



BP WEALTH | **stobox**

Weekly Technical Report

12th December, 2022

SECTORAL OUTLOOK

SECTORS	12th Dec 2022	28th Nov 2022	STOCKS
NIFTY 50	NEUTRAL	NEUTRAL	ITC, ICICI BK, LT, HUL, AIRTEL
NIFTY BANK	NEUTRAL	NEUTRAL	AXISBANK, INDUSINBANK, SBIN, ICICIBANK
NIFTY MIDCAP	NEUTRAL	BULLISH	HAL, TATA ELXSI, BEL
NIFTY AUTO	BEARISH	NEUTRAL	ASHOKLEY, MARUTI, EICHER MOTOR
NIFTY ENERGY	NEUTRAL	NEUTRAL	RELIANCE, NTPC, OIL
NIFTY FMCG	BULLISH	NEUTRAL	ITC, HUL, VBL
NIFTY IT	NEUTRAL	BULLISH	MPHASIS, INFY, TCS
NIFTY METAL	BULLISH	BULLISH	JSWSTEEL, TATASTEEL,
NIFTY PHARMA	NEUTRAL	NEUTRAL	CIPLA, SUNPHARMA, AJANTHA-PHARM, LUPIN
NIFTY PSE	BULLISH	BULLISH	BEL, COALINDIA, NTPC
NIFTY REALTY	NEUTRAL	NEUTRAL	BEL, COALINDIA, NTPC

SUMMARY

- ⇒ NIFTY 50 failed to show resilience at 18600 support
- ⇒ NIFTY BANK edges higher for 5th straight week
- ⇒ MIDCAP trades in a tight range marked by crucial pivots
- ⇒ NIFTY AUTO has a crucial support near 12700
- ⇒ NIFTY ENERGY trading in a potential triangle pattern
- ⇒ NIFTY IT price action traded relatively stronger as compared to peer sectors
- ⇒ NIFTY FMCG headed higher towards 161.8% external re-tracement level
- ⇒ NIFTY METAL prints new life high
- ⇒ NIFTY PHARMA inching closer to the channel support
- ⇒ NIFTY PSE hits upper end of the consolidated range and key supply zone
- ⇒ NIFTY REALTY closes around 20 WEMA

