

# SCALPERS

## TRADING ACADEMY

### MONTHLY NEWSLETTER

**-GOMATHI SHANKAR**

#### **FLUX AND REFLUX OF BULLS AND BEARS!**

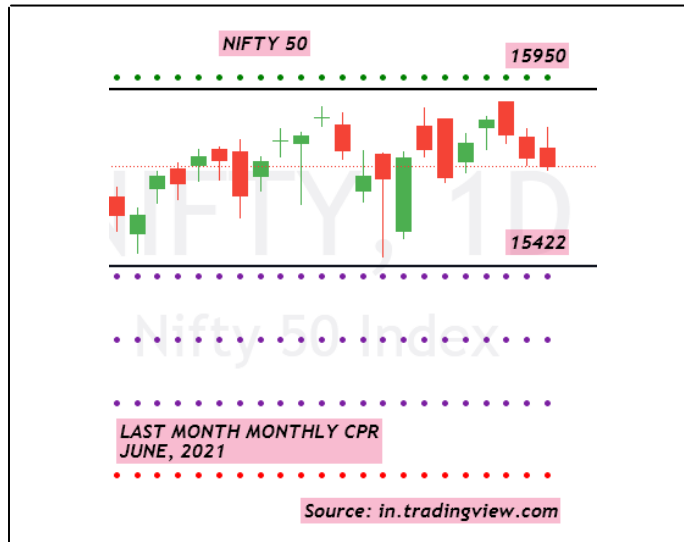
*The pace of vaccination , global trends and macroeconomic data, would be the major drivers for the domestic equity markets this month. The pace of vaccination drive is still encouraging and gives the hope of further unlocking in the states. The spread of covid variant may derail the plans. Unlike June, which is historically a month of consolidation and deceleration, July has a reputation for high action and expanded moves.*



*Indian markets have remained resilient and scaled new highs in recent days amid encouraging corporate earnings in Q4FY21, led by the upswing in key commodities prices and strong underlying demand prospects. The view is further reinforced by the step-up Capex by the government that will create a multiplier effect on the economy. We can expect the present broad-based up move in markets to continue, with small cap and midcaps leading the gains. Almost 60 percent of the companies - 36 out of 62 - in the S&P BSE FMCG index hit a fresh 52-week high in June that include names like HUL, United Breweries, Marico, Vadilal Industries, Tata Coffee, Venky's and Dalmia Bharat, among others. Pharma stocks have seen a huge rally over the past year and a dip in daily Covid infections has resulted in profit-booking. With the vaccination drive in full swing, the pharma sector may see less interest from investors. The second wave had resulted in a loss of jobs and also affected the purchasing power of middle-class families. Consumption may take a hit in the next few months before the economy stabilises. We may see some underperformance in the upcoming quarter from FMCG companies. Meanwhile U.S. Treasury yields were slightly lower. The benchmark 10-year note last yielded 1.47%, down slightly from 1.48% late on Tuesday. Oil prices remained higher as hopes for a demand recovery persisted despite the new Delta variant outbreaks.*

