

Short-term trend in Nifty bearish, stay stock-specific: Vinay Rajani



Despite the recent recovery from the last week's low, Nifty is still having bearish formation of lower top and lower bottom formation on the daily charts. Unless Nifty closes above 15,180, trend would be considered bearish. However, the trend of midcap and smallcap stocks has been strong and [stock](#) specific bullishness is likely to continue. Supports for the Nifty are seen at 14,760 and 14,638.

Stock recommendation:

BUY Torrent Power (390) | Target: Rs 420 | Stop-loss: Rs 370

The stock registered new all-time high in February 2021 by surpassing the multi-month consolidation. Volumes went up significantly during the price breakout. Power sector, too, has been outperforming for last one month and the trend is likely to continue in the coming days. The stock price is forming higher tops and higher bottoms. Besides, the stock has been trading above all important moving average parameters. Indicators and oscillators like RSI, MACD and DMI have turned bullish on short term charts.

BUY NMDC (133.5) | Target: Rs 142 | Stop-loss: Rs 127

The stock price has surpassed the previous top resistance on the daily chart after forming rounding-bottom formation on the daily chart. Metal and PSU sector has been outperforming and this stock belongs to both the sector. The stock has been trading above all important moving average parameters. Indicators and oscillators like RSI, MACD and DMI have turned bullish on short term charts.

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Disclaimer: Vinay Rajani is Senior Technical and Derivative Research Analyst at HDFC Securities. The analyst doesn't have any holding in the stock. Views are personal.