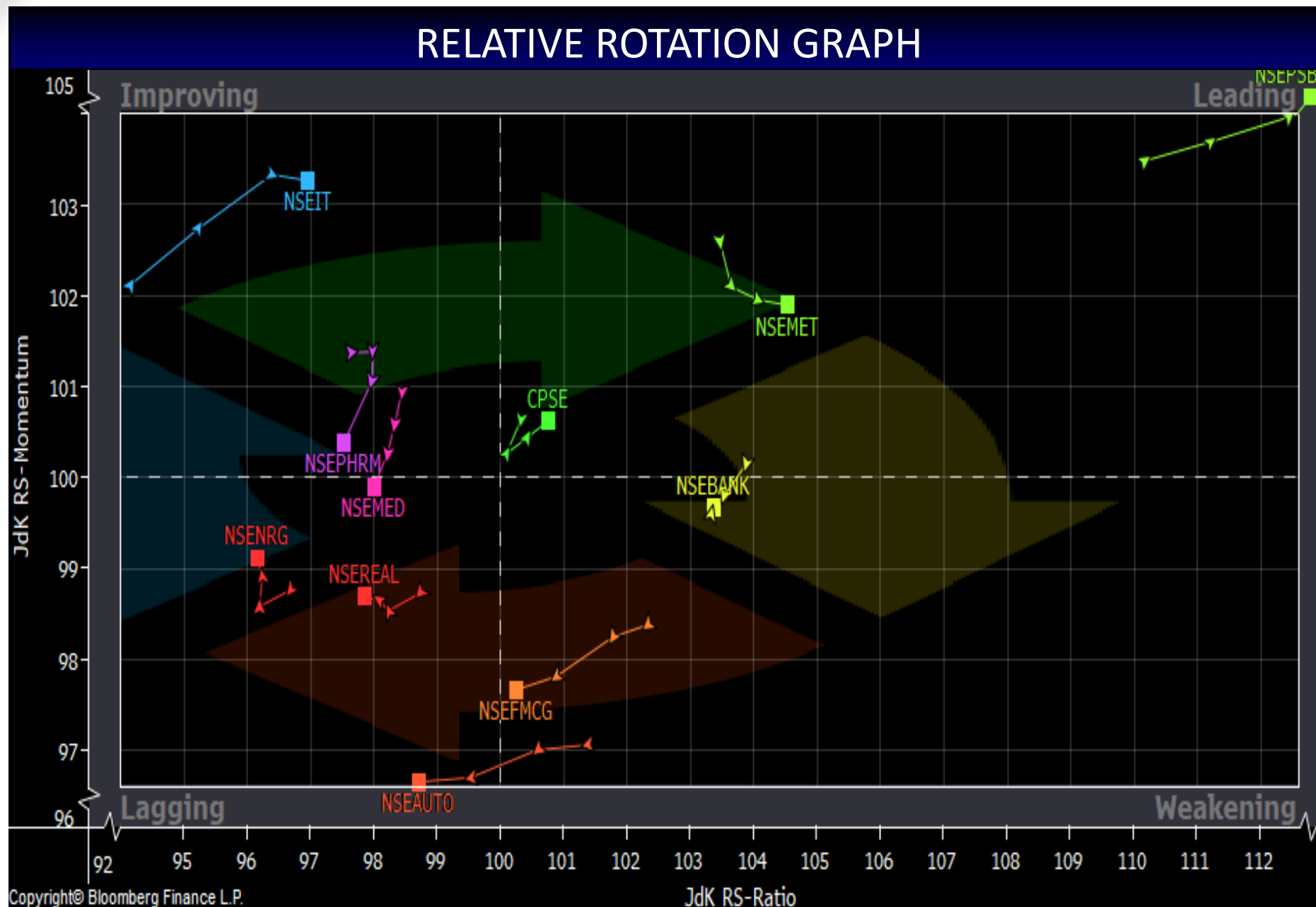
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Source: Trading view

Technical View

- ⇒ The PSU BANKING index continues its outperformance by momentum and relative strength compared to all its peers
- ⇒ NIFTY METAL slides down in the leading quadrant with declining relative performance and momentum
- ⇒ NIFTY IT turned flattish in the previous week within the improving quadrant.
- ⇒ NIFTY PSE sees an undercut within the leading quadrant and so the sector can be kept on the radar
- ⇒ NIFTY BANK drops down from the leading to weakening quadrant
- ⇒ NIFTY FMCG continued to weaken further in the second quadrant
- ⇒ NIFTY AUTO transposes into the lagging sector
- ⇒ NIFTY REALTY and ENERGY show subdued uptick in the lagging quadrant
- ⇒ NIFTY MEDIA drops back in the lagging quadrant
- ⇒ NIFTY PHARMA fails to improve in the quadrant by relative performance and momentum means
- ⇒ NIFTY IT cooled off in the improving quadrant after a stronger spree by momentum and relative performance against the benchmark index

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



Source: Trading view

Technical View

- ⇒ The head index opened on a volatile note showing resilience to the crucial 18600 support , however it failed to do so and continued its decremented trajectory from the life highs as the week progressed on relatively lower volumes.
- ⇒ With this the index managed to escape distribution days twice in the week and the fall was arrested at 20 DMA ending the week with a modest cut of 199 points.
- ⇒ The pattern analysis on the weekly charts exhibits a breakout that failed to materialize as the index slipped below the 18600 breakout mark on Friday.
- ⇒ The VIX rose slightly by 0.2% in the week and continued to trade new the year's low.
- ⇒ The weekly RSI is trading neutrally near 63 showing no divergence against the price.
- ⇒ The index is trading in the later half of an 11 week cycle.
- ⇒ All in all the index is anticipated to stay under brief period of corrective consolidation unless the it manages to crawl above the 18600 mark and on failing to do so, the levels of 18350 will be crucial to watchout for.

