

Weekly Outlook: 8th Sept — 14th Sept 2024



**BEARISH TREND
AHEAD...!**

NIFTY OUTLOOK



The Nifty index concluded the week on a bearish note, experiencing substantial losses and closing below crucial support levels of 25,000 and 24,850. This downturn marks a significant shift in market sentiment, with the weekly candle displaying clear bearish tendencies. On a daily chart, the index is now hovering close to its 21-day moving average, signaling potential further declines.

As we look ahead to the coming week, market volatility is expected to persist. The bearish momentum that has taken hold suggests that the index may continue to face downward pressure. A critical level to watch is 24,500, which we anticipate could be tested in the near term. This level will be pivotal in determining whether the market finds support or continues its descent.

Traders and investors should brace for a volatile trading environment, with sharp price movements likely. It is crucial to keep an eye on global market cues, economic data releases, and corporate earnings reports, as these factors will heavily influence market direction. Risk management and strategic positioning will be essential in navigating the turbulent market conditions expected in the week ahead. Stay informed and agile to make the most of the opportunities and challenges that lie ahead.



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BANK NIFTY OUTLOOK



The Bank Nifty experienced a tumultuous week, marked by an attempted breakout above 51,500 that ultimately failed under high volume. This failure triggered a significant liquidation by trapped bulls, causing the index to breach the crucial support zone of 51,000 and close around 50,500. Given the current market dynamics, these support levels are unlikely to hold in the coming week.

Looking ahead, any rallies towards the 51,000 mark are expected to encounter major resistance. Even if the index manages to surpass this level, the 51,500 mark will pose a formidable hurdle. The bearish sentiment is likely to dominate, making it challenging for the index to sustain upward momentum.

On the downside, supports are situated at 50,500, with a critical area to watch being 49,700. A breach of this level could lead to further declines, intensifying the bearish outlook. Traders should prepare for continued volatility and potential sharp movements.

For the upcoming week, it is crucial to monitor global financial cues, domestic economic indicators, and sector-specific news, all of which will play significant roles in shaping market trends. Maintaining a cautious approach with a focus on risk management will be essential for navigating the expected market turbulence. Stay informed and strategically positioned to capitalize on market movements.



POWER PLAY STOCK PICKS FOR THE WEEK



D P ABHUSHAN LTD



The stock DPABHUSHAN has shown significant strength, forming a 110-day base breakout pattern with three Volatility Contraction Patterns (VCPs). This indicates that sellers have been gradually losing control, leading to reduced volatility and tighter price action. The breakout level is observed above 1530, signaling potential upward momentum once the stock sustains above this level.

The stop-loss should be placed at 1450 to manage risk effectively. If the breakout confirms with volume, the next target could be around 1700, based on the price projection from the base pattern. Traders should watch for sustained buying pressure above 1530, as it may indicate a continuation of the bullish trend.

MRS BECTORS FOOD



MRS Bectors Food is displaying a bullish setup with a 95-day cup pattern forming, indicating potential for a breakout. The stock has shown strong accumulation, and the breakout level is set at ₹1,810. A close above this level, backed by strong volumes, can trigger a rally toward the immediate target of ₹2,000, making it an attractive entry point. The stop-loss should be placed at ₹1,750 to protect against downside risks.

The stock has also shown strength in maintaining support levels, suggesting upward momentum. Momentum indicators like RSI are supporting the bullish bias. Traders should watch for price action confirmation above ₹1,810 before entering the trade, ensuring the breakout is sustained.

TATA MOTORS DVR



Tata Motors DVR is forming a Volatility Contraction Pattern (VCP) breakout after consolidating for 180 days. The stock is currently poised above a critical breakout level at ₹770, indicating bullish momentum. With a stop-loss placed at ₹730, the risk management is in place for downside protection. The pattern suggests a measured upside target of ₹850, where resistance could be tested.

Given the tightening price action and decreasing volatility, a successful breakout above ₹770 with strong volume can lead to a momentum-driven rally. Traders should monitor the overall market sentiment and volume at the breakout for confirmation, as this will determine the sustainability of the uptrend.

ORCHID PHARMA



Orchid Pharma is displaying a bullish pattern with a 200-day cup and handle breakout. The stock is currently eyeing a breakout level at ₹1510, a key resistance zone. This formation suggests strong accumulation over the long term, typically indicating further upside potential upon a successful breakout.

The immediate stop-loss can be placed at ₹1410, aligning with the lower end of the handle, ensuring risk management. A breakout above ₹1510 could trigger momentum toward the ₹1650 target. Volume confirmation on the breakout would strengthen the bullish bias. Traders should watch for price consolidation before the breakout to reduce false signals, as sustained movement above resistance could confirm a strong upward trend.

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