

NIFTY (9816.10)

Our benchmark index NIFTY opened on positive note with a gain of 21 points at 9807 mark. On back of profit booking NIFTY posted day low i.e.9788 mark. In a second half recovered on back of short covering. But BULLS could not take the high of previous trading session. Thus NIFTY traded within a range of previous trading session. On sectoral front, Banking and Financial services gained 0.47% and 0.39% respectively while on other hand IT index lost 0.27% for the day. To wrap up the session, NIFTY ended on positive note wwith a gain of 30 points (or 0.31%) at 9816 mark.

NIFTY Daily Chart



(Source : Spider IRIS Plus)

Observation

- 1) 8 & 20day EMA is placed at 9714 & 9648 levels while 89day EMA and 200day SMA is placed at 9360 and 8865 levels respectively.
- 2) Negative divergence of directional indicator on daily chart while Stochastic is in over bought zone.
- 3) Formation of 'SHOOTING DOJI STAR' on daily chart.

Expectation

The above formations mentioned in observation 2) and 3), refrain us to have positive stance on despite of the positive momentum currently prevailing. Hence we are advocating going long in index based position. On flipside of the coin, a close below 9778 mark will confirm activation of the pattern 'SHOOTING STAR'.

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