

Technical View (Equity)

Daily call

Index	CMP	% up/dn	S2	S1	P	R1	R2
Nifty	10,888.80	-0.50%	10820	10855	10890	10925	10965
Sensex	36395.03	-0.41%	36140	36270	36430	36555	36715

Nifty Daily Chart





Comments:

Nifty opened with downward gap and extended its down move making day's low around 10857 levels however buying support at lower levels pulled Nifty to close at 10889 levels with a loss of 55 points.

On the daily chart the index has formed a Bearish candle with long lower shadow indicating buying support at lower levels. The chart pattern suggests that if Nifty breaks and sustains below 10850 levels it would witness selling which would lead the index towards 10800-10750 levels. However if index crosses above 10930 levels it would witness pullback rally which would take the index towards 10970-11000 levels. Nifty is trading above 20, 50 and 100 day SMAs which are important short term moving averages, indicating positive bias in the short to medium term. Nifty continues to remain in a downtrend in the short term, so exit on small pullback rallies to be our preferred strategy.

The daily strength indicator RSI and momentum oscillator Stochastic have both turned negative and are below their respective reference lines indicating negative bias

The trend deciding level for the day is 10890. If NIFTY trades above this level then we may witness a further rally up to 10925-10965-11000 levels. However, if NIFTY trades below 10890 levels then we may see some profit booking initiating in the market, which may correct up to 10855-10820-10780 levels

Stocks to focus for intraday Long		Ajantpharm, Hcltech, Fconsumer, Dbl, Bhel
Stocks to focus for intraday Short		Naukri, Ambujacem, Tatachem, Bajajfinsv, Gail