Key Levels

LTP	S1	S2	S3	R1	R2	R3
18497	18350	18250	18100	18700	18800	18900

Key Data

% Change (D)	% Change (W)	20 DMA	100 DMA	20 WMA	100 WMA	MACD (D)	MACD (W)	RSI (D)	RSI (W)
-0.61%	-1.07%	18496	17657	17762	16618	176.79	423.69	55.71	63.49

NIFTY BANK



Technical View

- ⇒ The banking index opened on a subdued note for the week and continued to trade in a tight sideways range of 600 points ahead of the RBI policy meet.
- ⇒ The index surged by 498 points on Thursday piercing above the 10 day trading range on the back of traction seen in the public banking sector and edged slightly higher on Friday . It ended the week with a modest gains of 530 points.
- ⇒ The pattern analysis on the weekly timeframe shows that the index continued to edge higher for 5th straight weekly session, however on relatively smaller weekly trading ranges.
- ⇒ With this the index is trading at distance of over 3400 points from the mean on the weekly timeframe i.e. ~8.5%.
- ⇒ It has a positive momentum but the RSI remains over-heated, trading close to 73 levels.
- ⇒ The index continued to outperform by means of relative strength against the 50 index for the week.
- ⇒ All in all the index is anticipated to see a brief period of corrective consolidation until it crosses and sustains above the recent life-high level.

