

Market Views for the Week 15 Jun– 19 Jun 26-Venkat's Blog

#syfx.org #NIFTY #USDINR #EURINR #Gold #Silver #Crypto #Crude #BankNifty #DOW

NIFTY



(Chart image source: TradingView.com)

The Nifty Index consolidated at 23100 range for some time and made a gap-up opening followed by a strong up move on the last session of the week matching with the electrifying FIFA opening ceremony performances by Nora Fatehi, Shakira & Burna Boy. On another count it did the opposite of the move made during the second week of May 26. With this move the support base around 23200-300 is strengthened for a fresh wave higher. The Nifty Index made a bullish candle for the week. The current mood of the market appears to be turning positive. Any change in the geo-political scenario would impact the sentiments.

A few observations from the weekly charts are:

- The index moved in a range of 565 points between 23080- 23622
- Market sentiments turning positive

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Expected scenarios for the ensuing week

- Index likely to consolidate in the range of 23300-24300

Additional interesting observations

- Nifty made a bearish candle with a lower low and lower high
- Index may find supports at 23520**, 23440***, 23270*** and the index could face resistances at ,23860**,24040***,24260**
- The Index had seen multiple gaps on either direction of its journey.
- The levels were repeatedly mentioned in the previous blogs.
 - 23366-23080 – Gap created on 6th June got Filled during the week

US Markets

- The DJI Index for the third consecutive week seen consolidating at a higher range
- DJI made a bullish candle with a lower low and lower high which is a sign of continued momentum for a consolidation at higher levels
- The DJI initially moved lower creating a bearish sentiment. However, the final 2 sessions saw the Index reverse with strong candles and closed above 51K
- The Index has to clear the hurdle around the 51600-700 range on a daily closing basis to attempt a new ATH
- The oscillators are stretched and showing mixed signals
- Any pullback towards 50K would attract buying interest and we can expect a consolidation in the range of 50K-52K
- A daily close outside the range will attract stops and could trigger 500-700 points move in the direction of breach

Final Note

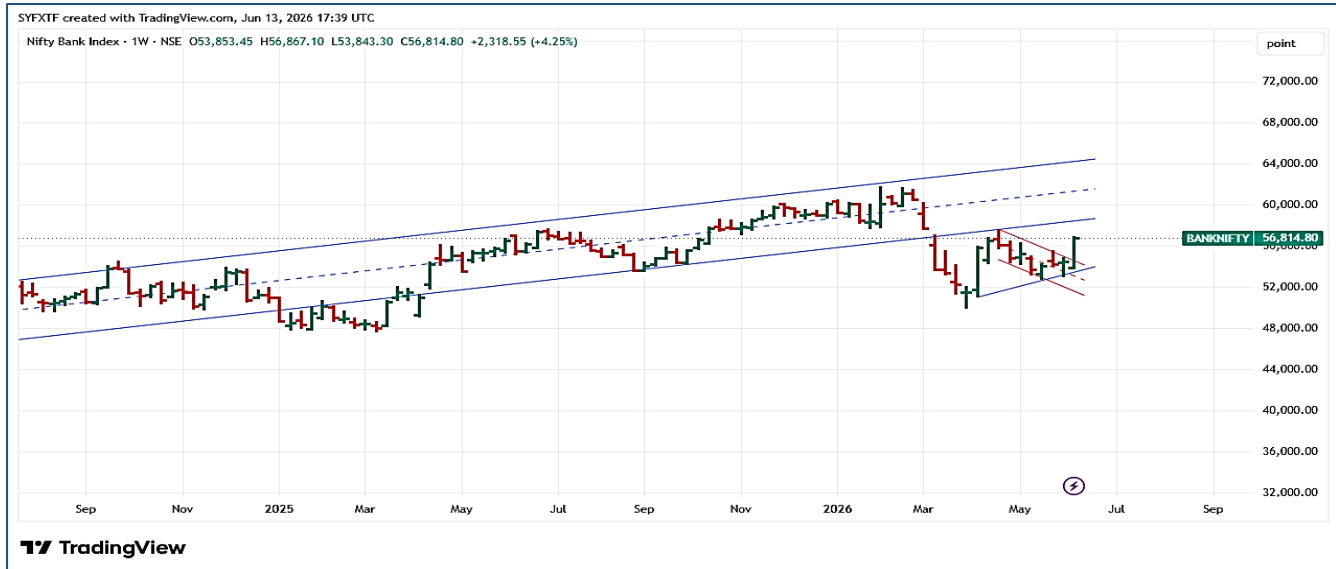
- The Index below the 55 DMA at 23884 and closed below the 200 DMA at 24920.
- We may see a possible consolidation between 23300 and 24300

A few additional Observations:

