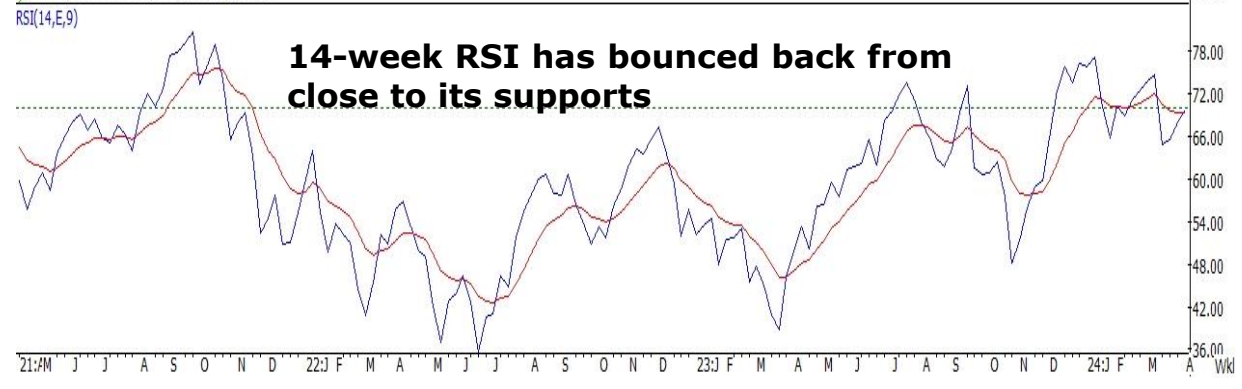


Nifty Weekly Chart

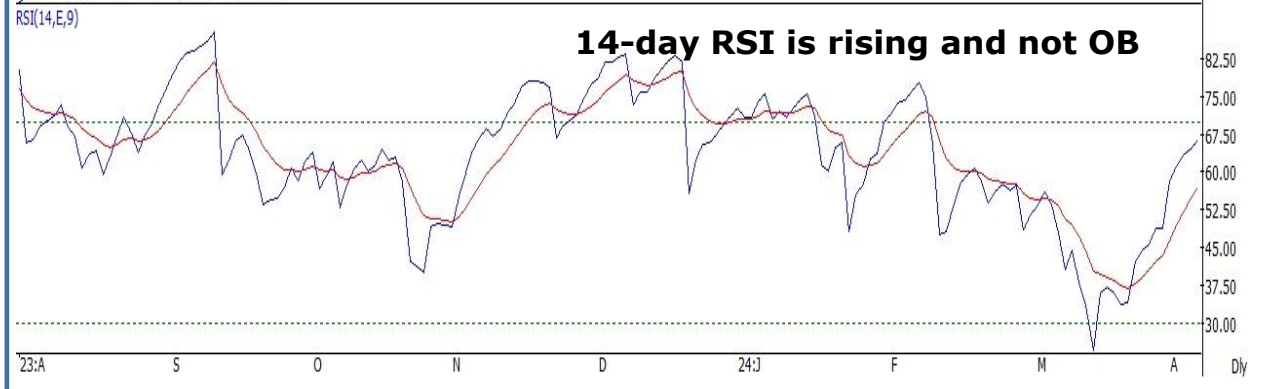
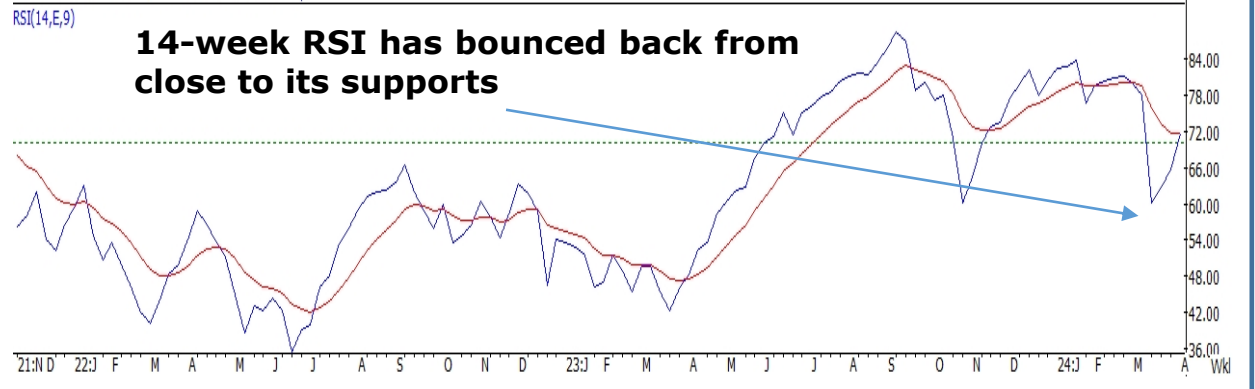
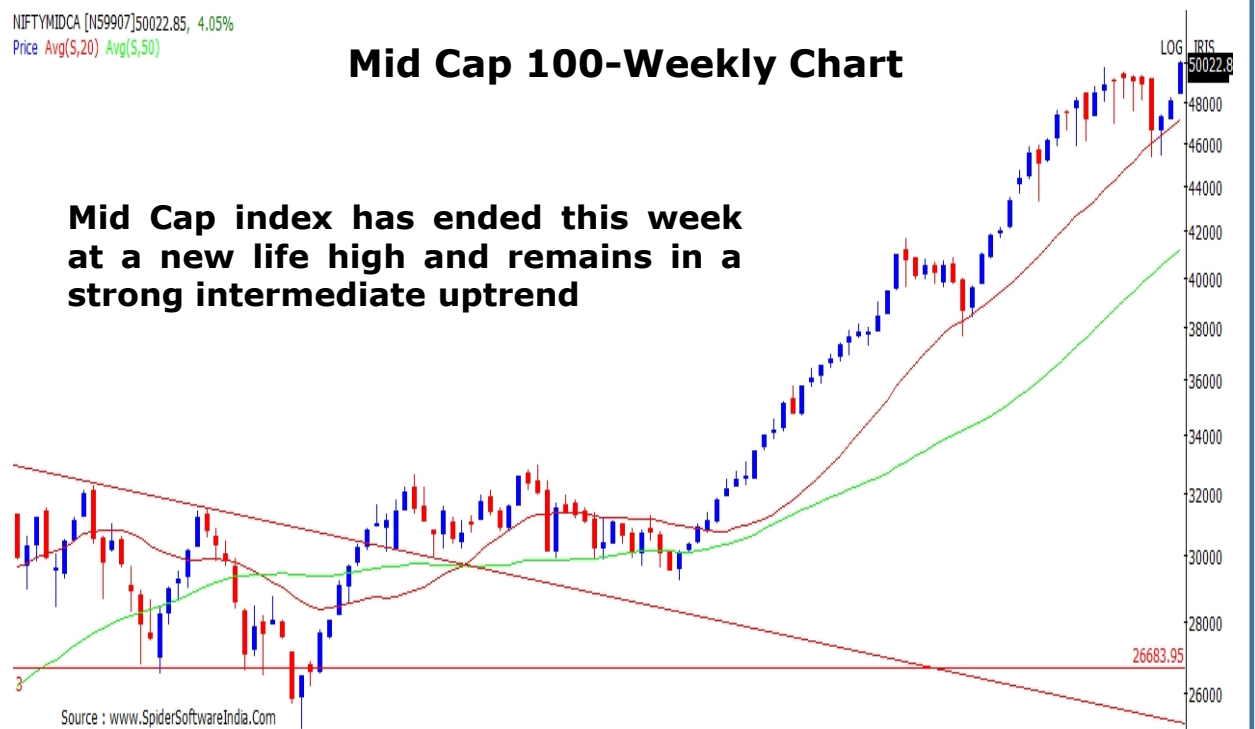


Nifty remains in an intermediate uptrend after recently bouncing from close to its 20 week SMA. Further upsides likely in coming weeks

14-week RSI has bounced back from close to its supports



Mid Cap and Small Cap indices outperformed Nifty handsomely this week. Indicates inherent relative strength.



