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# Weekly Technical Report

12th September, 2022

## SECTORAL OUTLOOK

SECTORS	12TH SEP 2022	5TH SEP 2022	STOCKS
NIFTY 50	NEUTRAL	NEUTRAL	ITC, ICICI BK, LT, MARUTI, SBI LIFE & TATA CONSUMER
NIFTY BANK	NEUTRAL	BULLISH	BANK BARODA, FED BK, ICICI BK, INDIAN BK, & SBIN
NIFTY MIDCAP	BULLISH	BULLISH	ATGL, BEL, COROMANDEL, HAL & TATA ELXSI
NIFTY AUTO	NEUTRAL	NEUTRAL	ASHOK LEY, HERO MOTOCORP, MARUTI & TIINDIA
NIFTY ENERGY	BULLISH	NEUTRAL	ADANI GREEN, NTPC & RELIANCE
NIFTY FMCG	NEUTRAL	BULLISH	ITC, TATA CONSUMER & VBL
NIFTY IT	NEUTRAL	NEUTRAL	MINDTREE, LTTS & LTI
NIFTY METAL	BULLISH	BULLISH	ADANI ENT, JSW STEEL & HINDALCO
NIFTY PHARMA	NEUTRAL	BEARISH	AURO PHARMA, BIOCON & DIVIS LAB
NIFTY PSE	BULLISH	BULLISH	BEL, COAL INDIA, HAL & NTPC
NIFTY REALTY	BULLISH	BULLISH	DLF, OBEROI REALTY, PHOENIX MILLS & PRESTIGE ESTATE

## SUMMARY

- NIFTY 50 is crosses above the channel for second time
- BANK NIFTY closes the week with an indecision candle
- MIDCAP 100 surpasses a crucial pivotal resistance
- NIFTY AUTO showcases indecision
- NIFTY ENERGY gives 10th consecutive bullish weekly close
- NIFTY IT has 100 WEMA as overhead resistance
- NIFTY FMCG forms a weekly doji candle
- NIFTY METAL gives 11th consecutive bullish weekly close
- NIFTY PHARMA has immediate resistance at 30 WEMA
- NIFTY PSE covers more than 50% on upside within the defined trading range
- NIFTY REALTY remained flat throughout the week

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## RELATIVE ROTATION GRAPH



## Technical View

- NIFTY PSU BANK Index is showcase the strongest momentum in the leading quadrant.
- NIFTY BANK index is scaling higher in the leading quadrant.
- NIFTY REALTY sees slight dip in the momentum after crossing into the leading quadrant.
- NIFTY AUTO and FMCG both drop into the weakening quadrant.
- NIFTY ENERGY gains momentum in the lagging quadrant inching higher towards the improving quadrant.
- NIFTY PSE follows the footprint of its peer in the lagging quadrant.
- NIFTY PHARMA continues to lag down further.
- NIFTY MEDIA enters into the improving quadrant on subdued momentum.
- NIFTY IT drops down into the lagging quadrant.
- NIFTY METAL trading in improving quadrant and manifests the strongest momentum compared to its all peers.

## ABOUT RRG CHART

Relative Rotation Graph (RRG) is a visualization tool that manifests the cyclical rotation of the sectors or stocks around a benchmark. The graph represents the sector's relative strength (RS) and momentum relative to the collection of other sectors. The graph is divided into 4 main quadrants. The sectors with the strongest RS and momentum appear in the leading quadrant. As the RS and momentum begin to dwindle the sectors then move into the weakening quadrant and on further decline they move into the lagging quadrant. When the RS and momentum begins to pick up again the sectors move into the improving quadrant.

## NIFTY 50



## Technical View

- The index opened on a positive note for the week and managed to cross the immediate hurdle near 17758 with a bullish gap after 11 trading sessions.
- Failing to sustain above the channel on the earlier instance, the index found its support at the previous gap-down area coupled with 50 WMA and a shorter term EMA.
- The combination of supports underpinned a sharp technical pullback such that the index managed to breach the channel resistance for the second instance in 4 weeks.
- This indicates at a relatively smaller but stronger base going forward to attract further bullish momentum.
- It also indicates at the gap area defined by the levels of 17475—17180 as potentially a strong immediate support zone.
- The RSI is trading neutrally showing no divergence against the price.
- The volatility has subsided as the VIX has cooled off by 9.4% on closing basis.
- The head index now faces overhead pivotal resistance at 17992. A decisive close and sustenance above the same can attract further bullish momentum.

