

Technical View (Equity)

Daily call

06 January 2017

Index	CMP	% up/dn	S2	S1	P	R1	R2
Nifty	8,273.80	1.02%	8200	8235	8260	8295	8320
Sensex	26878.24	0.92%	26665	26770	26845	26950	27025

Nifty Daily chart





Comments:

Nifty opened with an upward gap and buying momentum throughout the session led it to close near day's high. Nifty closed at 8274 with a gain of 83 points.

On the daily chart the index has formed a long bullish candle indicating positive bias. Nifty has formed a bullish gap area in the range of 8218-8223 levels which remains a crucial support zone. The index is moving in a Higher Top and Higher Bottom formation on the daily chart indicating shift of trend to the upside. The chart pattern suggests that if Nifty crosses and sustains above 8290 level it would witness buying which would lead the index towards 8330-8360 levels. However if index breaks below 8250 level it would witness selling which would take the index towards 8230-8220. Nifty is sustaining above its 20 and 50 day SMA which signals bullish sentiments in near term. Nifty continues to remain in a consolidation (8300-7900) hence any decisive close above 8300 levels which cause further strength.

The daily strength indicator RSI is moving upwards and above its reference line indicating positive bias. However momentum oscillator Stochastic has turned negative from the overbought zone indicating a possible consolidation or a down move in the near term

The trend deciding level for the day is 8260. If NIFTY trades above this level then we may witness a further rally up to 8295-8320-8355 levels. However, if NIFTY trades below 8260 levels then we may see some profit booking initiating in the market, which may correct up to 8235-8200-8180 levels

Stocks to focus for intraday Long		Adaniport, PEL,M&MFin, Zeel, Tvs Mot.,Icici Bank, Mothersumi, Tatacomm, Indusind Bank
Stocks to focus for intraday Short		Beml, Grasim

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