

SCALPERS

TRADING ACADEMY

MONTHLY NEWSLETTER

-GOMATHI SHANKAR

DRUNKEN BRAWL OF BULLS AND BEARS!

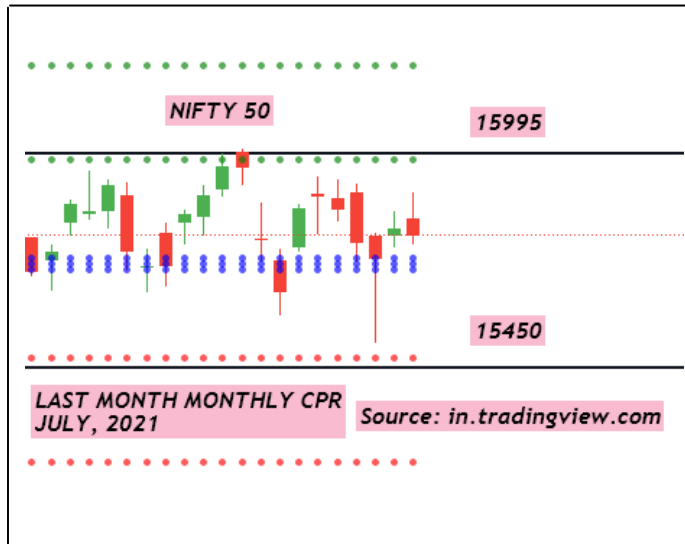
The Nifty erased all the gains of the session in the late trade to close lower on July 30, forming a shooting star pattern on the daily chart. Select banking & financials and metals stocks weighed on sentiment, while auto and pharma stocks rallied. After more than Rs 50,000 crore raised through initial public offerings in the January-July period, optimism in the primary market is expected to continue in August, when share sales are likely to exceed the amount collected in July.



The excitement in the primary market is attributed largely to stability in the secondary market with the benchmark indexes and the broader markets close to record highs, ample liquidity and low interest rates. India may become the next investment hub, the unicorn startups particularly internet-based companies may have an advantage in raising funding from global investors. Edtech in India had raised more than \$5 billion in private equity investments in the previous five years. Metal stocks are sparked by the huge infrastructure fiscal package finalised in the US. It is also supported by reports stating rise in export duty and fall in supply from China, the largest steel producer. Both these factors will lead to increased demand & spike in international prices. We can expect the Metal & Mining sector to lead a better quarterly result, which is a good indicator for the future stock performance. Over the last 2 months, we are noticing a rise in global & domestic market volatility. The equity market has been undergoing a phase of consolidation. In that the main indices like Nifty50 & Sensex are unable to move to the next levels while broad indices are more robust. Rising uncertainty in the global market from a possible fall in liquidity, high inflation, delta variant and high valuations are provoking dilemmas & intermediary selloffs. Asian peers are deeply underperforming the world market due to FII selling. FIIs withdrawal from Indian equity is fueled by movement in US markets, currency movement, and economic development in global markets. A further fall in foreign inflows will impact the Indian market which is currently protected by strong domestic inflows.

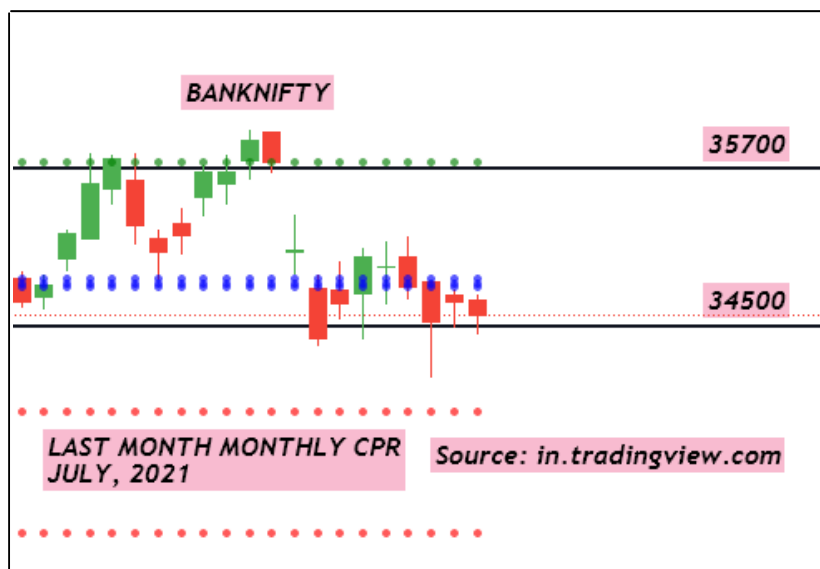
NIFTY - RECAP:

Nifty was having ascending & narrow CPR in the previous month. We have mentioned 15450 and 15955 as a strong support and resistance. The market was opened inside CPR and completely inside our levels. We have not experienced any trending move, both bulls and bears had an equal fight and closed at 15763.05.



