Bonanza

MONTHLY OUTLOOK

01-06-2024

Date: 01-06-26

Monthly Outlook

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GLOBAL QUES

QUES	Close (APR)	Previous Month's Close (MAY)	Return (%)
DOW Jones Industrial (DJIA)	49,652.14	51037.09	2.79%
GOLD	151,225	156000	3.16%
SILVER	244,638	267000	9.14%
CRUDE OIL	9,858	8311	-15.69%
USD-INR	94.89	94.99	0.11%
US BOND YIELD 10YR	4.374%	4.437%	1.44%
IND BOND YIELD 10YR	7.018	7.003 %	-0.21%

Monthly Outlook

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DOMESTIC MARKET PERFORMANCE

Equity Indices	Exchange	Close (APR)	Previous Month's Close (MAY)	Return (%)
NIFTY	NSE	23,997.55	23,547.75	-1.87%
NIFTY BANK	NSE	54,863.35	54,239.20	-1.14%
NIFTY MIDCAP	NSE	13,826.00	14,474.90	4.69%
NIFTY SMALLCAP	NSE	18,007.15	18,138.80	0.73%
NIFTY FIN	NSE	25,657.35	25,354.00	-1.18%
NIFTY IT	NSE	29,353.90	29,080.15	-0.93%
NIFTY PHARMA	NSE	23,267.70	24,345.80	4.63%
NIFTY AUTO	NSE	25,917.60	26,338.45	1.62%
SENSEX	BSE	76,913.50	74,775.74	-2.78%
BANKEX	BSE	61,706.88	61,131.26	-0.93%

Monthly Outlook

NIFTY

Market Overview – May Performance

Nifty remained under pressure during May 2026, closing near 23,548, declining around 1.9% for the month. The index continued to trade within a broad consolidation range after the sharp recovery seen in April. Selling pressure emerged near the major resistance zone around 26,000, while support near the rising trend line helped absorb lower-level declines. The monthly candle structure indicates indecisiveness, with markets struggling to establish a strong directional move.

June Outlook

The June 2026 outlook remains neutral to cautiously bearish unless Nifty reclaims the 24,500–25,000 resistance zone decisively. Sustaining above this range could trigger fresh momentum toward 26,000. However, failure to hold the rising trend line support near 23,000–22,800 may result in another corrective phase toward 22,000–21,500. Traders may continue to adopt a stock-specific approach while maintaining caution at higher levels.

Technical Indicators and Momentum

RSI is near 50, reflecting neutral momentum and lack of strong directional strength. Price continues to trade above the 50-EMA but remains below the key resistance zone, indicating consolidation within the broader trend. The flattening RSI and sideways price action suggest momentum exhaustion and a wait-and-watch phase for the next breakout or breakdown.

Key Levels to Watch

Immediate Resistance: 24,500 – 25,000Next Resistance: 26,000

Immediate Support: 23,000 – 22,800 Major Support: 22,000 – 21,500

Monthly Outlook

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BANKNIFTY

Market Overview – May Performance
Bank Nifty remained volatile during May 2026, closing near 54,239, declining around 1.1% for the month. After witnessing a sharp recovery in April, the index struggled to sustain higher levels near the 58,000–59,000 resistance zone, resulting in profit booking and range-bound price action. However, support near the breakout and trendline zone around 52,000–52,500 helped limit deeper downside pressure. The broader structure remains consolidative with stock-specific action dominating the banking space.

June Outlook
The June 2026 outlook remains sideways to cautiously bullish as long as Bank Nifty sustains above the 52,000–51,500 support zone. A decisive move above 55,500–56,000 could trigger fresh momentum toward 58,000–59,000. However, failure to hold the key support area may lead to renewed weakness toward 50,000 levels. Traders are advised to remain selective and focus on buy-on-dips near strong support zones until a clear breakout emerges.

Technical Indicators and Momentum
RSI is near 52, indicating neutral momentum with no strong directional confirmation. Price is trading around the 20-EMA while comfortably above the 50-EMA, suggesting that the medium-term structure remains intact despite short-term consolidation. The flattening RSI and sideways candle formation reflect indecision and a pause after recent volatility.

Key Levels to Watch
Immediate Resistance: 55,500 – 56,000 Next Resistance: 58,000 – 59,000
Immediate Support: 52,000 – 51,500 Major Support: 50,000 – 49,500

Monthly Outlook

Technical Research Analyst

Ms. Harshita Darak

HARSHITA PAWAN DARAK

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