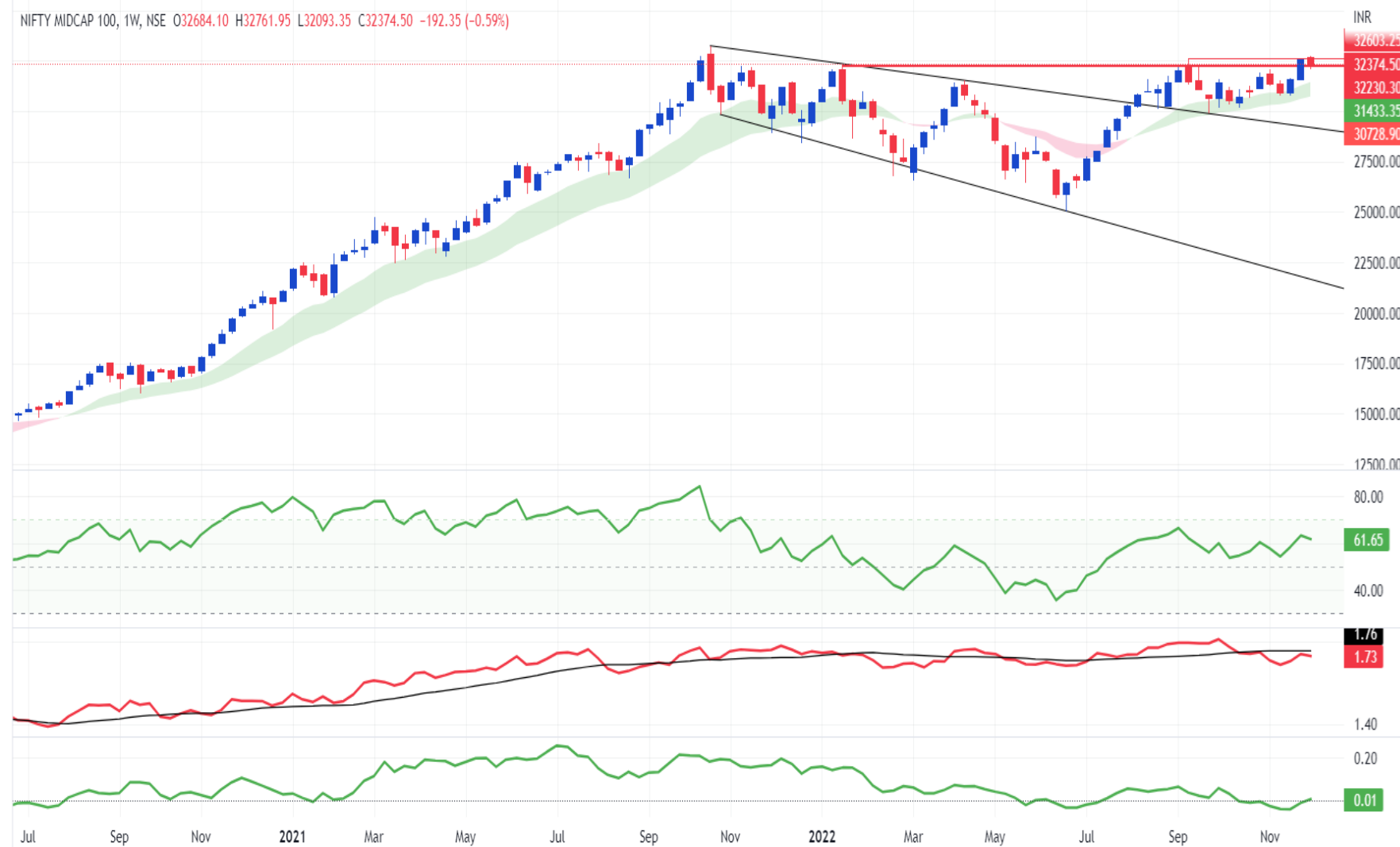
Key Levels

LTP	S1	S2	S3	R1	R2	R3
43633	43150	42800	42400	43850	44000	44150

Key Data

% Change (D)	% Change (W)	20 DMA	100 DMA	20 WMA	100 WMA	MACD (D)	MACD (W)	RSI (D)	RSI (W)
0.08%	1.23%	42897	39986	40352	36536	580.88	1688.60	72.15	72.91

NIFTY MIDCAP 100



Technical View

- ⇒ The Midcap 100 index saw a muted opening on Monday and continued to trade sideways throughout the week after surpassing a crucial pivotal resistance near 32080.
- ⇒ The lateral movement throughout the week was bolstered by 5 & 10 DEMA and a crucial pivotal support near 32230.
- ⇒ On the weekly timeframe, the index faced stiff resistance at the brim of the basing pattern near 32600 and saw a sharp sell-off on Friday and closed the week
- ⇒ The relative performance remained subdued against the benchmark index and will have to cross above the average to attract further bullish strength.
- ⇒ The RSI is trading neutrally at 61.65 levels and shows no divergence against the price. Sustenance above the current level will be the key to gather bullish momentum.
- ⇒ The index is anticipated to edge higher in the week to come as far the crucial support of 32230 remains protected.

Key Levels

LTP	S1	S2	S3	R1	R2	R3
32375	32200	31950	31750	32600	33240	33350

Key Data

% Change (D)	% Change (W)	20 DMA	100 DMA	20 WMA	100 WMA	MACD (D)	MACD (W)	RSI (D)	RSI (W)
-0.40%	-0.59%	31735	30992	31183	28378	335.66	704.45	62.14	61.65

NIFTY AUTO



Source: Trading view

Technical View

- ⇒ The auto index opened in red for the week and the sell-off continued through the week and breached its 20 and 50 DEMA.
- ⇒ The moving averages are trading with a flat to negative slope indicating to remain cautious in the sector.
- ⇒ On the week chart pattern the index formed a potential lower top in the penultimate week and saw a follow-down in the week gone by.
- ⇒ The index's relative performance against the broader market continued its downward trajectory.
- ⇒ The RSI continued to slip forming lower tops which also diverges negatively against the price. This indicates at momentum in the uptrend fading.
- ⇒ The index has immediate support at 20 WEMA currently trading at 12727 and 100 DEMA near 12710.
- ⇒ All in all the corrective trend is likely to be arrested if the index manages to hold on to the support zone near 12700.

