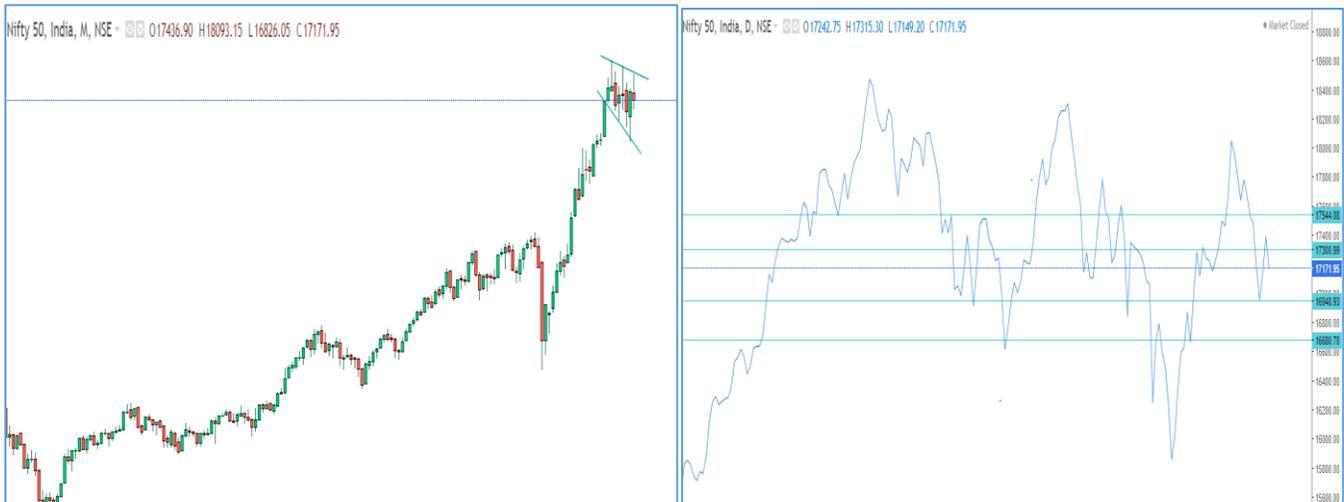


## Market Views for the Week 25 Apr – 29 Apr 2022-Venkat's Blog

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



Last week saw an initial down move to 16825 and a sharp recovery towards 17400 and close at 17117. A few observations from the weekly charts is that the Index are:

- Over-all sentiments is negative and the Index is forming a declining tops for the past 3 weeks and the current week seems no exemption.
- The lower end at 16700-16820 assumes greater importance for further course of action
- In spite of the negativity there are no indications that lower end would give-up easily
- If for any reason 15700 is breached, then we are in to another big down move
- For the Index to get back in to the long term trend it has to re-capture the 17250 and close higher.

Disclaimer: The views expressed here are personal and for learning and reference purpose only.

- Index below 16700 could open the window for 15500. This case could be extreme pessimism and could be opportunity for fresh investment for long term. However, do not see this happening in this week as most of the negative news has been discounted.
- Month end closing game could help index close higher
- Expect a range of 16700-17450 for the current week with choppy moves.

As observed in the last report that the Index below 17300 it's going to be a difficult situation and we might be heading towards 17050 and finally 16700. Next couple of weeks could decide future direction of the Index. Geo-political and Inflation risk getting highlighted as and when the market attempts higher levels. India VIX at around or below 20 is a good thing if it continues to do so. Bank Nifty could be the driver for the current week.

Bank Nifty:

Bank Nifty has given up the narrow range between 37270 &-37980 making earlier support at 37350 as resistance. In any case Monthly chart shows a strong resistance at 38720 which is the top of the trend line starting from Nov 21. Presently, the Bank Nifty is at another crucial range around 36k. A close below 36k would be negative and more stops are likely to be triggered which might see index trend towards 35k. Probability seems less for now. Expect the Bank Nifty to hold 36k levels and move higher towards 37500. A strong move in Bank Nifty and Majors can support NIFTY scale back 17450.

## USDINR

The pair has sustained the selling pressure for the past four weeks and is on the edge. The observations made during last month hold good for the current week as well. The pair is at a tipping point with 76.70 as critical level. Break would see the pair move quickly to 77.40. Down side also seems limited. Could be a case of slow grinding between 76.00 & 77.40. Above 75.90 expect the market to remain long.

## Gold

Precious metal has broken the tight range between 1920 & 1960. This range held for the past three weeks. There are chances that this range gives-up for a down move to 1880 and then reverse. The metal is seen in a wider range of 1870-1970 with choppy moves during the week.

## Crypto

Next couple of weeks could see strong actions in the Crypto currencies. Upside seems capped for now and Monthly charts show a strong down move. It appears that we might see May-June 21 lows in Crypto currencies. Such sharp down move could even threaten the option of investment in crypto assets for some time.

## Crude

As observed in the last week report a close below 90 could have given the required relief for a stray possibility of gradual easing of price towards 75 levels. Technically Crude moving towards 70 is possible provided weekly close is below 90. Upside likely to be capped at 125. If for any reason it breaches, then we may see another spike towards 140.

As of now, it appears from the Charts it appears that the crude is cooling and it's heading back to normalcy and the range of 75-100 would prevail

Stay safe

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