

MARCH 2, 2016



Resistance	R1 7370	R2 7430
Support	S1 7300	S2 7260

Market outlook:

India market shown a gap up opening amid the mixed global cues. Nifty and Banknifty saw gains of over 1.89% and 4.68% respectively. Increment participation was seen in both the indices. The Nifty took a 136 points leap to close above 7350. The Nifty saw intense and intensive buying from start to finish and scale up to 7370 and close at 7365, up 136 points for a 1.89% gain. The overall market reflected the all round enthusiasm with advances out numbering declines 8:2. Almost all sector index ended in the green except Pharma and FMCG.

PSU bank sector index gained over 9.90%, and Realty, Bank and Financial services 4-5% each. Services, Metal, IT and Infrastructure added 3-4% each. Media, Energy and Commodity sectors gained 1-2% each.

Technical Outlook:

India market took a gap up opening and maintained it throughout the trading session. Nifty broke the important resistance level 7300. On hourly charts one can clearly see “Higher Highs Higher Lows” which depicts the strength of bulls. In the second half of the trading session Bears tried to drag nifty below 7350 but bulls perfectly managed to command over bears. Significant amount of put writing was also seen in 7300 PE and great amount of long buildup also seen in 7500 CE which also adds comfort for bulls.

Relative strength index: RSI on daily chart stands at 55 level which is a good sign for bulls for upcoming trading sessions.

Moving averages: 10 days EMA stands at 7162 which is acting as a strong support for nifty.

Strategy for the Trader: Market is in range bound session with slight positive bias. Intraday traders are advised to go buy for the next trading session with stop loss of 7300 positional traders can opt buy on dips strategy and can go long with a stop loss of 7050.

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