Key Levels

LTP	S1	S2	S3	R1	R2	R3
12869	12700	12500	12400	13000	13140	13300

Key Data

% Change (D)	% Change (W)	20 DMA	100 DMA	20 WMA	100 WMA	MACD (D)	MACD (W)	RSI (D)	RSI (W)
-0.30%	-1.36%	12960	12912	12921	11169	-13.05	313.11	45.07	55.50

NIFTY ENERGY



Technical View

- ⇒ The energy index opened in red and continued to slide in the direction of the shakeout it witnessed in the penultimate week.
- ⇒ The selling pressure intensified in the mid-week and it breached below the 20 and 50 DEMA during the week.
- ⇒ On the macroscopic view, the index has been trading in relatively wider range of over 1200 points in the last 5 weeks with 30 WEMA acting as stiff support within a potential triangle pattern.
- ⇒ The RSI is trading with a negative slope insinuating lack of momentum in the uptrend and hence sustenance above the current level near 50 will be crucial going forward.
- ⇒ The index's relative underperformance against Nifty continues to slide which is not a good sign.
- ⇒ It is potentially to see traction on sustaining above 30 WEMA.

Key Levels

LTP	S1	S2	S3	R1	R2	R3
26370	26200	25980	25700	26750	27060	27290

Key Data

% Change (D)	% Change (W)	20 DMA	100 DMA	20 WMA	100 WMA	MACD (D)	MACD (W)	RSI (D)	RSI (W)
-1.02%	-2.43%	26683	26600	26660	23097	69.93	229.49	44.33	50.82

NIFTY FMCG

NIFTY FMCG, 1W, NSE O45123.05 H46235.15 L44781.40 C46159.50 +1005.30 (+2.23%)



Source: Trading view

Technical View

- ⇒ The index opened the week on a flat note and gathered strength as the week progressed to end the week at life highs with decent gains.
- ⇒ Index witnessed breakout from the symmetrical pattern highlights bullish bias in near term.
- ⇒ Also, price surpassed 127.2% external retracement decisively, indicating price to extend move higher towards 161.8% external retracement ratio.
- ⇒ The RSI is trading with a positive slope showing no divergence against the price.
- ⇒ The relative strength has rebounded higher from the confluence of support highlighting strength.
- ⇒ Going ahead index has potential to head higher towards 47350 being 161.8% retracement level.

Key Levels

LTP	S1	S2	S3	R1	R2	R3
46160	45980	45600	45325	46480	46800	47350

Key Data

% Change (D)	% Change (W)	20 DMA	100 DMA	20 WMA	100 WMA	MACD (D)	MACD (W)	RSI (D)	RSI (W)
0.86%	2.23%	44624	43686	43846	38268	461.40	1382.55	72.75	68.35

NIFTY IT



Technical View

- ⇒ The index opened the week on a tepid note and witnessed sharp selloff on Friday engulfing last 2 week gains and ending the week with a loss of more than 6%.
- ⇒ The index saw sharp selloff hitting the 38.2% retracement level of its prior whole decline.
- ⇒ The index has formed wide bearish Maribozu candlestick pattern the resistance zone.
- ⇒ The IT index has closed around 20 WEMA, failure to hold this support will lead to further profit booking.
- ⇒ The RSI ticks lower from 60 levels to drop at neutral level of 50 levels.
- ⇒ The relative line has declined find resistance at it 20 WEMA.
- ⇒ It will crucial for the index to protect the 20 WEMA and further strength shall be witnessed once index breaks 38.2% retracement levels.

Key Levels

LTP	S1	S2	S3	R1	R2	R3
29168	29000	28600	28235	29500	29860	30200

Key Data

% Change (D)	% Change (W)	20 DMA	100 DMA	20 WMA	100 WMA	MACD (D)	MACD (W)	RSI (D)	RSI (W)
-3.14%	-6.07%	30081	28661	228767	30685	329.94	-124.20	42.16	49.02

NIFTY METAL

NIFTY METAL, 1W, NSE O6739.80 H6835.35 L6645.15 C6681.55 -12.95 (-0.19%)



Source: Trading view

Technical View

- ⇒ The metal index opened on a positive note and headed higher to print new life, while in second half of the week index experienced profit booking to end the week with minor loss.
- ⇒ The index faced resistance around its previous swing high.
- ⇒ Index has formed narrow candlestick pattern, denoting lack of momentum at the elevated levels.
- ⇒ The RSI is trading near 70 levels, where historically this reading has faced stiff resistance. Breakout above the same shall generate fresh upward momentum in price.
- ⇒ The relative outperformance against the broader market has improved recently.
- ⇒ Going ahead breakout and sustenance above the life high, would provide further confirmation for index to continue to scale higher and signals price to enter into new trading zone.