## Key Levels

LTP	S1	S2	S3	R1	R2	R3
17833	17750	17450	17150	18000	18120	18350

## Key Data

% Change (D)	% Change (W)	20 DMA	100 DMA	20 WMA	100 WMA	MACD (D)	MACD (W)	RSI (D)	RSI (W)
0.19%	1.68%	17666	16639	16669	15984	179	222	63	61



## NIFTY BANK



Source: Trading view

## Technical View

- The banking index opened on a subdued note for the week.
- The index witnessed a gap-down opening on Wednesday followed by a gap-up opening on Thursday led to the formation of bullish island on the daily timeframe.
- The gap-up opening jolted the index to breach the pivotal resistance of 39759 after 12 trading sessions.
- The index however closed with relatively smaller spinning red body candle that indicates indecision.
- On the higher timeframe, the index has decisively crossed and sustaining above the pivot at 39425 after tightly compressing for 3 weeks.
- The RSI is trading at 66.40 showing no divergence against the price.
- The index has been strongly outperforming against the broader market.
- The index now faces immediate resistance at the all time high level of 41830.

## Key Levels

LTP	S1	S2	S3	R1	R2	R3
40416	39760	39400	38760	41830	43580	44450

## Key Data

% Change (D)	% Change (W)	20 DMA	100 DMA	20 WMA	100 WMA	MACD (D)	MACD (W)	RSI (D)	RSI (W)
0.51%	2.52%	39266	35956	36109	34901	724	956	68	66

## NIFTY MIDCAP 100



## Technical View

- The Midcap 100 index opened a very subdued note for the week with an inside bar formation. The index adequately made higher highs throughout the week.
- The index though ended the week with the formation of a bearish spinning body that indicates indecision.
- On the weekly timeframe, the price action formed a 1500 points trading range clutched between the pattern support and the pivotal resistance.
- The index finally managed to cross and sustain above the pivot with a decisive close.
- The RSI is trading neutrally showing no divergence against the price.
- The relative performance against the broader market has been stronger.
- Going forward the index faces immediate pivotal resistance placed at 32230.

## Key Levels

LTP	S1	S2	S3	R1	R2	R3
32036	31500	30100	29750	31750	32230	33240

## Key Data

% Change (D)	% Change (W)	20 DMA	100 DMA	20 WMA	100 WMA	MACD (D)	MACD (W)	RSI (D)	RSI (W)
0.35%	2.02%	31247	28773	28828	26816	610	647	72	66

## NIFTY AUTO



Source: Trading view

## Technical View

- The index opened on a very subdued note for the week and saw 4 consecutive mildly bearish candles however in the weekly trading range of 307 points.
- On the higher timeframe, the price action has been trading in a defined range of 774 points.
- The intermediate trend can be anticipated on index breaking from the defined weekly trading range on the either sides.
- The weekly RSI is trading neutrally in the overbought zone showing no divergence against the price.
- The relative performance against the broader market has become subdued.
- The breakout zone near 12100 is a stronger support zone in case the index falls beyond the weekly trading range.

## Key Levels

LTP	S1	S2	S3	R1	R2	R3
13212	13000	12600	12450	13380	13940	14150

## Key Data

% Change (D)	% Change (W)	20 DMA	100 DMA	20 WMA	100 WMA	MACD (D)	MACD (W)	RSI (D)	RSI (W)
0.52%	-0.01%	13061	11842	11935	10625	160	591	60	71

## NIFTY ENERGY



## Technical View

- The energy index opened a positive but subdued note with an inside bar formation. The index witnessed a gap-up opening the next day and traded in a lateral trend as the week progressed.
- The index ended the week with a relatively tall bearish candle.
- On the higher time frame the price action continued to trade within the defined range for the fourth straight week but this time with a higher low formation and relatively smaller trading range.
- The index is consolidating with previous gap-down area acting as resistance and crossing above the same will attract further bullish momentum.
- The RSI is trading neutrally showing no divergence against the price.
- The relative performance against the broader market continues to remain subdued.

## Key Levels

LTP	S1	S2	S3	R1	R2	R3
27693	26590	26120	25700	28200	28340	29300

## Key Data

% Change (D)	% Change (W)	20 DMA	100 DMA	20 WMA	100 WMA	MACD (D)	MACD (W)	RSI (D)	RSI (W)
-0.33%	1.22%	27536	26271	26150	21766	384	652	59	63



## NIFTY IT



Source: Trading view

## Technical View

- The IT index opened a flat note and remained sideways until the midweek. It then received a gap-up push on Thursday and Friday's opening and ended the week with modest gains of 978 points.
- On the weekly timeframe, the price action sustained to protect the lows of the penultimate morning star candle.
- This validates the formation of the morning star candle.
- The index is currently trading below the 100 WEMA and is acting as immediate overhead resistance.
- It will be crucial for the index to cross and sustain above the 100 WEMA to attract further bullish momentum going forward.
- The RSI is trading neutrally coming out of the oversold zone and shows no divergence against the price.
- The relative performance against the broader index is subdued.
- The index will have to cross and sustain above the larger defined area marked in red to validate the formation of a bottoming out base.