International Gold in Strong Bullish Momentum; Expect Comex Gold to Go Beyond \$2500

Gold Futures, W, (CFD) 02253.80 H2349.65 L2249.25 C2349.25

Target Above \$2500 Market Closed

U.S Gold Futures Weekly Chart: CMP 2349

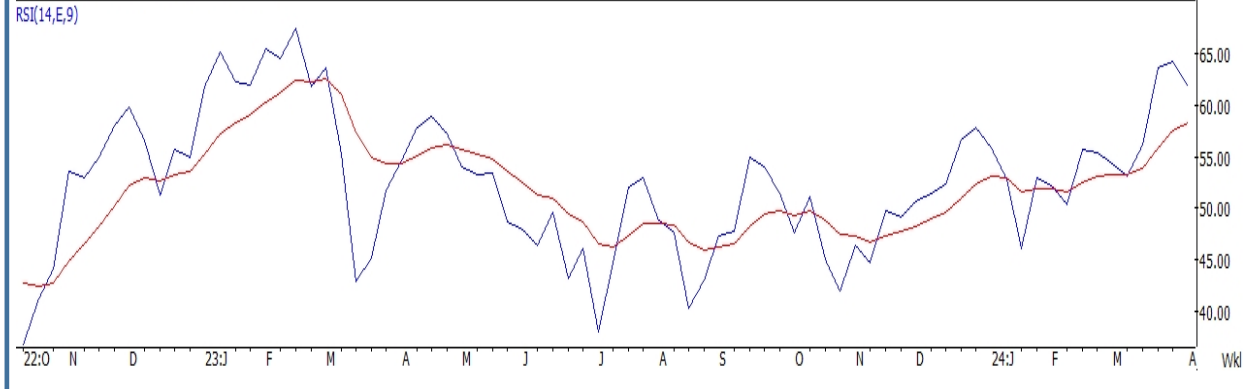
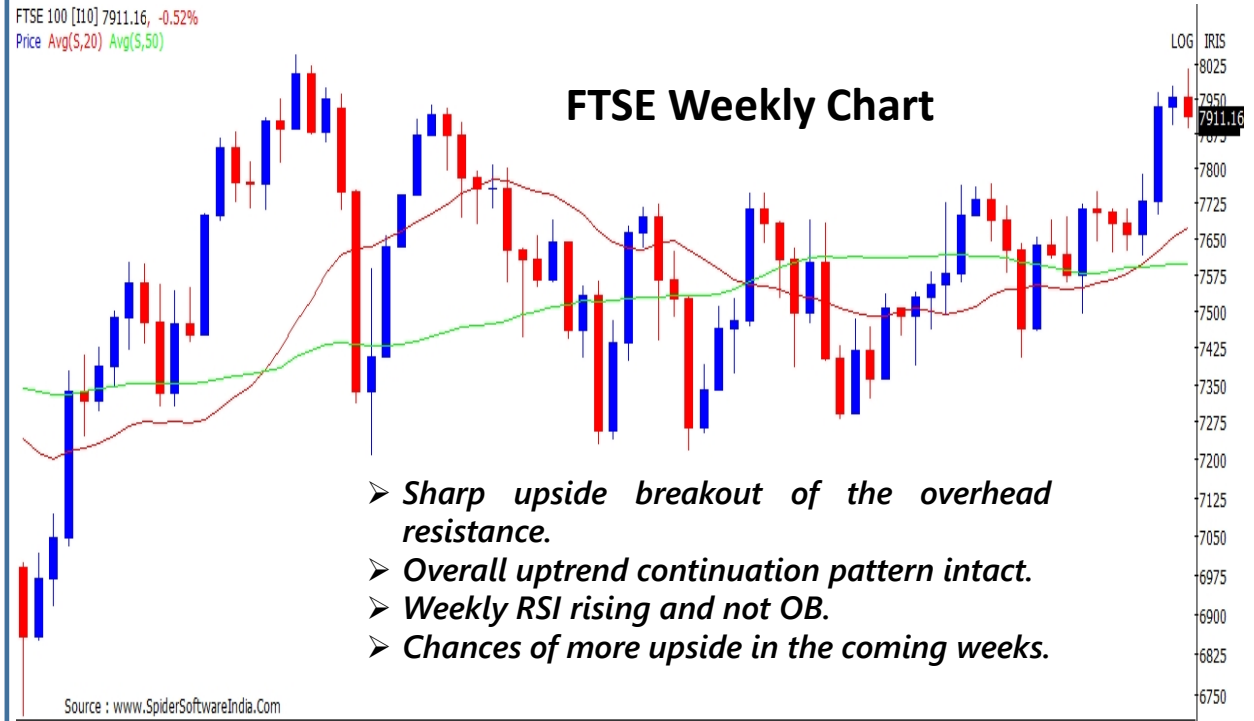
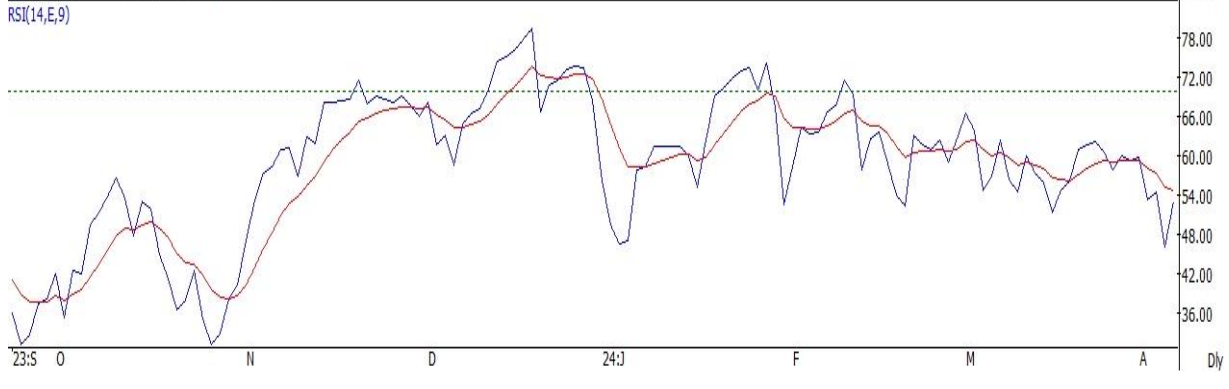
Long Term Breakout



