

MARCH 8, 2016



Resistance	R1 7500	R2 7530
Support	S1 7410	S2 7370

Market outlook:

India market shown a flat opening. In today's trading session nifty moved in a range. Nifty lost 7 points to close at 7453. In the first half of trading session nifty hovering near 7450 level. Nifty was flat whereas bank nifty lost over 1 % in today's trading session. Bears tried to drag nifty to 7400 level but bulls perfectly managed to hold that important 7400 level. Advance/ Decline ratio was almost 1:1. Nifty metal sector index gained over 2% and energy, commodity and reality sector gained almost 1% each. Weakness was observed in PSU banking sector index, it lost almost 2.5% in today's trading session.

Technical Outlook:

India market took a flat opening just above yesterday's closing. Bulls tired to test 7500 level but exhausted bulls could not smash that 7500 level. In the second half of trading session bears took the charge and nifty tumbled from the day's high and made a low of 7414 but bulls gave a good fight and pull back rally was observed in last half hour . Significant amount of call writing was also seen in 7500 & 7600 strike prices and great amount of long build-up was also seen in 7400 put option which can be considered as a sign of exhaustion for bulls.



Relative strength index: RSI on daily chart stands at 58 level. Nifty facing strong resistance at 60 which is a warning sigh for bulls.

Moving averages: 10 days EMA stands at 7294 which is acting as a strong support for nifty.

Strategy for the Trader: Market is in range bound session with slight negative bias. Intraday traders are advised to go short for the next trading session with stop loss of 7500 whereas risky positional traders can opt a contra position and can go long with a stop loss of 7370.

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