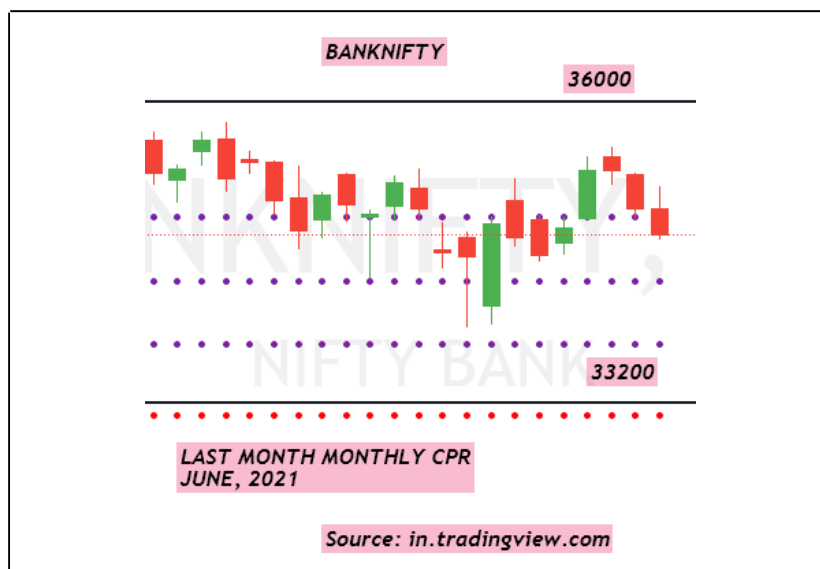
## **NIFTY - RECAP:**

Nifty was having ascending & wide CPR in the previous month. As we have mentioned in the last monthly newsletter 15422 and 15950 acted as a strong support and resistance. Though the candles opened and sustained above CPR, there was no rally. It remained sideways between our levels as expected and closed at 15721.50.



## **BANK NIFTY - RECAP:**

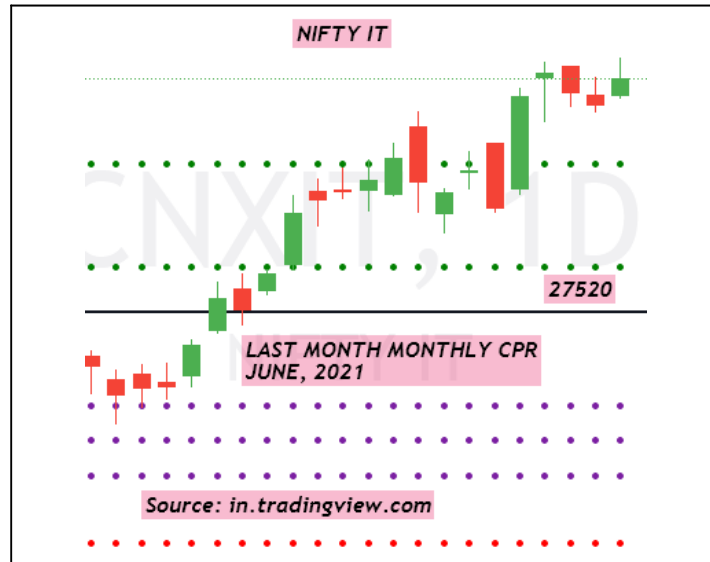
We had an ascending and wide CPR in bank nifty for the previous month. The candles opened above CPR but bulls had no power to break our resistance level 36000. As we have discussed, this wild index remained sideways for the entire month between our levels 36000 and 33200 & closed at 34772.20.