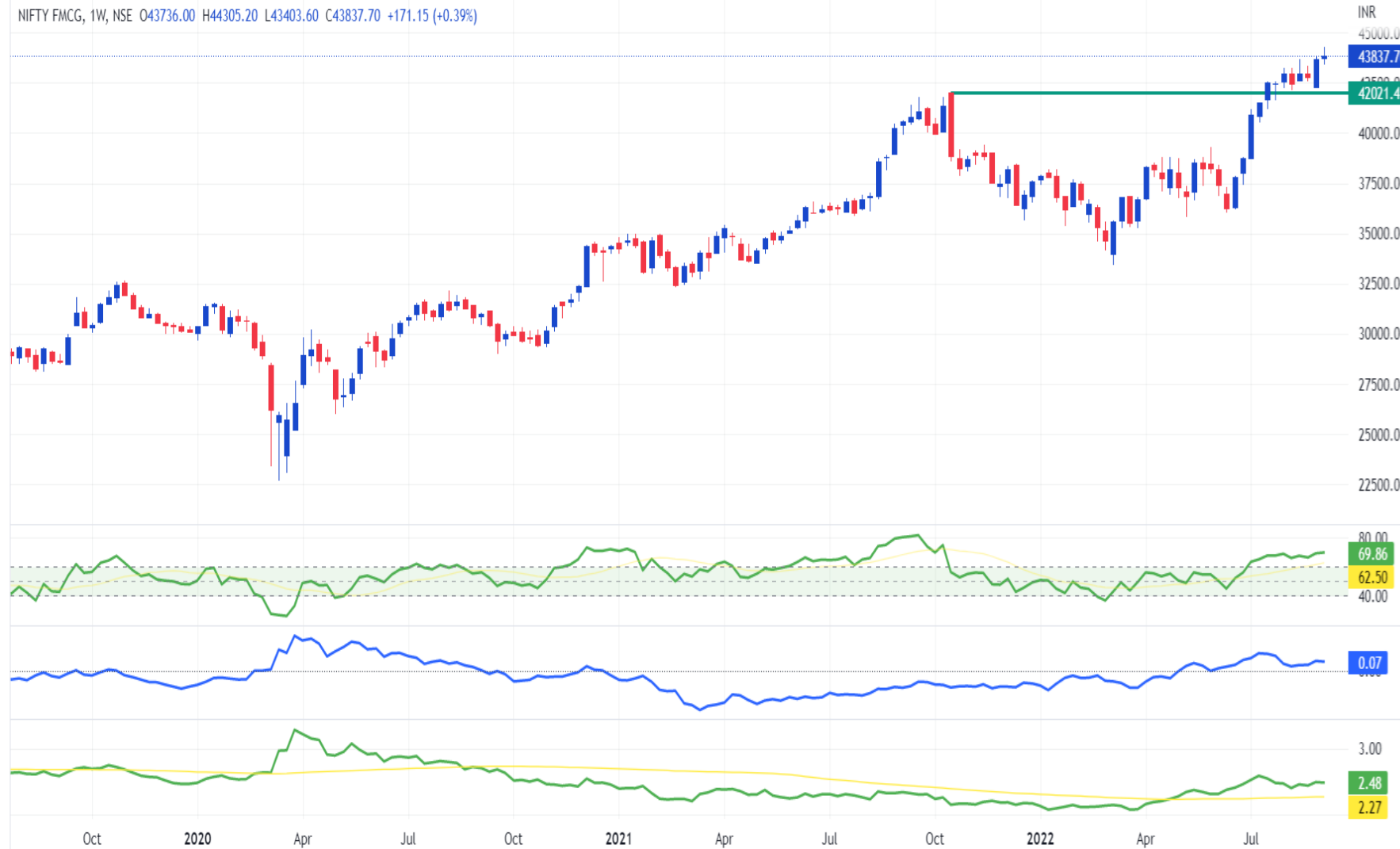
## Key Levels

LTP	S1	S2	S3	R1	R2	R3
28724	28400	27330	26180	28870	29650	30480

## Key Data

% Change (D)	% Change (W)	20 DMA	100 DMA	20 WMA	100 WMA	MACD (D)	MACD (W)	RSI (D)	RSI (W)
2.21%	3.53%	28843	29024	28905	29904	-234	-1102	52	44