BANK NIFTY - RECAP:

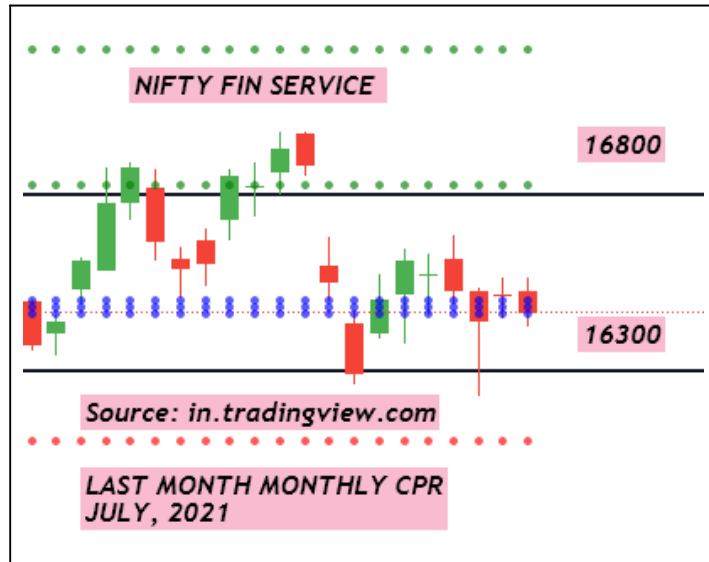
We had a descending and inside CPR in bank nifty for the previous month. The candles opened inside CPR and broke our resistance 35700 but immediately reversed back. As we have mentioned 34500 acted as a strong support. The market was range bound this month as well and closed at 34584.35.



SECTOR WHICH BLASTED LAST MONTH

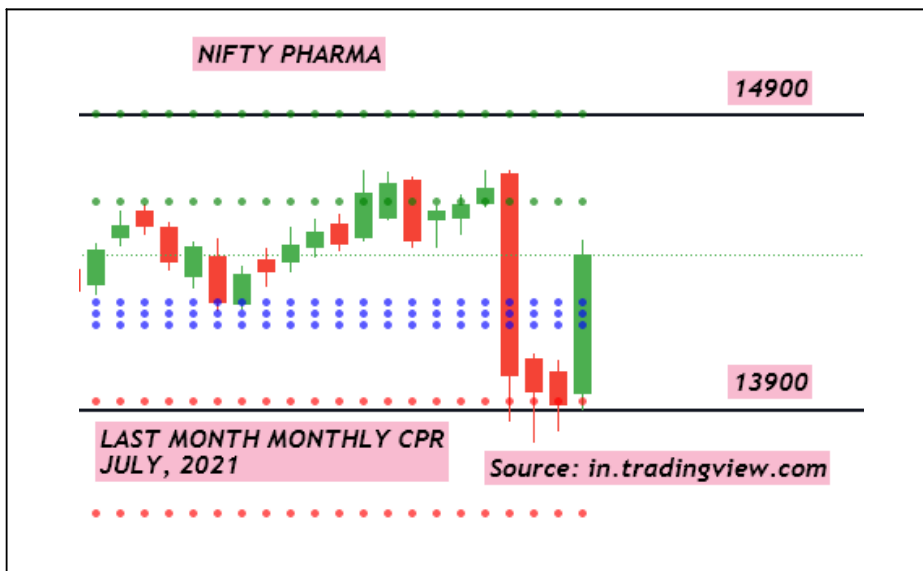
NIFTY FIN SERVICE RECAP:

We have encountered ascending and narrow CPR in the previous month. The market was opened inside CPR and broke our resistance level 16800 and immediately reversed back. As we have mentioned 16300 acted as a very strong support. The market was inside the range and closed at 16468.65.