## **SECTOR WHICH BLASTED LAST MONTH**

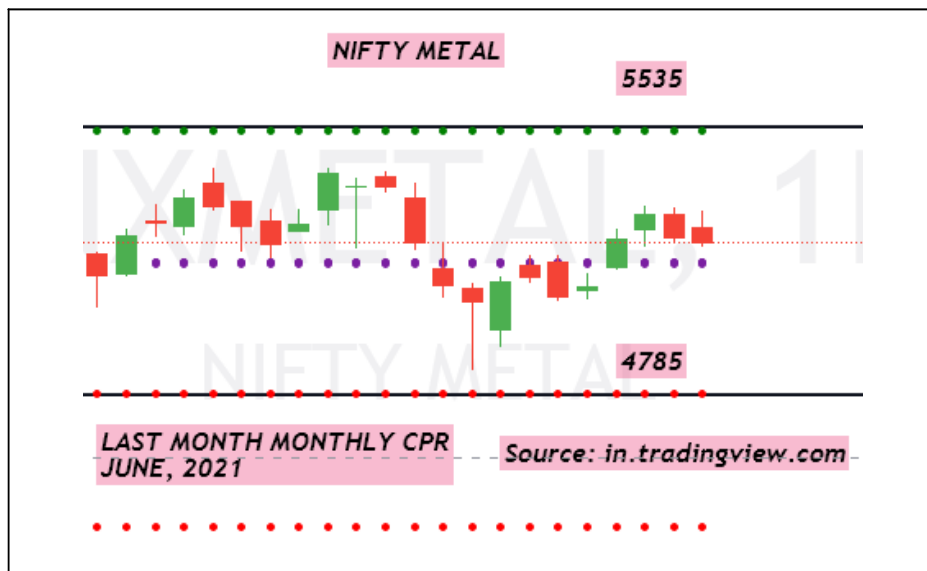
### **NIFTY IT RECAP:**

We have encountered ascending and medium sized CPR in the previous month. The candles opened and sustained above CPR which indicates the strength of bulls. As we have mentioned, once it broke our resistance level 27520 it made a good rally till R2-R3 50% and closed at 29168.



### **NIFTY METAL RECAP:**

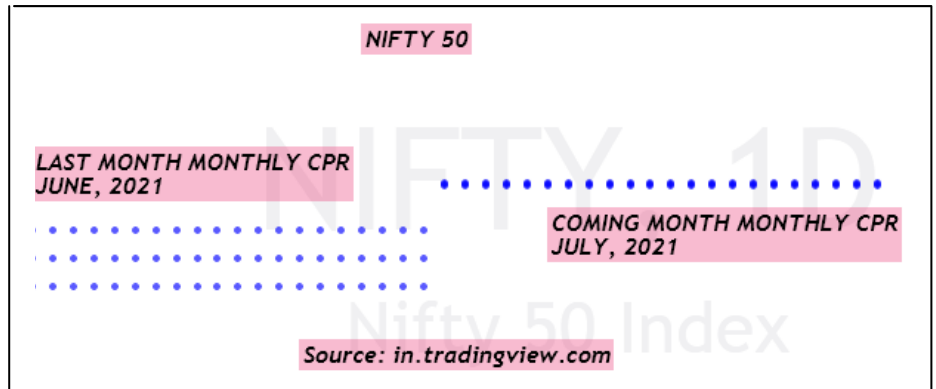
We have experienced ascending & very narrow CPR in the past month. The candles exactly opened at CPR and remained sideways. We have mentioned 5535 and 4785 as a strong resistance and support. As we have discussed the market remained range bound between our levels 5535 and 4785 & closed at 5215.80.



**TRADE PLAN FOR UPCOMING MONTH:**

**NIFTY 50**

<b>SECTOR</b>	<b>NIFTY</b>
<b>CMP</b>	<b>15721.50</b>
<b>CPR RANGE</b>	<b>25.54 pts (0.15%)</b>



**CPR LEVELS**

**TC** - 15708.75

**PIVOT** - 15696.00

**BC** - 15683.30

**OUTLOOK**

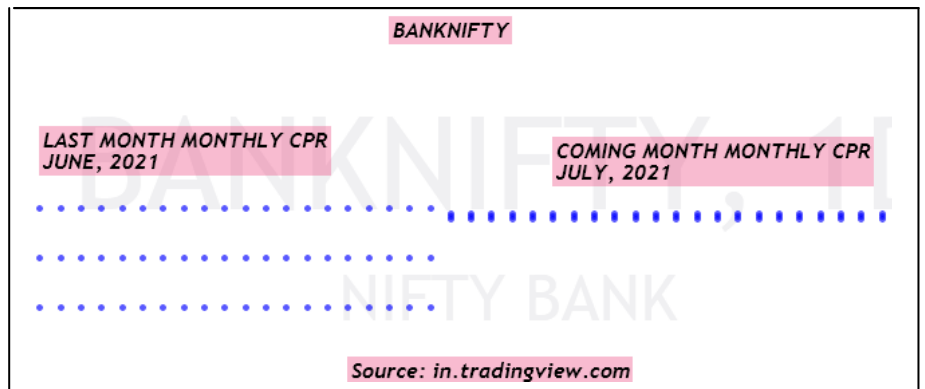
- **Ascending**
- **Narrow CPR**
- **Bullish**

**EXPECTATION:**

- Ascending and narrow CPR indicates bullishness in the capital index. Since last month Nifty was rangebound we can anticipate a trending market this month.
- 15955 would be the tough resistance for bulls to cross. Daily candle close above this level will lead to fresh highs.
- Strong support is at 15450. Hence, Trust the bears only below this important level..

