

### VIEW

Domestic market has been witnessing roller coaster ride amid wild swing of 396 point and volatility seems to be still haunting in the market. After the strong tussle with Bulls in previous week, Bears flexed their muscles again and broader market closed in red. Market participants sentiment was dampened due to the exposure of several banks to NBFCs & reality sectors after the crisis in PMC & Lakshmi Vilas Bank which gave Bears to chance for stepping in. RBI cautious commentary on economic growth and sharp downside revision of FY20 GDP growth forecast from 6.9% to 6.1% also weighed market sentiments. Going forward from here, Investors can take cues from the outcome of US-CHINA meeting and earning season of domestic market which is starting from next week.

### Technical Outlook-

- a) Appearance of long bearish candle after the formation of long leg doji not augur well for Bulls
- b) Indicators and oscillators are also not looking conducive for price pattern
- c) Point of polarity where previous resistance can act as support in coming week is the next hope for Bulls
- d) If Index will not able to survive above 11100-11140 zone, then fresh selling can drive the nifty towards 10945 and 10850
- e) However, resistance stands at 11260 (near 200 DMA) and 11405 (near 100 DMA)

### CHART ANALYSIS



### SUPPORT & RESISTANCE LEVELS

	NIFTY LEVEL	JUSTIFICATION
Resistance 2	11405	Near 100 DMA
Resistance 1	11260	Near 200 DMA
Close	11174	
Support 1	11140	Line of Polarity
Support 2	10945	Previous swing low

VIEW

In line with our expectation selling was witnessed in Banknifty throughout last week. At the end of the week the index closed with a net loss of 7% over its previous week's close. The selling was witnessed across the board. SBI, Axis Bnak and ICICI bank were the major losers during the week and they closed after losing 6%-11%.

**OBSERVATIONS:**

- 1) Banknifty has breached 200 DMA.
- 2) A 'Bearish Doji Star' pattern was formed on the weekly chart of Banknifty.

According to the above observations it can be concluded that the near term trend of Banknifty is looking negative. The closing below 200 DMA along with formation of Bearish Doji Star on the weekly chart indicates more downside in the near future. On the downward path 26300 would act as strong support of the Banknifty as it is the multi-year support of the index. Therefore we recommend initiating fresh long position in Banknifty either near 26300 or only above 200 DMA (currently is at 28795)

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

RESISTANCE/SUPPORT	BANKNIFTY LEVEL
Resistance 2	30000
Resistance 1	29000
Close	27730
Support 1	27100
Support 2	26700

### VIEW

Easing trade tension between US & China and accommodative stance adopted by RBI had given some relief to Rupee due to this pair faced stiff resistance from its previous swing high which helped Rupee to gain around 1 Rs during the week. As of now in the coming sessions, we expect pair will trade lower as Indian government keeps on check inflation and current account deficit under control.

#### TECHNICAL FACTORS-

- a) Emergence of gravestone doji on daily chart suggest further selling pressure
- b) Sustainability of RSI below 50 imply bearishness
- c) However, pair is going to face stiff resistance near 71.40 while sustainability above the same can weaken the rupee till 72 mark
- d) A decisive break below 70.35 can push down towards 70.10 and 69.65 mark on downside

### CHART ANALYSIS



### SUPPORT & RESISTANCE LEVELS

USDINR LEVEL	
Resistance 2	72.00
Resistance 1	71.4
Close	70.82
Support 1	70.35
Support 2	70.10

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