Investing.com

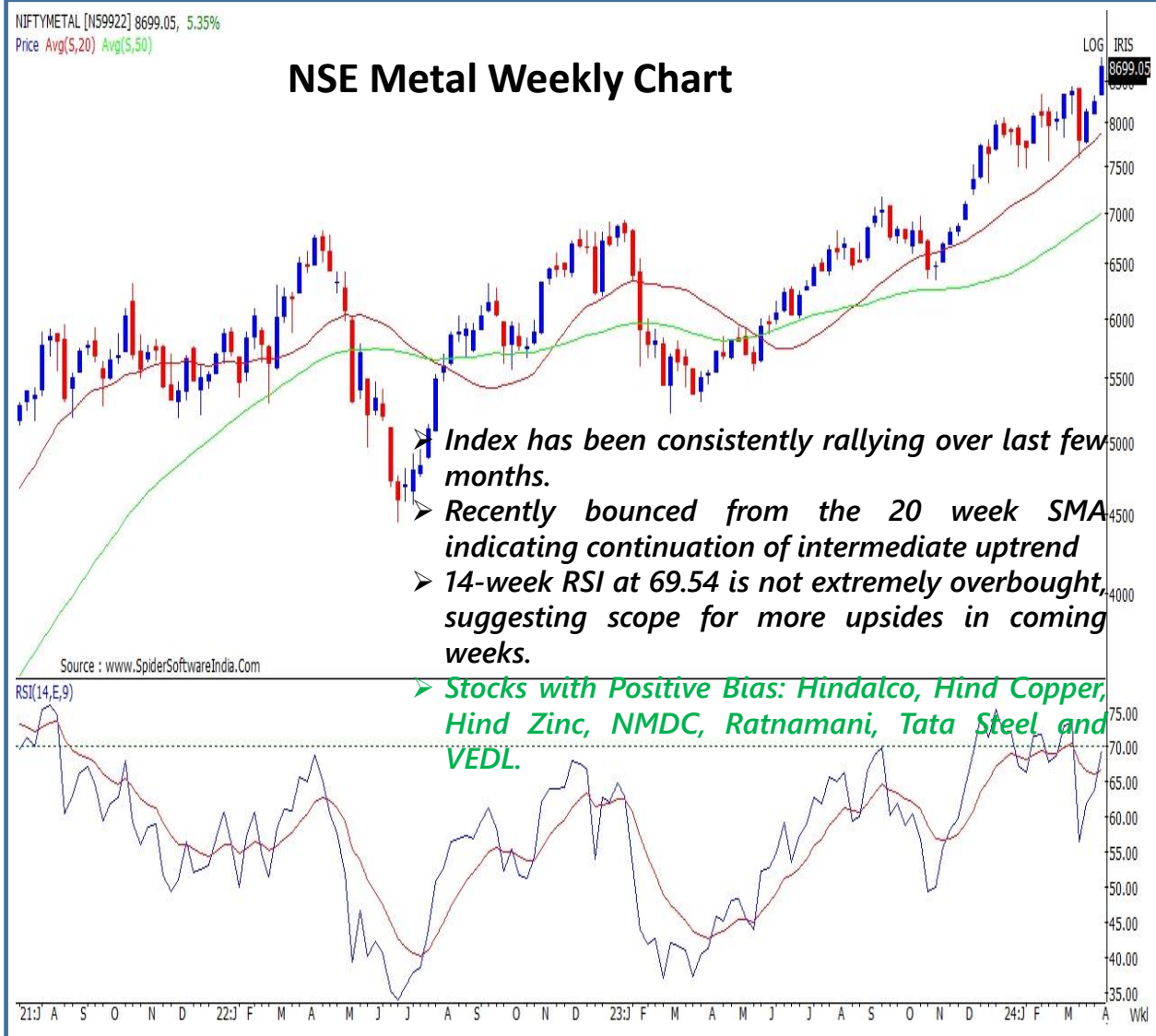
10y | 3y | 1y | 1m | 7d | 1d | Go to...

