

NIFTY MORNING OUTLOOK

05/05/2021



Pre-Market Wednesday! Asian market negative trading, Nifty50 on the SGX were trading lower at 14592.50 -107.50 points on indicating gap down opening for the NSE.

At the close in NSE, the Nifty 50 fell 0.94%, while the BSE Sensex

30 index fell 0.95%.

The biggest gainers of the session on the Nifty 50 were GAIL Ltd, which rose 5.13% or 7.05 points to trade at 144.55 at the close. SBI Life Insurance Company Ltd added 2.65% or 25.40 points to end at 984.00 and Bharat Petroleum Corp. Ltd. was up 1.57% or 6.55 points to 422.55 in late trade.

Biggest losers included Cipla Ltd., which lost 3.13% or 28.45 points to trade at 881.75 in late trade. Dr. Reddy's Laboratories Ltd declined 2.12% or 109.95 points to end at 5076.00 and Reliance Industries Ltd shed 2.10% or 41.05 points to 1918.00.

The breadth, indicating the overall health of the market, 1526 fell and 1331 advanced, while 161 ended unchanged on the India National Stock Exchange.

Rupee desk: The USD/INR was up 0.05% to 73.850.

Technical outlook

Nifty daily chart has formed "Descending broadening wedge" pattern. The last few sessions ended up sideways mode along with some corrections inside the channel. The market is expected to continue on bearish momentum based on current price action, once the same break below the current key support holding near 14400. The downside rally could be testing all the way up to 14250-14100 levels in the upcoming sessions. Alternatively, if the market struggles to break the support, then it might retest the same and revise the trend to bullish/sideways mode once again. Key resistance holds near

14700. A slide to 14850 is also a possibility if the price makes or break above the current resistance level.

Technical Chart