- Index is still below the MBB on monthly is seen as negative (Last seen below MBB was in Feb-Mar 25)
- Markets momentum indicates that the Bulls are taking control and we may see a decent consolidation between 23300 & 24300
- The week is expected to throw better visibility on the direction of the market and once the Index breaks 23800-850 range the move will be sharp towards 24200
- While the risk associated with the Geo-political scenario seem to cool down, the situation is still uncertain and the volatility could resurface anytime
- The Investors need to follow prudent risk management measures to protect their capital
- Crude prices cooling below 85 is a very positive sign, though there exists an uncertainty as the extended cease fire without any firm confirmation of US-Iran agreement is a cause of concern and both moving back and forth with conflicting statements
- In spite of these negatives, the market sentiments appear to be turning positive

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Bank Nifty:



(Chart image source: TradingView.com)

The Bank Nifty broke the descending channel at 54700-750 and made a sharp move to close around the week's high at 56814. Bank Nifty made a strongly bullish candle with higher low and higher high. Only a daily close below 55K would signify that the Bank Nifty is heading for further lower levels. Bank Nifty remained in a range of 3024 points viz. between 53843 & 56867. The oscillators in different time frames are turning positive. The upside hurdle is at 57800-58K. A break and daily close higher would see the Index quickly gain 1K points. Expected range for the week is 55K- 58K with a positive bias. A daily close outside the range would trigger at least 500-700 points move in the direction of breach.

EURINR



(Chart image source TradingView.com)

The EURINR currency pair after making three consecutive bearish candles during the previous weeks, seems to find an interim base around 109.40. However, the currency pair may find strong hurdle around 112 .20-112.30 range which is the trend channel followed by 111.70. It made a bullish candle with a lower low and lower high. The currency pair moved in a range of 109.30-110.80. The current set-up suggests that the currency pair may consolidate in the range of 109.30-112.20 before finding further direction. A daily close below 109.30 would see the pair move towards 108.40.

USDINR



(Chart image source: TradingView.com)

The currency pair attempts to find a base around 94.90-95.00. The currency pair has failed 3 consecutive attempts to cross-over 95.80. A daily close below 94.90 (the original ascending channel top) would see the currency pair drift towards 94.40 and possibly towards 94.05. With the oil prices cooling below 85, the pressure on currency pair is expected to ease. Oil import related demand continues to hold the currency pair from softening.

A few observations

- Expect the range of 94.25 -95.80 would hold for the week
- Vols seen cooling

A few more observations:

- The currency pair is likely to attract sellers on a spike above 96
- The two-way move is likely to continue
- We can expect 94.25-95.80 range with volatile moves
- Only a daily close below 94.70 will help the pair to attempt price stability
- Further escalations and changes in Geo-political risk and any sharp spike in higher oil prices would impact negatively

Gold

The precious metal continued to remain soft and broke key supports at 4300 and went on to test close to 4K and pulled back to close at 4210. Now the zone between 4500-4550 will be seen as a hurdle. There seems a definite shift in the overall outlook. It appears that the aggressive purchases by the Central Banks have slowed down causing mismatch in the demand and supply. There may not be violent move unless a fresh Geo-political risk arises. The precious metal is below the Mid BB in the weekly timeframe for the seventh consecutive week. The current set-up suggests that the precious metal may consolidate between 3900-4400 and there could be choppy moves within this range.

Silver

Silver saw a sharp decline breaking 70 after nearly 3 months and went on to test a low of 61.50. However, it quickly recovered to close the week at 68. For now, the levels between 75 & 77 will become a supply zone. The metal is caught between multiple moving averages and could see choppy moves in the range. The present set-up suggests that the metal is likely to trade in the range of 62-74. The volatility is likely to continue. Next couple of weeks would throw better picture on the future direction and the target.

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Crypto

The crypto assets remained in a narrow range and it does not indicate any major for now. During the week it made a bullish candle with higher low and lower high. The Crypto assets seem to face struggle moving higher. The current set-up suggests a possible gain during this week by 3-4%, failing which we may see fresh selling happening sooner. It is expected to consolidate with +/- 7-10% of current levels with a neutral bias.

Crude

The crude prices started cooling-off expecting some positive outcome on the agreement between US-Iran & Israel sooner. Oil prices closed below 85 after testing a low of 83, which is an indication that the market expects at least an interim agreement. Expect 92-93 to cap the upside and the crude is expected to consolidate between 80 & 87. A daily close below 85 would help the prices ease towards 80. The volatility is likely to continue for some more time. An agreement between US & Iran and restoration of trade route in Hormuz Strait might help crude prices attempt to fill the gap created on 2nd Mar 26. Even with sudden spikes, positive hope is seen on the price action.

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