

### VIEW

Domestic market has mirrored the downswing in global equities as coronavirus epidemic spiked worries of a global recession which has wreaked havoc on D-street making it one of the worst monthly fall since September 2018. Spread of the virus to other countries and a long duration of shutdown in the economic activities of china would have an impact on India as well. In the forthcoming week, all eyes will be glued on the further development on COVID- 19 where if WHO will able to discover any antidote which could control the further spread of the virus. With this positive news, we could see stability in the global and Indian market. Currently, sentiment has changed from "buy on the dip" to "sell on a rally" until indices trade below its recent swing high..

### Technical Outlook-

- a) Formation of long bearish candle indicate the intensity of selling pressure that market witnessed throughout the week.
- b) Once India VIX started cooling down then Index will try to find out the bottom.
- c) Oversold RSI on daily chart which is lying below 30 mark suggest the possibility of short term pullback
- d) Nifty is very close near to the foot of falling trendline which stands at 11090 mark along with the point of polarity that become key support in near term
- e) Capitulation of bulls below 11090 mark can trigger further sell off towards 10900 levels
- f) However, if nifty hold on to this support, a bounce back is likely towards 11265 (near 100 WMA) and 11385 levels on upside

### CHART ANALYSIS



### SUPPORT & RESISTANCE LEVELS

	NIFTY LEVEL	JUSTIFICATION
Resistance 2	11385	Recent swing high
Resistance 1	12265	100 WMA
Close	11201	
Support 1	11090	Point of polarity
Support 2	10900	Previous Swing Low

### VIEW

After breaching 31680 (near-term strong support), Banknifty gave a sharp downward movement on Friday. At the end of the week the index closed with a net loss of 5.6% over its previous week's close. The selling was witnessed across the board. However ICICI bank, State Bank, Axis bank and Punjab National bank lead to a decline.

#### **OBSERVATIONS:**

- 1) Banknifty has breached 200 DMA.
- 2) A gap was formed in 29564-29914 range last week.
- 3) Momentum indicators (Stochastic & RSI) has reached at the oversold zone.
- 4) The short term trend of Banknifty remains positive as long as it trades above 27380.

In reference to the above observations it can be concluded that the short term trend of Banknifty remains positive as long as it trades over 27380 (short term trend line support). Last week's selling was the result of breaching 200 DMA. This kind of panic selling may continue another 2-3 days. However formation of gap in 29564-29914 range and oversold position of momentum indicators are giving indication of speedy recovery very soon. On the lower side 28040 would act as near-term strong support of the index. We advise to **initiate positional long in the index in 28800-28040 range (2-3 steps)** by placing stop loss at 27380 (closing basis)

### CHART ANALYSIS



### SUPPORT & RESISTANCE LEVELS

RESISTANCE/SUPPORT	BANKNIFTY LEVEL
Resistance 2	30310
Resistance 1	29915
Close	29147
Support 1	28820
Support 2	28040

### VIEW

When china sneezes, the world catches cold. Nowhere else is this saying more visible than at present scenario where every assets facing tough time. Call it demand slowdown, recession or whatever you will, the fact is Chinese coronavirus have transformed all global bull market into bear and even from which indian rupee could not escape itself. Spread of the coronavirus outside china darkened the outlook for world growth with infections and deaths rising in south korea, italy and the middle east. We expect that weakness in Rupee may intensified in the coming week also as global sentiment continue to be affected with the virus.

#### TECHNICAL FACTORS-

- a) Formation of bullish belt hold candle near rising trendline on weekly chart suggest weakness in rupee
- b) Currently, pair has given breakout from its long term consolidation indicating more heat for an indian currency
- c) The momentum indicator RSI also gave trendline breakout which is supporting upsurge in the pair
- d) On crossing and sustaining above 72.60, pair can extend up to 73.05 mark
- e) As of now, support is shifted higher towards 71.75 and and 71.50 mark

### CHART ANALYSIS



### SUPPORT & RESISTANCE LEVELS

#### USDINR LEVEL

Resistance 2	73.05
Resistance 1	72.6
Close	72.53
Support 1	71.75
Support 2	71.50

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Correspondence Office Address: Arch Waterfront, 5<sup>th</sup> Floor, Block GP, Saltlake, Sector 5, Kolkata 700 091; Tel No.: 033-40541700; [www.narnolia.com](http://www.narnolia.com).

Registered Office Address: Marble Arch, Office 201, 2<sup>nd</sup> Floor, 236B, AJC Bose Road, Kolkata 700 020; Tel No.: 033-4050 1500; [www.narnolia.com](http://www.narnolia.com)

Compliance Officer: Manish Kr Agarwal, Email Id: [mkagarwal@narnolia.com](mailto:mkagarwal@narnolia.com), Contact No.:033-40541700.

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