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Sell Bank Nifty Jan Fut @ 32,040 TARGET 29,900-29,600 s/l 33,000.

Bulls are having great time trading Bank Nifty for a year, which rallied ~20% (y-o-y) but, it seems now rally has exhausted. The technical setups are indicating that index may see some correction in forthcoming days. Let's see what's in store on chart structure.

Chart representation:

Chart 1 (Monthly Chart):

- On monthly scale index is forming rising wedge pattern from 2008 till date.
- The recent bearish candle formation on chart is near to the resistance of rising wedge pattern, thereby forcing bulls to take a cautious stance.
- The negative divergence is witnessed on RSI as price is moving towards north direction and RSI is moving in opposite direction.

Chart 2 (Daily Chart):

- On daily scale the index has failed to sustain above the support of rising trendline.
- The gap between price and 50 EMA is huge; we expect it to cover up the gap as it has done in the past.
- RSI is tilting towards south direction which indicates weakness in the index.

13th December 2019

Chart 1:

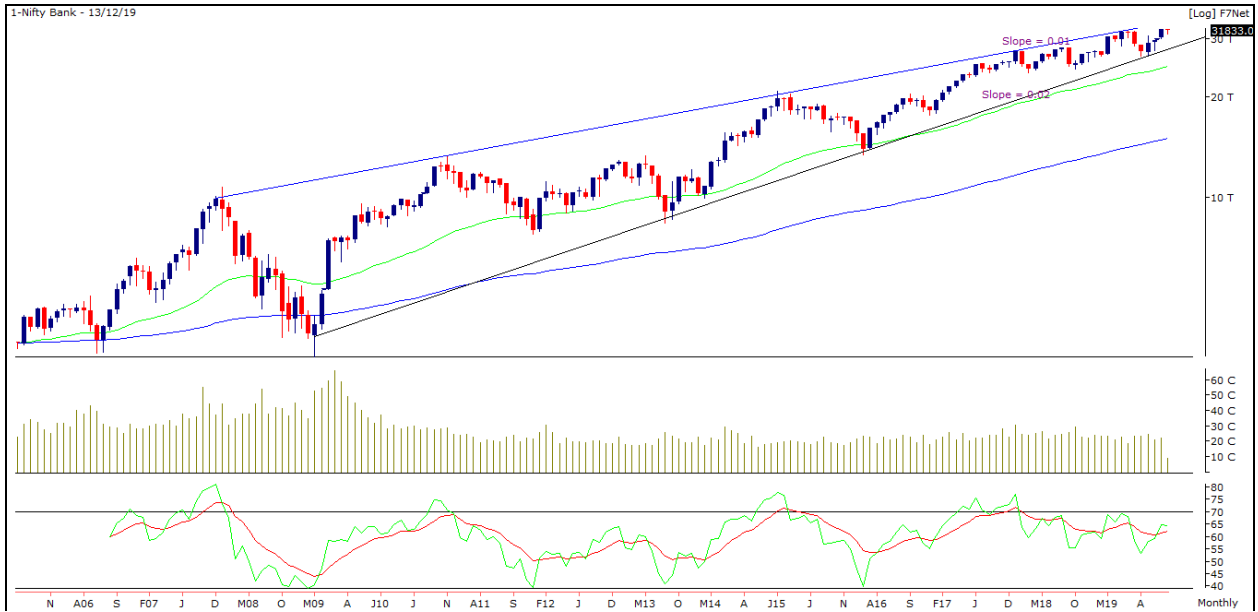


Chart 2:



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