

NIFTY (Weekly)



The week that went by:

Indian Market started the week on a flat note and remained range bound for rest of the day. On day 2, anticipating a win of BJP in Karnataka, Index extended its gains to higher levels but did not last long as Nifty dragged lower in the form of profit booking and continued to slide lower for the rest of the day. On Wednesday, following the weak Global Market, Benchmark Index started the day with a gap-down opening of 50 points. Index continued to slide lower and made a low of around 10700 but sharp short covering across the board has been witnessed which helped Index to trim its losses. Once again, Nifty failed to hold higher levels and dragged lower. On the day of the weekly expiry, post the decent opening, Index once again found the resistance at 10780 and skid lower in the first trade itself. In the mid-session, Nifty tried to stabilize but selling pressure intensified in the last hour of the trade. On the last day of the week, Index continued its negative momentum and compounded its losses for the rest of the day.

Nifty 50=10596.40 BSE Sensex30=34848.30 Nifty Midcap 100=18891.80 Nifty Smallcap100=7814.40.

MARKET OUTLOOK

As seen in the chart, Nifty has made a bearish engulfing candlestick pattern. Along with bearish candlestick pattern, it looks like a forming a right shoulder of the Bearish Head and Shoulder formation. As USDINR and Crude Oil continued its north journey, investor will shift their focus towards defensive sector i.e. FMCG sector considering a safe heaven.

Nifty has immediate resistance of 10655 & 10730. On the downside 10540 hold as an immediate support. Bank Nifty has resistance of 26165 & 26400 whereas support is placed around 25750.

SECTORAL GAINERS / LOSERS

GAINER



FMCG sector ended the week with the gain of 1.30% and outperformed the Benchmark Index. Major gainer was Colgate(+9.26%) and HUL(+6.33%). Losers were also there United Spirit(-2.63%) and Tata Global(-17.49%). As noticed in the chart sector has completed its pullback post the breakout from the pattern which suggest that further upside is still there.

LOSER



Nothing changed for the PSU banking sector as the sector was the underperformer and continued its underperformance. Nifty50 ended the week with the cut of about 2% whereas sector ended the week with a dip cut of almost 7%. Major losers were Allhabad Bank(-21.05%), PNB(-18.79%) and Syndicate Bank(-18.47%). Other components such as Bank of Baroda, IDBI, Oriental Bank shut the shop with a cut of (-12.62%), (-10.91%) and (-9.61%) respectively. Selling on every bounce has been witnessed and thus it makes as a sell on rise sector.

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