Key Levels

LTP	S1	S2	S3	R1	R2	R3
6682	6590	6460	6380	6780	6833	6900

Key Data

% Change (D)	% Change (W)	20 DMA	100 DMA	20 WMA	100 WMA	MACD (D)	MACD (W)	RSI (D)	RSI (W)
-1.12%	-0.19%	6558	5952	6047	5398	152.47	255.77	62.01	67.54

NIFTY PHARMA

NIFTY PHARMA, 1W, NSE O13123.35 H13138.80 L12702.75 C12774.70 -312.25 (-2.39%)



Source: Trading view

Technical View

- ⇒ The pharma index opened the week on a flat note and remained under pressure throughout the week ending the week near the weekly low to end with the loss of 2.39%.
- ⇒ Earlier index has registered breakout from the multi week descending channel highlighting bullish view for medium term.
- ⇒ The index has been trading into intermediate rising channel and recently price reversed finding resistance around upward edge of the channel and is expected to head lower towards lower end of the channel line.
- ⇒ The index has closed beneath 20 WEMA.
- ⇒ The RSI trading lower neutral reading and have formed potential head and shoulder pattern.
- ⇒ The relative performance against the broader market remained week as line continue to scale lower breaking its prior swing low.
- ⇒ Going forward, if index finds support at the intermediate channel line index is anticipated to head higher.

Key Levels

LTP	S1	S2	S3	R1	R2	R3
12775	12500	12330	12050	12975	13215	13500

Key Data

% Change (D)	% Change (W)	20 DMA	100 DMA	20 WMA	100 WMA	MACD (D)	MACD (W)	RSI (D)	RSI (W)
0.36%	-2.39%	12952	12861	12866	13300	-45.79	21.33	38.85	47.50

NIFTY PSE



Technical View

- ⇒ On the expected line, index headed higher towards the upper end of the range and finds resistance around the upper end of the consolidation.
- ⇒ The index concluded with minor loss finding resistance at the higher end of the range.
- ⇒ Also, around the same juncture index has key supply zone which coincides with Oct 2017 peak.
- ⇒ The RSI trading above 60 levels, till index holds above the same momentum likely to persist.
- ⇒ The index's relative performance against the broader market has remained subdued.
- ⇒ Going forward it will be crucial for the index the to surge and sustain above 4465-4475 supply zone.

Key Levels

LTP	S1	S2	S3	R1	R2	R3
4431	4395	4350	4280	4480	4520	4575

Key Data

% Change (D)	% Change (W)	20 DMA	100 DMA	20 WMA	100 WMA	MACD (D)	MACD (W)	RSI (D)	RSI (W)
-0.57%	-0.67%	4380	4176	4201	3826	58.50	95.86	60.85	62.53

NIFTY REALTY

NIFTY REALTY, 1W, NSE O465.25 H467.55 L442.40 C447.55 -15.80 (-3.41%)



Source: Trading view

Technical View

- ⇒ The realty index opened on a positive note for the week but failed to provide positive follow up and ended the week with loss of 3.41%
- ⇒ Earlier, index registered breakout from the multi week falling channel highlights bullish bias for medium term trend.
- ⇒ The 20 WEMA acts as immediate support.
- ⇒ The RSI is trading with a negative slope finding hurdle around 60 levels and sustenance above the same can attract further bullish momentum.
- ⇒ The index has relatively underperformed against the broader market.
- ⇒ Till index holds above 20WEMA the index likely to continue higher towards the horizontal trendline.

Key Levels

LTP	S1	S2	S3	R1	R2	R3
448	437	421	410	456	465	480

Key Data

% Change (D)	% Change (W)	20 DMA	100 DMA	20 WMA	100 WMA	MACD (D)	MACD (W)	RSI (D)	RSI (W)
-1.50%	-3.41	450	444	445	419	4.31	4.00	48.87	52.34

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