## NIFTY FMCG



## Technical View

- The FMCG index opened a flat note and failed to show any traction on the upside. The index remained sideways and choppy throughout the week.
- On the higher timeframe, the index failed to have a tepid follow-up after it attempted to surge above the narrow range formed after breaking out from the basing pattern.
- The index has formed an indecision candle indicating uncertainty going forward.
- The index is anticipated to resume its up-move on crossing above the previous week's high near 44300.
- The RSI is trading close to the oversold zone showing no divergence against the price. The higher high and higher low also evinces strength in the momentum in the larger trend going forward.
- The relative outperformance against the broader market has turned subdued.
- The index is anticipated to cool-off on failing to breach the weekly high with primary trend remaining positive.

## Key Levels

LTP	S1	S2	S3	R1	R2	R3
43838	43200	42000	41150	44300	45550	46350

## Key Data

% Change (D)	% Change (W)	20 DMA	100 DMA	20 WMA	100 WMA	MACD (D)	MACD (W)	RSI (D)	RSI (W)
+0.12%	+0.39%	43225	39857	40183	36681	481	1637	65	70

## NIFTY METAL



## Technical View

- The metal index opened on a stronger note, witnessed a gap-up opening and remained sideways as the week progressed bolstered by the gap-up area.
- The last 4 trading sessions of the week have formed a series of inside bars implying a tight compression.
- On the weekly timeframe, the index has managed to continue its positive closing spree for 12th consecutive week.
- On the weekly timeframe, the index strived to upsurge from the tight closing series in the previous 3 weeks, however the move was arrested at the pivotal resistance coupled with a minor gap-down area.
- The RSI is trading neutrally above the median showing no divergence against the price.
- The index's relative performance against the broader market is observed to be improving.
- The index is anticipated to attract further bullish momentum on decisive close above 6120 levels.

## Key Levels

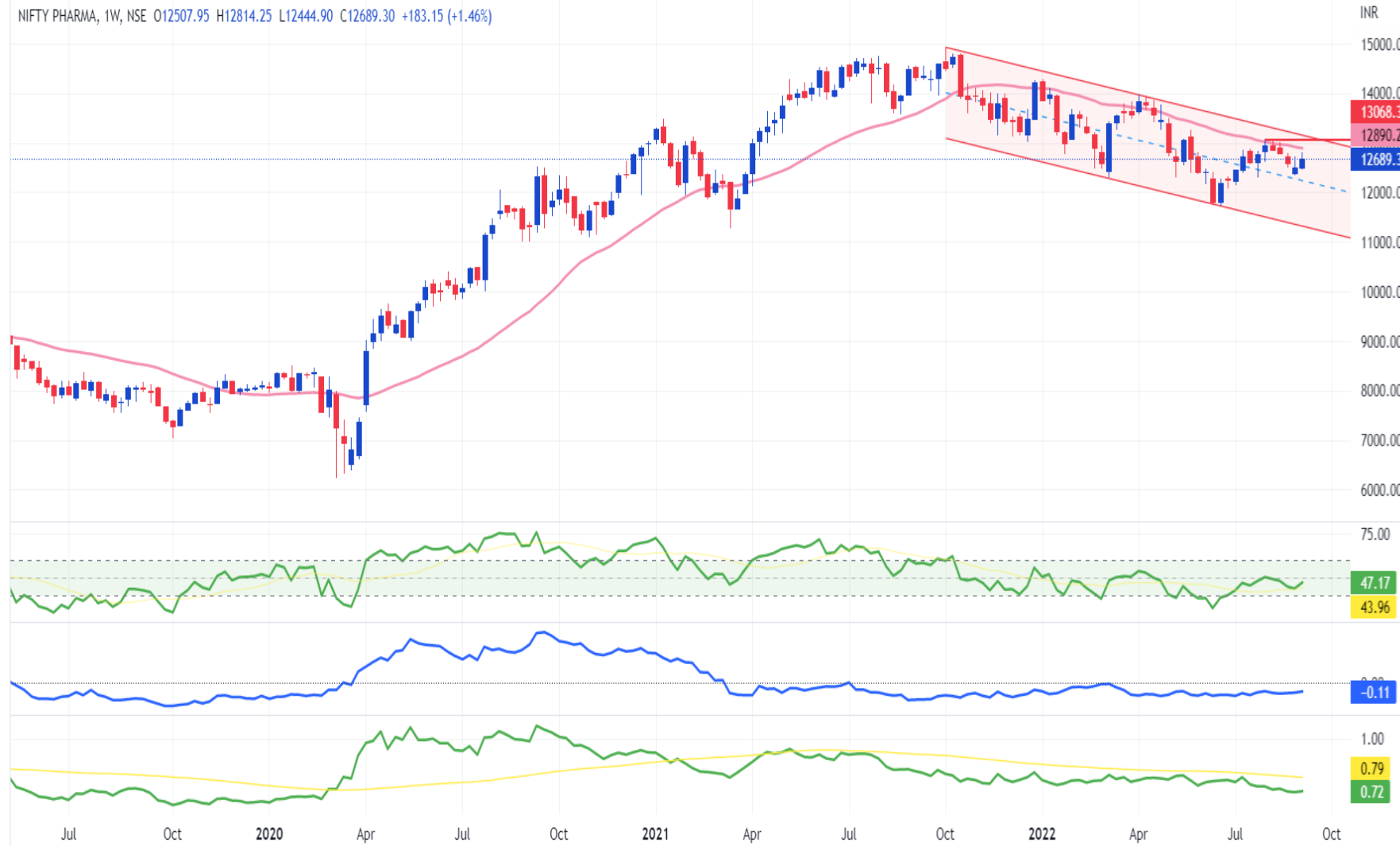
LTP	S1	S2	S3	R1	R2	R3
6025	5850	5650	5580	6110	6260	6440