NIFTY PHARMA RECAP:

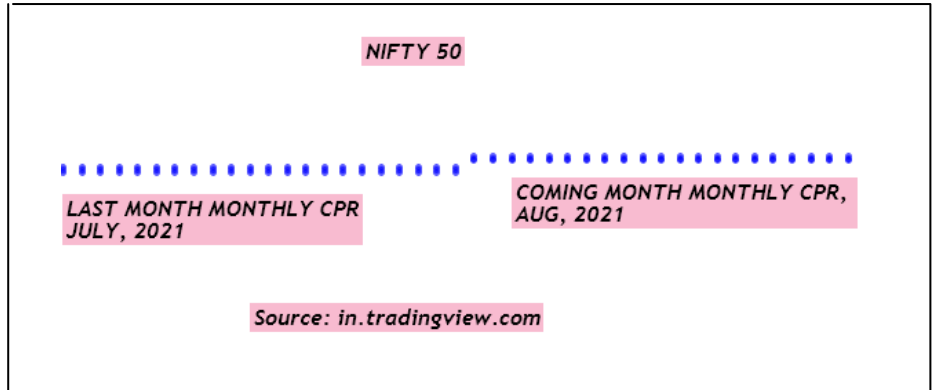
We have experienced ascending & narrow CPR in the past month. The candles exactly opened at CPR and remained sideways. We have mentioned 13900 and 14900 as a strong support and resistance. As we have discussed the market remained range bound between our levels closed at 14425.30.



TRADE PLAN FOR UPCOMING MONTH:

NIFTY 50

SECTOR	NIFTY
CMP	15763.05
CPR RANGE	16.8 pts (0.12%)



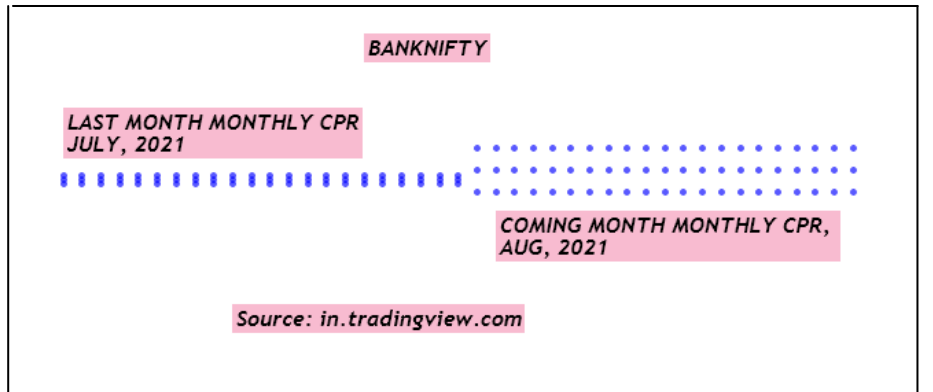
<u>CPR LEVELS</u>	
TC	- 15754.65
PIVOT	- 15746.25
BC	- 15737.85
<u>OUTLOOK</u>	
<ul style="list-style-type: none"> • Ascending • Narrow CPR • Bullish 	

EXPECTATION:

- Ascending and narrow CPR indicates bullishness in the capital index.
- Though we had narrow CPR last month, Nifty was rangebound so 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:

SECTOR	BANK NIFTY
CMP	34584.35
CPR RANGE	310.55 pts (0.91%)



<u>CPR LEVELS</u>	
TC	- 35050.20
PIVOT	- 34894.95
BC	- 34739.65
<u>OUTLOOK</u>	
<ul style="list-style-type: none"> • Outside • Medium-Sized CPR • Breakout decides the direction 	

EXPECTATION:

