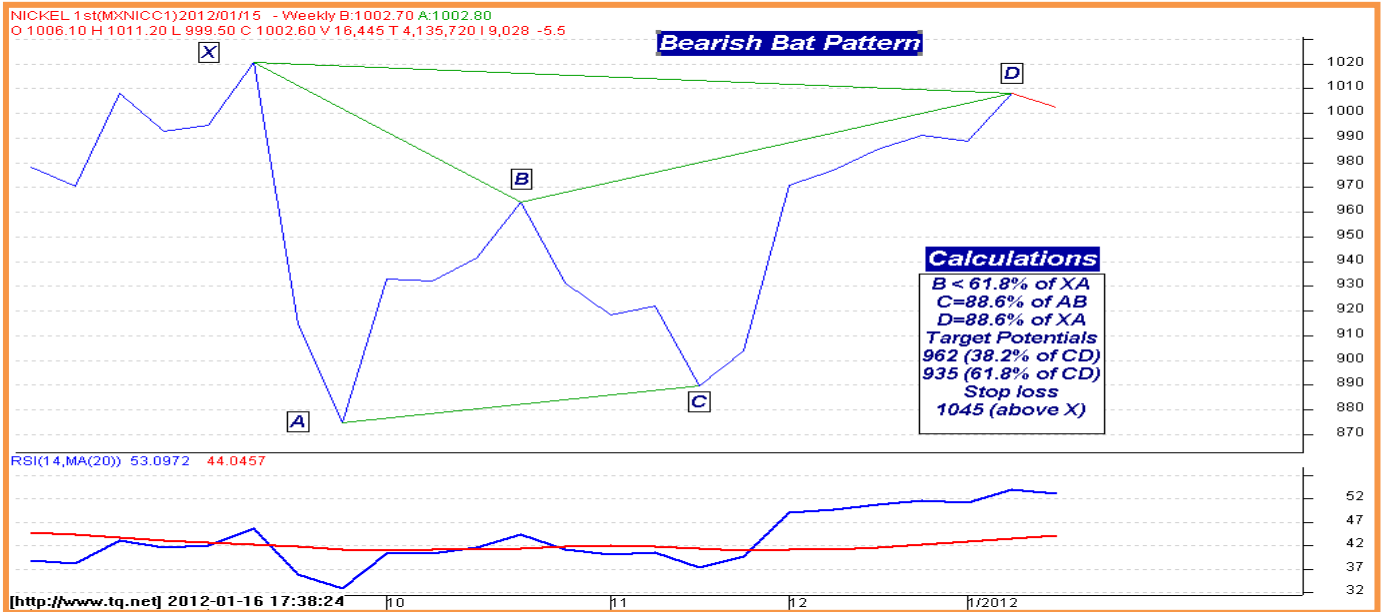




Sell Nickel at 1020-1008

Target 965/935; Stop Loss 1050



Nickel forming bearish harmonic pattern

While going through the Nickel weekly chart, we have done some wave calculations and come out with the conclusion that a bearish bat (Harmonic Pattern) is spotted here. If we look at the price actions, market is behaving as per the calculations mentioned in the pattern. It is mentioned that the harmonic patterns are usually continuation patterns and a pattern which we have found out is also signaling continuation of bearish trend. Other calculations are as follows:

- AB wave calculated is less than 61.8% of XA (965)
- BC wave is 88.6% of AB (889.50); while, CD wave is 88.6% of XA (1008)
- Target potential is coming at 962 (38.2% of CD wave) then; 935 (61.8% of CD wave)
- Stop loss is above 1050 (above X).

Also, Prices are sustain below EMA (100) indicating correction mode in a short to medium term. Other momentum indicator RSI (14) is at 0.55 and is trading far above its moving average (9) suggesting short term trend reversal in the chart.

On the basis of above analysis and all calculations we can recommend:

Sell in Nickel at around 1020-1008 targeting 965 then 935 with stop loss of 1050. However, if prices sustained above 1050 then pattern reversed and may form a bullish AB=CD harmonic pattern which might take nickel prices till 1100 / 1122.



For any queries please email us at: research@arihantcapital.com

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