

APRIL 21, 2016



Resistance	R1 7960	R2 7990
Support	S1 7890	S2 7850

Market outlook:

Today Indian market took a gap up opening. Bulls tried to hold the important level of 7950 but bear took the charge and smashed the important support level of 7950. Nifty lost over -0.31% whereas banknifty gained over 1.33%. The Nifty saw intense selling from start to finish and tumbled up to 7885 and close at 7905. The overall market reflected the all round selling pressure and nifty closed at near day's low. Most of the sector indices ended in the red. Nifty reality, nifty IT, nifty infra, nifty growth sector lost 1-1.5% respectively whereas psu banking sector gained over 3.5%.

Technical Outlook:

India market took a gap up opening but lost their gains in the first half. Bears showed enormous strength throughout the trading session and ruin 7950 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 7900 CE and great amount of short build-up also seen in 7800 PE which is also a warning sign that nifty will be in range for upcoming trading sessions.

Relative strength index: RSI stands at 65.75 and a top has been created at RSI.

Moving averages: 10 days EMA stands at 7728 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 7950 positional traders can opt sell on highs strategy and can go short with a stop loss of 8000

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