

NIFTY (11516.10)



NIFTY opened gap down with a loss of 66 points at 11539 levels against its previous close of 11605 levels on back of weak global equity market. After immediate weak opening, we observed bounce in index which helped NIFTY to register day high i.e.11587 levels. NIFTY respected the law of polarity as mentioned support became resistance and ever since high of the day, we observed NIFTY falling lower and lower as the day progressed. As NIFTY missed the initial support we observed weakness persisting throughout the day. Thus 89 points off day high, NIFTY registered day low i.e.11498 levels and met with final day target. On sectoral front, Realty and Metal indices put the highest contribution to the fall in index as they lost 1.68% and 1.37% respectively while on other hand, Pharma and IT indices gained. Thus to wrap up the session, NIFTY ended the day with a loss of 89 points (or 0.76%) at 11516 levels.

Observation

- 1) 13 & 21day EMA is placed at 11463 & 11423 levels while 89day EMA and 200day SMA is placed at 10921 and 10782 levels respectively.
- 2) Directional indicator is above zero line and Stochastic is languishing in overbought zone.

Expectation

NIFTY respected the mentioned trendline resistance and breached the low of day before previous trading session. If hourly chart is studied meticulously there was gap down opening; which we believe a immediate sign of reversal and for short term the same can be considered as a pause of positive momentum. The momentum indicator is languishing in overbought zone, thus further weakness cannot be ruled out from current juncture. The higher levels such as 11535 – 11545 would be the resistance zone and provide opportunity to BEARs. NIFTY would find supply near those trading zone. On flipside of the coin, 11470 level is the immediate support considering the placement of 200SMA on hourly chart. Considering the current chart structure if NIFTY fails to surpass the levels of 11600 from here on, then we are eyeing lower levels such as 11239.

Short Term Trading Ideas

Script Code	Action	Entry Level	TGT	Stop	Duration
RELIANCE	Sell	Between 2302 – 2308	2267	Above 2324	Day Trade

For Technical And Derivative Queries

Research Team Tel: +91 79 – 68171834 E-mail: research@veracityfs.co.in

Disclaimer

Veracity Financial Services Pvt Ltd, incorporated in 2012, is a Trading member of National Stock Exchange of India Limited (NSE), Bombay Stock Exchange Limited (BSE). Our businesses include retail broking and depository services.

Veracity Financial Services Pvt Ltd is also a depository participant with Central Depository Services (India) Limited. We are approved RESEARCH ANALYST registered under SEBI (Research Analyst) Regulations, 2014 vide Registration Number INH000003093.

We hereby declare that our activities were neither suspended nor we have defaulted with any stock exchange authority with whom we are registered. However SEBI, Exchanges and Depositories have conducted the routine inspection and based on their observations have issued advice letters or levied minor penalty on Veracity Financial Services Pvt Ltd for certain operational deviations. We have not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has our certificate of registration been cancelled by SEBI at any point of time.

We offer our research services to clients as well as our prospects.

The material contained here does not contain (and should not be construed as containing) investment advice or an investment recommendation, or, an offer of or solicitation for, a transaction in any financial instrument. Veracity Financial Services Pvt. Ltd accepts no responsibility for any use that may be made of these comments and for any consequences that result. This communication must not be reproduced or further distributed. All information in this publication has been compiled from publically available sources that are believed to be reliable; however we cannot guarantee the accuracy of all information. All information and documentation associated with this report has been produced for the purposes of providing the report only.

We and our affiliates/associates, officers, directors, and employees, Research Analyst (including relatives) worldwide may: (a) from time to time, have long or short positions in, and buy or sell the securities thereof, of company (ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company/company (ies) discussed herein or act as advisor or lender / borrower to such company (ies) or have other potential/material conflict of interest with respect to any recommendation and related information and opinions at the time of publication of Research Report or at the time of public appearance.

The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

Details of Associates are available on our website i.e. www.veracityfs.co.in.

Research Analyst has served as an officer, director or employee of Subject Company: No

We or our associates may have received compensation from the subject company in the past 12 months. We or our associates have not managed or co-managed public offering of securities for the subject company in the past 12 months. We or our associates may have not received compensation for investment banking or merchant banking or brokerage services from the subject company in the past 12 months. We or our associates may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months. We or our associates have not received any compensation or other benefits from the Subject Company or third party in connection with the research report. Our associates may have financial interest in the subject company. The Research Analyst or his/her relative's may have financial interest in the subject company. The Associates of Veracity Financial Services Pvt Ltd may have financial interest in the subject Company.

Veracity Financial Services Pvt Limited has financial interest in the subject company: No

Our associates do not have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report. Research Analyst or his/her relatives may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report.

Veracity Financial Services Pvt Limited does not have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report.

Subject Company may have been client during twelve months preceding the date of distribution of the research report.

The investors are requested to take into consideration that trading in financial markets carries a high degree of risk to your capital. It is possible to lose more than your initial stake. Leveraged products may not be suitable for all investors, therefore please ensure you fully understand the risks involved, and seek independent advice if necessary.