**BANK NIFTY:**

<b>SECTOR</b>	<b>BANK NIFTY</b>
<b>CMP</b>	<b>34772.20</b>
<b>CPR RANGE</b>	<b>58.45 pts (0.17%)</b>



**CPR LEVELS**

**TC** - 34859.90

**PIVOT** - 34830.70

**BC** - 34801.45

**OUTLOOK**

- **Descending & Inside**
- **Narrow CPR**
- **Sideways to bullish**

**EXPECTATION:**

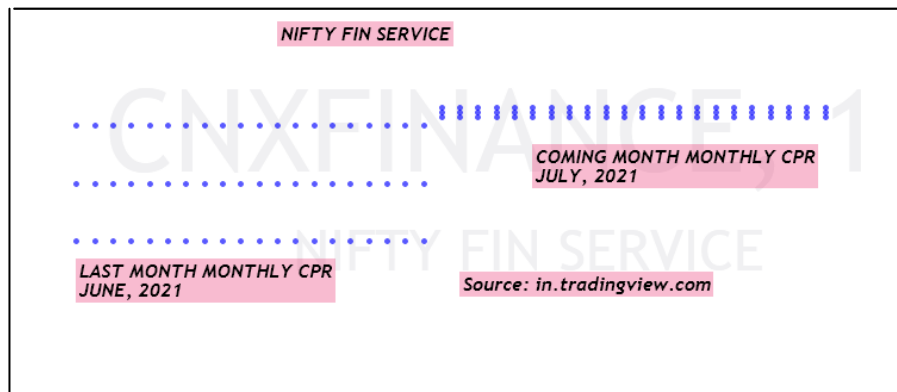
- Wild index BNF replicates Nifty with narrow CPR.
- Upcoming inside CPR & Last month being rangebound indicates a trending market.
- Bulls may take charge only if a daily candle closed above 35700. Anyway, strong resistance awaiting at 36500.
- Strong support is at 34500 and 33950.
- If the candles shy's between monthly R1 & S1, no trades for trend following traders.



## **SECTORS LIKELY TO BLAST FOR THE UPCOMING MONTH**

### **NIFTY FIN SERVICE:**

SECTOR	NIFTY FIN SERVICE
CMP	16444.10
CPR RANGE	39.35 (0.28%)



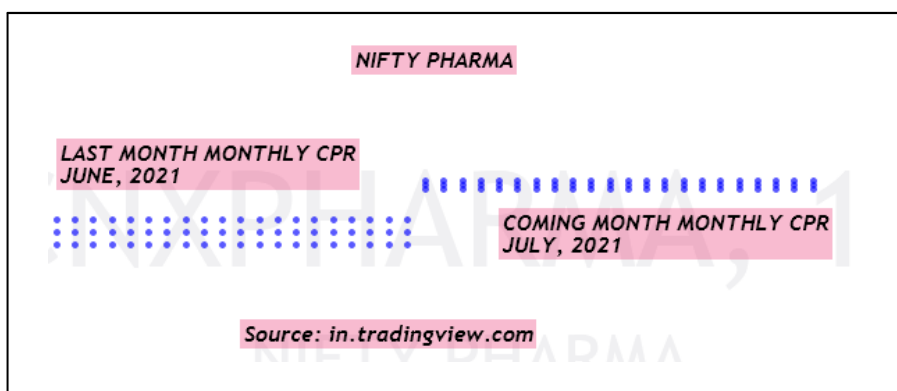
<b><u>CPR LEVELS</u></b>	
TC	- 16503.15
PIVOT	- 16483.45
BC	- 16463.80
<b><u>OUTLOOK</u></b>	
<ul style="list-style-type: none"> <li>• Ascending</li> <li>• Narrow CPR</li> <li>• Sideways to bullish</li> </ul>	

