

## NIFTY (8288.60)

Taking cues from global equity market, our benchmark index NIFTY opened on a positive note with a gap up opening of 27 points at 8263 levels and during opening trades NIFTY posted day high and low i.e.8288 and 8261 respectively, which remained intact for most part of the day. So NIFTY consolidated in high – low range. Continuing optimism NIFTY breached morning high and posted new high i.e.8294 in last hour of trades. On sectoral front, it was across the board buying led by Metal index which gained 1.44%, barring Realty index which lost 0.28% for the day. Thus to end the session, NIFTY closed with a gain of 53 points (or 0.64%) at 8289 levels.

### NIFTY Daily Chart



(Source : Spider IRIS Plus)

## Observation

- 1) 8 & 20day EMA is placed at 8217 & 8170 levels while 89day EMA and 200day SMA is placed at 8294 and 8286 levels respectively.
- 2) Conjunction of 89day EMA and 200day SMA.
- 3) On daily chart of NIFTY, directional indicator is positively poised while stochastic is in over bought zone.

## Expectation

We learnt NIFTY giving breakout from 'Double Bottom' pattern on daily chart, as NIFTY closed above previous swing high i.e.8275 mark. We continue to believe **8306 / 8310** is immediate resistance for NIFTY. In case NIFTY trades decisively above the resistance, it would give another breakout trading above 89day EMA and 20week EMA which are placed at **8294** and **8304** respectively. That will add more confidence and NIFTY would trade higher. The immediate target we would be looking for is **8480** (previously mentioned in report Dt 26<sup>th</sup> Dec, 2016) and then **8614 – 8657** range.

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