

APRIL 5, 2016



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| Resistance | R1 7675 | R2 7736 |
| Support | S1 7610 | S2 7540 |

Market outlook:

Today Indian market took a gap down opening. Bulls tried to hold the important level of 7740 but bear took the charge and smashed the important support level of 7700. Nifty and bank nifty lost over 2.28% and 3.43% respectively. The Nifty saw intense selling from start to finish and tumbled up to 7609 and close at 7613. The overall market reflected the all round selling pressure and nifty closed at near day's low. All sector indices ended in the red. PSU banking sector, nifty infra sector lost over 5% and 3%. Metals, media, auto and reality all lost over 2.5% respectively.

Technical Outlook:

India market took a gap down opening and bears showed enormous strength throughout the trading session and ruin 7700 level. On hourly charts one can clearly see "Lower Highs Lower Lows" which depicts the strength of bears. Option data is showing band shifting. Significant amount of call writing was also seen in 7800 CE and great amount of long build-up also seen in 7500 PE which is also a warning sign for bulls for upcoming trading sessions.

Relative strength index: Divergence can be seen on daily RSI. RSI broke the 60 level on daily chart which is not a good sign for bulls in upcoming trading sessions;

Moving averages: 10 days EMA stands at 7676 which is acting as a strong resistance 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 7650 positional traders can opt sell on highs strategy and can go short with a stop loss of 7700

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