

VIEW

Market trend lower as expected and can continue to do so. Volatility has been at its best in the previous week as market witnessed major whipsaw signalling signs of panic and uncertainty. However some hopes for bulls was seen on Friday where market snapped six days losing streak and gave halt to its downswing. But market sentiment is looking remain weak due to dismal earning performance and consistent selling pressure from FII's although some minor pull back can not be ruled out as momentum of selling pressure is gradually started decreasing . In coming week, trader will closely monitor the FOMC meet outcome which scheduled on wednesday late night.

Technical Outlook-

- a) After six days of continuous fall, Nifty formed a small bull candle on daily chart
- b) Momentum indicator RSI has also taken support from its oversold line suggest minor pullback on upside
- c) But extension of this pullback will remain questionable until it violate the formation of lower highs and lower lows on weekly scale
- d) Buying interest can only emerge above 11400-11425 zone until then downswing will continue
- e) As long as it sustain below the same, Nifty could slip towards 11130 (200 DMA) and 11000 levels on lower side.
- f) Resistance stands at 11425 and 11640 levels.

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

	NIFTY LEVEL	JUSTIFICATION
Resistance 2	11640	Top of Bearish Belt Hold
Resistance 1	11425	Current swing high
Close	11284	
Support 1	11130	200 DMA
Support 2	11000	Psychological level

VIEW

After opening with a negative session, Banknifty fell to make a weekly low of 28771 on Wednesday. However some pullback to 29379 was witnessed on next couple of trading days. At the end of the week Banknifty closed with a net loss of 1.5% over its previous week's close.

**OBSERVATIONS:**

- 1) An 'Inverted Hammer' Pattern was formed in the daily chart of Banknifty. It is usually taken to be a trend-reversal signal.
- 2) RSI & Stochastic have reached at the oversold zone.
- 3) Last week Banknifty has filled its most awaited gap (29559 - 30111) fully .

According to the above observations it can be concluded that Banknifty has completed its gap fill-up activity; so the bottom-out process is just a matter of time. Currently, formation of an inverted hammer pattern as well as oversold position of momentum indicators are giving indication of some short term up move from the current level. Therefore we recommend 'Using Every Decline as a Fresh Buying Opportunity' in the Banknifty.

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

RESISTANCE/SUPPORT	BANKNIFTY LEVEL
Resistance 2	30200
Resistance 1	29630
Close	29325
Support 1	28870
Support 2	28248

VIEW

Pair marched steadily higher last week, tracking a shift away from dovish extreme on rate future implied Fed monetary policy expectation. This rise was interrupted by event driven volatility with seasaw swing after ECB rate decision. Late night commentary of Jerome powell on wednesday night will further decide the fate of currency.

**TECHNICAL FACTORS-**

- a) USDINR pair has faced stiff resistance on the upper side of channel line suggest pause in the upside momentum
- b) Formation of Bearish belt hold near channel resistance line imply downside momentum
- c) RSI is also facing resistance near 50 mark from where it started tilting down
- d) As long as pair will sustains below 69.10 followed by 69.70 mark, selling pressure will continue to exist and it can slip down till 68.30 and 68

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

USDINR LEVEL

Resistance 2	69.70
Resistance 1	69.1
Close	68.88
Support 1	68.3
Support 2	68.00

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