

July 15, 2019

**▶ NIFTY: 11552**

 Range : 11519-11590  
 Resistance : 11590-11610-11625-11640-11665-11685  
 Support : 11540-11519-11500-11475-11460-11400

**▶ Simple Moving Average (SMA)**

20 Days	50 Days	200 Days
11740	11708	11112

**▶ BANK NIFTY: 30600**

 Range : 30560-30720  
 Resistance : 30680-30720-30770-30850-30920-30990  
 Support : 30560-30500-30430-30340-30230-30150

**▶ Simple Moving Average (SMA)**

20 Days	50 Days	200 Days
30870	30565	28025

**▶ Nifty Short Term Trend**

Up (Down below 11100 on a closing basis)

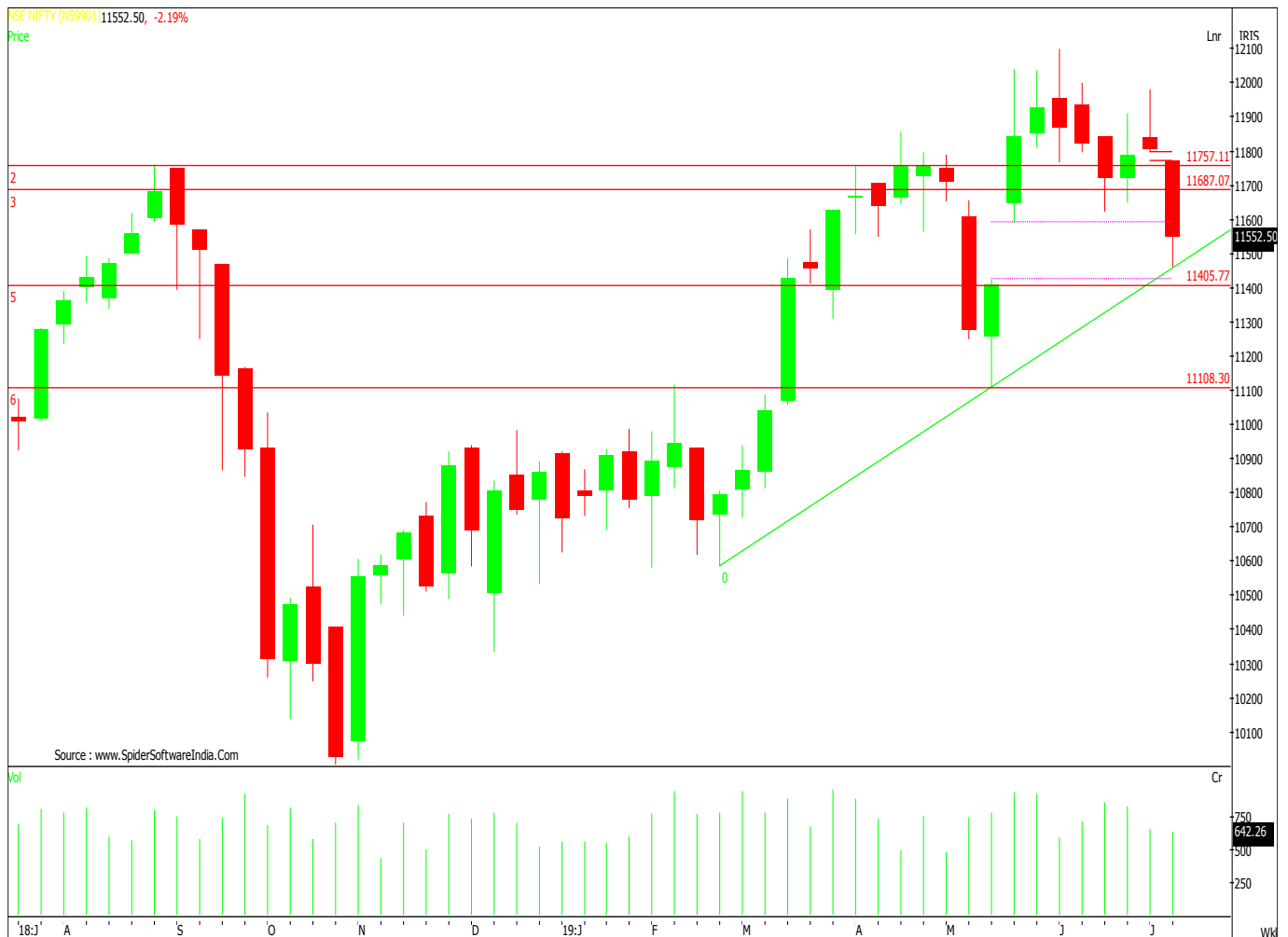
**▶ Nifty Medium Term Trend**

Up (Down below 10500 on a closing basis)

**▶ Nifty Long Term Trend**

Up (Down below 9950 on a weekly closing basis)

Blue color: means heading upward as compare to previous close. Red color: means sloping downward as compare to previous close.

**Nifty: Weekly**




## ▶ Market Analysis

**Nifty Daily View:** It was one of the most damaging weeks for investors. The market shaded nearly 250 points in a day last Monday, which was mainly due to weakness in the most stable and strong companies of Nifty 50. Stocks like Bajaj finance, Bajaj Finserv, HDFC Ltd and HDFC BANK closed lower this week after almost eight months. It shows that the long-term stability of the market is under threat.

I firmly believe that the market is a game of anticipation and if you act post reaction, then it would be loss-making deal for sure. Anticipation is the combination of theory and real experience of last several years. Market is the game of odds and we should stick to disciplined money management. In brief, traders must anticipate likely trend of the market and then follow disciplined money management. In the previous week, we anticipated the market is heading for 11400 and strategy should be to reduce weak long positions at resistance.

For the current week, we are anticipating down move to continue at a gradual pace. Previous lowest level 11460 would be ultimate support for Nifty. Below 11460, Nifty could drop to 11400 or 11300 levels. However, falling to 11300 levels on 17th July or falling below 11460 after 17th July would be end of the first leg of correction. On the higher side, crossing 11640 would extend pull back rally to 11750/11770 levels. Create short sell positions between 11750 and 11770 keeping final stop loss at 11820 for the same. At 11300, we should be a contra buyer in the market, and look to buy strong and large cap companies in the market.

As per option data, markets are down but not oversold, which is the reason that short covering trend is missing even though frequent pull back moves are occurring.

**Sector specific:** Technically, Bank Nifty is exhibiting weakness and decline to 30100 or 30000 is more likely on daily charts. Except pharmaceuticals, other indices are indicating weakness and one should be cautious in adding long positions at higher levels.

For the day the strategy should be to trade short if Nifty bounces to 11590/11600. Keeping final stop loss at 11820 for the same.

## RATING SCALE

- BUY** – A condition that indicates a good time to buy a stock. The exact circumstances of the signal will be determined by the indicator that an analyst is using.
- SELL** – A condition that indicates a good time to sell a stock. The exact circumstances of the signal will be determined by the indicator that an analyst is using.
- Stop Loss Order** – An instruction to the broker to buy or sell stock when it trades beyond a specified price. They serve to either protect your profits or limit your losses.

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