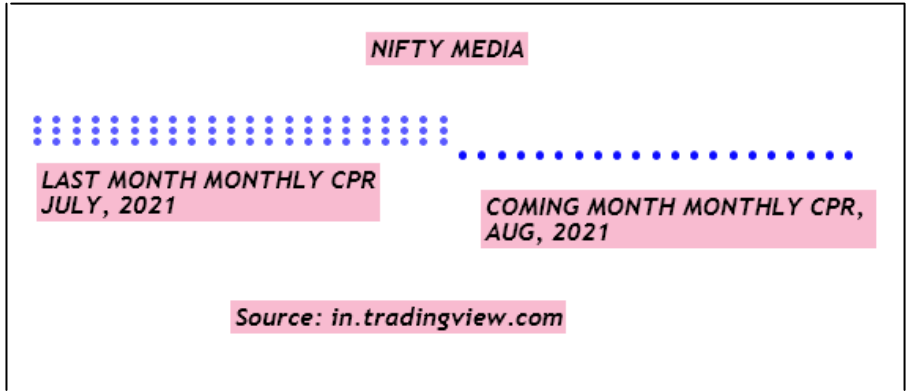
- Wild index is having outside and medium-sized CPR for the upcoming month.
- Strong resistance zones at 35700 and 36000. Daily candle close above this level may lead to a rally.
- 34000 would be a strong support.
- If 34000 level is breached we may expect a further fall.



SECTORS LIKELY TO BLAST FOR THE UPCOMING MONTH

NIFTY MEDIA:

SECTOR	NIFTY MEDIA
CMP	1796.00
CPR RANGE	1.85 Pts (0.17%)



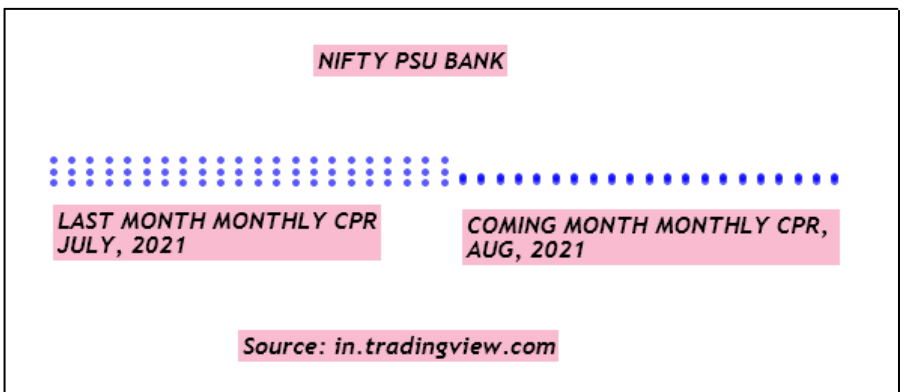
<u>CPR LEVELS</u>	
TC	- 1795.05
PIVOT	- 1794.10
BC	- 1793.20
<u>OUTLOOK</u>	
<ul style="list-style-type: none"> • Descending • Very Narrow CPR • Breakout decides the direction 	

EXPECTATION:

- Though descending and narrow CPR indicates bearishness, the sector is stuck between 1860 - 1727 levels.
- 1727 is a strong support, a candle close below this level will lead to further fall.
- 1860 is a tough resistance for bulls to cross, hence bulls may take charge above this level.
- Major stocks contributing this sector are SUNTV, ZEEL, PVR.

NIFTY PSU BANK:

SECTOR	NIFTY PSU BANK
CMP	2441.35
CPR RANGE	9.95 pts (0.42%)



<u>CPR LEVELS</u>	
TC	- 2456.30
PIVOT	- 2451.30
BC	- 2446.35
<u>OUTLOOK</u>	
<ul style="list-style-type: none"> • Inside CPR • Narrow CPR • Breakout decides the direction 	

EXPECTATION:

- Inside and narrow CPR indicates a trending move in this sector.
- Tough resistance at 2555, hence bulls may take off the rally above this level.
- Upcoming support at 2353. Bears become strong if candle closed below this level.
- Top stocks contributing to this sector are SBIN, CANARA BANK, PNB.

Momentous IPO season

- *G R infra projects Limited - an integrated road engineering, procurement and construction company spikes 120% on its listed day. Issue price was Rs 837, opened at 1700 and hit the high of 1,838.80 and closed at 1747.*
- *Clean Science & Technology is the only company globally to use vapor-phase process for anisole . This stock jumped 76% higher on listing day. The scrip got listed at Rs 1,755, up 95 percent*
- *Zomato IPO created a lot of buzz on the street, there was a lot of participation from the investors which was oversubscribed around 38.25 times and the allotment price was Rs.76 per share and now it is trading around 133.5*
- *Tatva Chintan, a specialty chemical company had the best listing of 2021, as the stock closed with 113.32 percent gains on July 29. It was settled at Rs 2,312.20 after hitting an upper circuit of 20 percent at Rs 2,534.20.*



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.

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