### **EXPECTATION:**

- Though ascending and narrow CPR indicates bullishness, the sector is stuck between 16150 - 16800 levels.
- 16300 is a strong support, a bounce back is expected from this level and 16800 would be a next barrier for bulls.
- A close above 16800 will start off the rally towards 52 week high. Bears may take power only below 16150.
- Major stocks contributing this sector are HDFC BANK, HDFC, ICICI BANK.

### **NIFTY PHARMA:**

SECTOR	NIFTY PHARMA
CMP	14308.90
CPR RANGE	77.25 pts (0.58%)



<b><u>CPR LEVELS</u></b>	
TC	- 14270.30
PIVOT	- 14231.65
BC	- 14193.05
<b><u>OUTLOOK</u></b>	
<ul style="list-style-type: none"> <li>• Ascending</li> <li>• Narrow CPR</li> <li>• Bullish</li> </ul>	

### **EXPECTATION:**

- Ascending and narrow CPR indicates bullishness in this sector. This sector is already sustaining above monthly CPR continuously for past 3 moths.
- 14200 and 13900 would be a strong support. Bulls may become feeble only below 13800.
- Major resistances at 14900 and 15100.
- Top stocks contributing to this sector are SUNPHARMA, DRREDDY, CIPLA.

## Did you check our Face2Face interview?

- Our Founder & CEO, Mr. Gomathi Shankar was invited for a Face2Face interview with Mr. Vivek Bajaj, Co-founder of Elearnmarket.
- Elearnmarkets is a reputed cost effective online financial education platform which aims to provide financial literacy for all.
- Already we have done 4 webinars in Elearnmarkets which have received good response.
- In this video, he has shared a very simple option selling strategy using CPR indicator which is easily tradable by anyone who understands options trading.
- Here is the link for an interview: <https://www.youtube.com/watch?v=dwuTRDcsgDg&t=26s>



## THE CEO'S MESSAGE

BY GOMATHI SHANKAR

In creating this newsletter, it'll be helpful to keep in mind that the focus should be towards my followers more than anything. While it's an opportunity for my students as well to hear from me to understand markets in different perspectives to broaden and awaken their trading knowledge.

*"Together we grow, as a price action trading community".*

## **DISCLAIMER**

Views, Ideas, Recommendations expressed in this weekly newsletter is purely for **educational purposes** only. Investment/Trading in securities Market is subject to **market risk**, past performance is not a guarantee of future performance. The risk of loss in trading and investment in Securities markets including Equities, Derivatives, Commodity and Currency can be substantial. These are leveraged products that carry a substantial risk of loss up to your invested capital and may not be suitable for everyone. You should therefore carefully consider whether such trading is suitable for you in light of your financial condition. Please ensure that you understand fully the risks involved and do invest money according to your risk bearing capacity. Scalpers Trading Academy LLP or any of its associated websites does not guarantee any returns in any of its products or services. Investment/Trading in markets is subject to market risk. Hence, Scalpers trading Academy LLP or any of its associated websites are not liable for any losses in any case. All our services are non-refundable.

## **CONTACT US**

For queries write a mail to: [cprbykgs@gmail.com](mailto:cprbykgs@gmail.com) or WhatsApp [+91-730-5432-730](tel:+91-730-5432-730).

If you wish to get regular updates in the live market join our price action trading team and get exciting benefits. Visit: [www.scalpers.in](http://www.scalpers.in) or [cprbykgs.learnyst.com](http://cprbykgs.learnyst.com)

