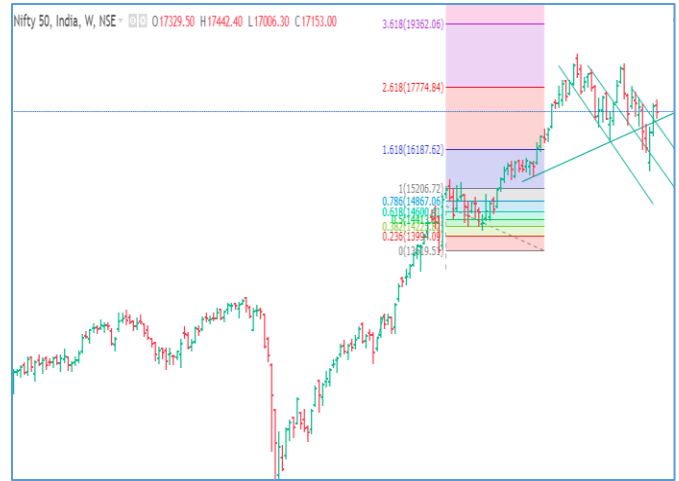


Market Views for the Week 28 Mar – 01 Apr 2022-Venkat's Blog

#syfx.org#Nifty#USDINR#Indianstocks#Gold#Crypto #Crude



Previous week had been a kind of Yo-Yo move between 17006 and 17440 with every bounce or gap-up open was punished with selling. Index appears to be in a congestion zone.

Likely to see an eventful week ahead, as we enter a crucial final week of the Financial year.

The daily chart is forming an interesting diamond formation which is a continuation pattern and in the normal course is expected to break-out to higher levels matching with the irregular inverted H&S pattern discussed during previous week. Can this pattern fail? With so much of uncertainties there are chances that this as well as the Inverted H&S pattern fails as we see a intermediary double top around 17300. The Index has good opportunity during the beginning of the week and could not sustain the momentum. However, the Index is still within the long term trend line and

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only a close below 16920 would negate this. The other side of the story is that, for attempt of any higher levels, the Index has to necessarily break and close above 17300.

The confusion is evident in the charts with different time frames show divergence. Only a sharp up move beyond 17500 could bring the desired impact on the oscillators on weekly and monthly charts. This could be one of the typical tug-of-war between bulls and Bears.

Index expected to hold the crucial support zone of 16920-16850. If for any reason this range is breached, we may see quick move to 16600.

We may see good fireworks this week. With just 4 sessions for close of Monthly options we may expect a 2x2 move of up Vs down which may change to 3x1 if at the beginning of the week index breaches lower support. Expecting to move in staggered ranges of 16650-16850, 16850-17050, 17050-17350, 17350-17650. As a contrarian view, see a strong possibility of attempt of 17650. If for any reason we are unable to see a close above 17300 then there is every chance of a deeper correction which may well penetrate the previous bounce zone of 16500. Next three weeks could shape the new world order.

Bank Nifty:

Bank Nifty has strong resistances at 35750 and 36150 and all the more at 36600. Overall picture appears to be gloomy for Bank Nifty. Bank Nifty can distort the charts with one quick moves. Better to opt for these crucial levels for fresh shorts with tight stop loss.

USDINR

Down seems limited till it closes below 75.10. On a braider picture the pair is expected to consolidate between 75 & 77. The day it crosses 77 there could be catastrophic effect. Alligator is waiting to open. This implies an impending trouble ahead for which adequate tools may not be available for damage control. Next two or three weeks are critical.

Gold

On it's return from 2070 the base at 1920 held well. For now, expect the Metal to trade between 1920-2020. The weekly charts still show a partially bearish outlook.

Crypto

Likely to have a roller coaster ride of one day up and the next day down move. Since the beginning of 2021, only on three occasions the Crypto is seen in a trading range of 15% on either side though currently at an elevated level.

Crude

As so much focus is given on the Crude, expect a consolidation between 100-130. Only a close below 90 can signal that the war is over. Above 130 it would be an all-out war. There neither light nor oil seen at the end of the tunnel. Crude chart suggest that we are inching towards a dark age.

With more and more sanctions it is difficult to foresee the end game. While the mightier will win, the life and livelihood lost cannot be compensated.

Stay safe

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