

VIEW

Indices were traded on muted note and settled with mild gain after oscillating in a range but broader market was in full of action as lot of small and mid caps stocks were buzzing after struggling for last few months. Mostly sectorial indices traded in tandem with the benchmark index and ended unchanged. We are seeing rotational buying on the on the sectorial front which is helping the index to inch gradually higher. However, the main indices are seeing a mild pause in the trajectory after the solid performance of one month. We believe domestic market are expected to remain volatile with a lot more dilly- dallying next week as there will be a tint of optimism for a stellar budget of 2020 along with mixed hopes of Q3 earning results.

Technical Outlook-

- a) Index started this week on positive note but despite strong attempt by Bulls, it could not cross its mentioned key resistance of 12400 level for this entire week
- b) Emergence of small bull candle on weekly chart, however, apart from this no other formation of candlesticks price pattern are seen on charts
- c) Index is hovering around its strong hurdle of rising trendline on the daily chart which is preventing a clean breakout on upside
- d) Daily and weekly RSI stood on positive zone along with MACD which is still trading above its signal line.
- e) However, daily stochastic has shown negative crossover warrant caution
- f) A fall below 12275 can trigger weakness towards 12200 and 12115 levels on downside
- g) In case of surge, it can face resistance near 12400 and 12500 levels.

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

| | NIFTY LEVEL | JUSTIFICATION |
|--------------|-------------|--|
| Resistance 2 | 12500 | Phsycological level |
| Resistance 1 | 12400 | Immediate resistance |
| Close | 12352 | |
| Support 1 | 12275 | Previous resistance now become support |
| Support 2 | 12115 | Line of polarity |

VIEW

In line with our expectation some downward movement was witnessed in Banknifty throguout last week. This was basically the gap (that was formed in 31451- 31667 range on 9th January) filling process of the index and finaly Banknifty closed the week with a net loss of 1.6% over its previous week's close.

OBSERVATIONS:

- 1) Banknifty filled the entire gap which was formed in between 31451 and 31667 on 9th January.
- 2) A 'Golden Cross' is formed between 100 & 200 DMAs.

Banknifty has completed its gap-filling process last week. Now it is likely to rebound from the lower level. A golden cross was formed between 100 & 200 DMAs. It is also indicating of some near term upward movement of the index. Therefore we recommend initiating fresh long position in Banknifty in 31400- 31500 range by placing a stop loss at 30898 (closing basis).

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

| RESISTANCE/SUPPORT | BANKNIFTY LEVEL |
|--------------------|-----------------|
| Resistance 2 | 32550 |
| Resistance 1 | 32350 |
| Close | 31590 |
| Support 1 | 31320 |
| Support 2 | 30898 |

VIEW

USDINR pair witnessed a week of consolidation on the expected lines. Rupee saw a positive opening however, it pared those gains to slip into minor negative territory. Thereafter, it spent the week in a capped range as it ended with minor loss. Pullback in crude oil prices due to IEA report which warned in its monthly report that supplies from Iraq, the middle east's second biggest producer, are potentially vulnerable due to rising political risks which can become a worrisome factor for Rupee in the coming week while strong expectation in budget can provide support to Rupee.

TECHNICAL FACTORS-

- a) Mild pause is seen in the strength of Rupee
- b) Formation of green candle near key support suggests pullback further but reliability of this pullback is questionable
- c) As long as it sustains below 72.15-72.25 zone, bias will be positive for Rupee
- d) On sustaining below 70.50, it can slip down till 70.10 mark and 69.70 on downside.

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

USDINR LEVEL

| | |
|--------------|-------|
| Resistance 2 | 72.15 |
| Resistance 1 | 71.25 |
| Close | 71.07 |
| Support 1 | 70.5 |
| Support 2 | 70.10 |

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