

Weekly Market Analysis

The markets opened gap up on Monday but soon faced rejection from higher levels. As a result Nifty ended slightly positive for the week gaining about 0.34% for the week. The short term trend still stays negative amid expectations of high inflation and another rate increase.

The major US indices are significantly down for the first half of the year. Dow Jones is down more than 15% and S&P 500 down more than 20% which is the worst first half for S&P since 1970. The bear market seems to hold till high inflation persists and the fears of recession continue to linger.

Technically, Nifty is forming a hammer pattern on the weekly charts. This is a bullish reversal pattern and Nifty could move higher towards 16,000 if the high of the weekly candle breaks and sustains which is at 15930.

On the option chain analysis we see a significant high CE open interest at 15800, 16000 and 16200 levels which signal resistances on the higher levels. The highest PE open interest is at 15500 levels which signals a strong support for short term traders.

Market Moves

NIFTY50	SENSEX
15,752.05 52.80 (0.34%)	52,907.93 179.95 (0.34%)

Key News

JSW Steel invests Rs. 10,000 Cr to replace thermal power

This is done to reduce its carbon footprint by the use of renewable energy. The company has committed to reduce CO2 emissions by 42% by 2030. Globally, Iron and steel industry accounts for almost 8% of CO2 emissions.

Indian Rupee under high pressure

After a five day losing streak, the Indian rupee closed at around 78.94 against US dollar. This is due to the consistent outflow of capital from foreign investors, increasing oil prices and inflation concerns.

Banking Frauds declined

Banking frauds with over 100Cr amount have fallen by more than 60% in FY22. PSBs have reported an 80% decrease while for private sector lenders reported 55% drop in such frauds.

Concept of the week

Arbitrage is purchasing a security (stocks, bonds, currency, etc) from one market and selling it in the other market where the prices are higher than the buying price.

For Ex: Let's say Reliance is trading at 2,400 on NSE and 2403 on BSE. As an Arbitrage trader, you will buy Reliance's stocks on NSE and sell it on BSE to make profit. Generally, these arbitrage opportunities do not last for much time.

The Value Content

These are the list of content collaborations that our Founder, Vishal Mehta has done with other content creators in the trading space this week. Hope you will find this valuable.

- [Fireside chat with Systematic Trader - Vishal Mehta and Gordun Gekko](#)
- [How to catch short term tops and bottoms - in Collaboration with Espresso](#)
- [Super Podcast with the Founder of Stockmock, Nitish Narang](#)

Also checkout our premium trading strategies here:

- [RTS Strategy](#)
- [UQS Strategy](#)
- [TSS Re-engineered Strategy](#)

Hope you enjoyed this week's newsletter. Do let us know your feedback on our newsletter so that we can bring the best trading and investing content to you by replying on this email.

Until then!

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