## Key Data

% Change (D)	% Change (W)	20 DMA	100 DMA	20 WMA	100 WMA	MACD (D)	MACD (W)	RSI (D)	RSI (W)
0.23%	2.34%	5899	5452	5426	4970	155	45	65	59

## NIFTY PHARMA

NIFTY PHARMA, 1W, NSE O12507.95 H12814.25 L12444.90 C12689.30 +183.15 (+1.46%)



Source: Trading view

## Technical View

- The index opened a tepid note for the week and made new progressive highs throughout the week. It found its immediate resistance at 30 DEMA and failed to sustain above it twice.
- On the higher timeframe the index failed to sustain above the previous high.
- The index has immediate resistance at 30 WEMA.
- All major moving averages across the daily and weekly timeframes are slopping downwards and acting as overhead resistance except for 200 WEMA.
- This indicates a bearish tone going forward.
- The index has a major support at the 200 WEMA currently trading at 11775 levels.
- The RSI is trading neutrally showing no divergence against the price .
- The relative performance against the broader market continues to remain devastated.
- The index will have to cross above the pivotal high of 13070 to invalidate the intermediate top formation and to attract bullish momentum.

## Key Levels

LTP	S1	S2	S3	R1	R2	R3
12689	12450	12300	12130	12770	13070	13250

## Key Data

% Change (D)	% Change (W)	20 DMA	100 DMA	20 WMA	100 WMA	MACD (D)	MACD (W)	RSI (D)	RSI (W)
-0.01%	1.46%	12708	12658	12634	13199	-15	-157	51	47



## NIFTY PSE



Source: Trading view

## Technical View

- The index opened a flat note and saw incremental gains as the week progressed.
- On the higher timeframe, the price action has emerged out of 3 week of 170 points trading tightness above the median of the channel on a tepid note.
- The index is now surging toward the upper edge of the channel that coincides with a major trendline resistance.
- The RSI is trading above the mean showing no divergence against the price.
- The index's relative performance against the broader market has been subdued.

## Key Levels

LTP	S1	S2	S3	R1	R2	R3
4269	4260	4135	4020	4300	4390	4430

## Key Data

% Change (D)	% Change (W)	20 DMA	100 DMA	20 WMA	100 WMA	MACD (D)	MACD (W)	RSI (D)	RSI (W)
0.03%	2.02%	4185	4039	4022	3614	64	44	67	60

## NIFTY REALTY

NIFTY REALTY, 1W, NSE O468.80 H477.25 L467.65 C470.05 +2.70 (+0.58%)



Source: Trading view

## Technical View

- The realty index opened a flat note and remained sideways throughout the week.
- On the higher timeframe the price action remained flat after modest follow-up last week.
- The contracting of the red moving average cloud indicate at shorter term trend gradually getting stronger.
- The RSI is trading neutrally with a higher high and higher formation and showcasing no divergence against the price.
- The index's relative performance against the broader market has been improving significantly.

## Key Levels

LTP	S1	S2	S3	R1	R2	R3
470	460	438	428	483	500	527

## Key Data

% Change (D)	% Change (W)	20 DMA	100 DMA	20 WMA	100 WMA	MACD (D)	MACD (W)	RSI (D)	RSI (W)
-0.47%	+0.58%	457	421	421	396	10	6	64	60

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**Analyst s holding in the Stock : Nil**

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