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NSE Metal : At new life highs. Uptrend looks set to continue

NSE FMCG : Attempting to resume its intermediate uptrend after a fall



Consolidation at the highs

- ❑ Markets moved up further this week. Nifty index began the week with an upgap and then consolidated in a range to finally end the week at its highest ever weekly closing. It was the third consecutive positive weekly closing for the Nifty. Nifty finally gained 0.84% W-o-W. Market breadth was positive in all the five sessions of the week, which reflects the positive sentiments in the market. The daily chart shows that the Nifty has bounced back from the 21700 levels and is now consolidating in a tight range between the 22300-22620 levels.
- ❑ Most of the sectoral indices ended higher this week. Top gainers and out performers were Nifty Media, Metal, PSU Bank and Realty indices. The top loser was the Nifty FMCG index (-0.04%). Looking at the charts, we can observe that all the major sectoral indices remain in intermediate uptrend. And their momentum readings too are not yet in overbought zone, which suggests scope for more upsides in coming weeks. Sectors like FMCG, IT and Media are close to their supports and attempting to move higher. These sectors could offer a better risk reward trade in coming sessions.

Broad market indices

- ❑ Broad market indices like Nifty Mid Cap and Small Cap continued to outperform this week and remain in intermediate uptrend. While the Nifty Mid Cap index gained 4.05%, the Nifty Small Cap index gained a whopping 7.1%.
- ❑ Daily momentum readings too are not overbought, suggesting scope for more upsides in the coming weeks. Crucial supports to watch for the Mid Cap and Small Cap indices for a short term reversal are at 49252 and 16137 respectively.

Market Outlook

- ❑ With Nifty recently bouncing back from the 21700 levels, it remains in a short term and intermediate uptrend. The index is now consolidating in a range between the 22300-22620 levels. A breakout of these levels could see the Nifty targeting new life highs of 22800 and 23000.
- ❑ Technical indicators like the 14-day RSI too are supporting the market as they are in rising mode and at 61.95 is not overbought.
- ❑ Crucial supports to watch for weakness are at 22300-22222. These levels coincide with recent swing lows and the 20 day SMA.
- ❑ As we are also approaching the Lok Sabha elections, markets could also get euphoric in anticipation of the Modi Government continuing to remain in power. So it is quite possible, markets could surprise us and move to much higher levels in the coming weeks.
- ❑ Traders/investors are advised to avoid getting caught in this euphoria and to control risk to protect capital.

- ❑ **Trading Strategy:** Adopt a selective buying approach as markets remain in uptrend. Look for stocks showing relative strength and from outperforming sectors.

Action Points	Nifty (CMP 22514)	Sensex (CMP 74248)	Action/Event
Short term trend	Positive	Positive	
Medium term trend	Positive	Positive	
Short term upside target	22800	75235	Short term long positions can be booked
Near term downside target	22300	73280	Look to lighten positional longs
Immediate resistance	22619	74502	Upside breakout could result in quick up move
Immediate support	22346	73485	Downside breakout could trigger quick down move

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