

MARKET STRATEGY

02nd Feb 2026





LTP	R1	R2	S1	S2
24,825.45	25,500	25,800	24,600	24,400



LTP	R1	R2	S1	S2
58,417.20	60,000	60,400	58,000	57,500

NIFTY

- The NIFTY 50 index continues to trade within a rising channel on the daily timeframe, highlighting a broader medium-term uptrend. However, recent price action suggests increasing supply pressure near the upper boundary of the channel, with the index failing to sustain above higher levels and witnessing mild profit booking.
- From a technical perspective, the structure is showing early signs of trend fatigue. Although the index is still trading above its key moving averages, their slope has started to flatten, indicating a loss of upside momentum. The recent candles reflect hesitation near resistance, pointing to distribution at elevated zones.
- Momentum indicators also support this cautious view. The RSI on the daily timeframe is placed near 31, moving towards the oversold zone, suggesting weakening bullish strength and rising downside risk in the short term.
- Going forward, the trend remains neutral to cautiously bearish as long as NIFTY stays below the upper channel resistance around 25,600–26,000. On the downside, immediate support lies near 24,850–24,700, and a decisive break below this zone could open the doors for further downside towards 24,400–24,000. A sustained move above the channel resistance would be required to revive bullish momentum.

BANKNIFTY

- The Nifty Bank index continues to trade within a well-defined rising channel on the daily timeframe, reflecting a sustained medium-term uptrend. However, recent price action indicates supply pressure near the upper boundary of the channel, with the index failing to sustain above higher levels and witnessing a sharp bout of profit booking.
- From a technical perspective, the structure is showing early signs of trend fatigue. While the index is still holding above its key moving averages, the recent rejection from the channel resistance and a strong bearish candle suggest distribution at elevated levels. The flattening slope of short-term averages further points to weakening upside momentum.
- Momentum indicators echo this cautious tone. The RSI on the daily timeframe has slipped to around 41, moving below its average, indicating loss of bullish strength and rising indecision among participants.
- Going forward, the trend remains cautiously bearish to neutral as long as the index stays below the upper channel resistance near 59,300–59,500. On the downside, immediate support is placed around 58,200–58,000, and a decisive break below this zone could accelerate selling pressure towards 57,200–56,600. Only a sustained close above the channel resistance would revive bullish sentiment and open the path for further upside.

SECTOR ANALYSIS

NIFTY FMCG



NIFTY PSU BANK



- The Nifty FMCG Index on the weekly chart has broken down from a prolonged consolidation range and is now witnessing sustained selling pressure. The index failed to hold above the falling trend line resistance and has slipped below key moving averages, indicating a shift towards a bearish structure.
- The index registered a sharp weekly decline of 3.13%, closing at 50,042.80, reflecting weak market sentiment. Immediate support is placed near the 50,000 zone, while any pullback is likely to face resistance around 51,800–52,200. Trend strength remains weak as prices are trading below the 20, 50, 100, and 200 EMAs on the weekly timeframe, confirming short-term as well as long-term bearishness.
- Momentum remains weak, with RSI at 26.35 in the oversold zone, indicating strong downside pressure.

Outperformers	Underperformers
-	RADICO, GODREJCP

- The Nifty PSU Bank Index on the daily chart has been in a strong uptrend, forming higher highs and higher lows within a rising channel, reflecting sustained buying interest. However, after testing the upper end of the channel, the index has witnessed some profit booking.
- The index posted a sharp daily decline of 5.57%, closing at 8,517.20, indicating short-term weakness. Immediate support is placed near 8,200–8,100, while resistance is seen around the 8,850–9,000 zone. Despite the recent correction, trend strength remains positive as prices continue to trade above the 20, 50, 100, and 200 EMAs, keeping the broader structure bullish.
- Momentum is moderating, with RSI at 43.20, slipping below its average, suggesting short-term consolidation, though the overall trend remains intact.

Outperformers	Underperformers
PNB, IOB	MAHABANK, CANBK

SECTOR ANALYSIS

NIFTY AUTO



NIFTY CONSUMPTION



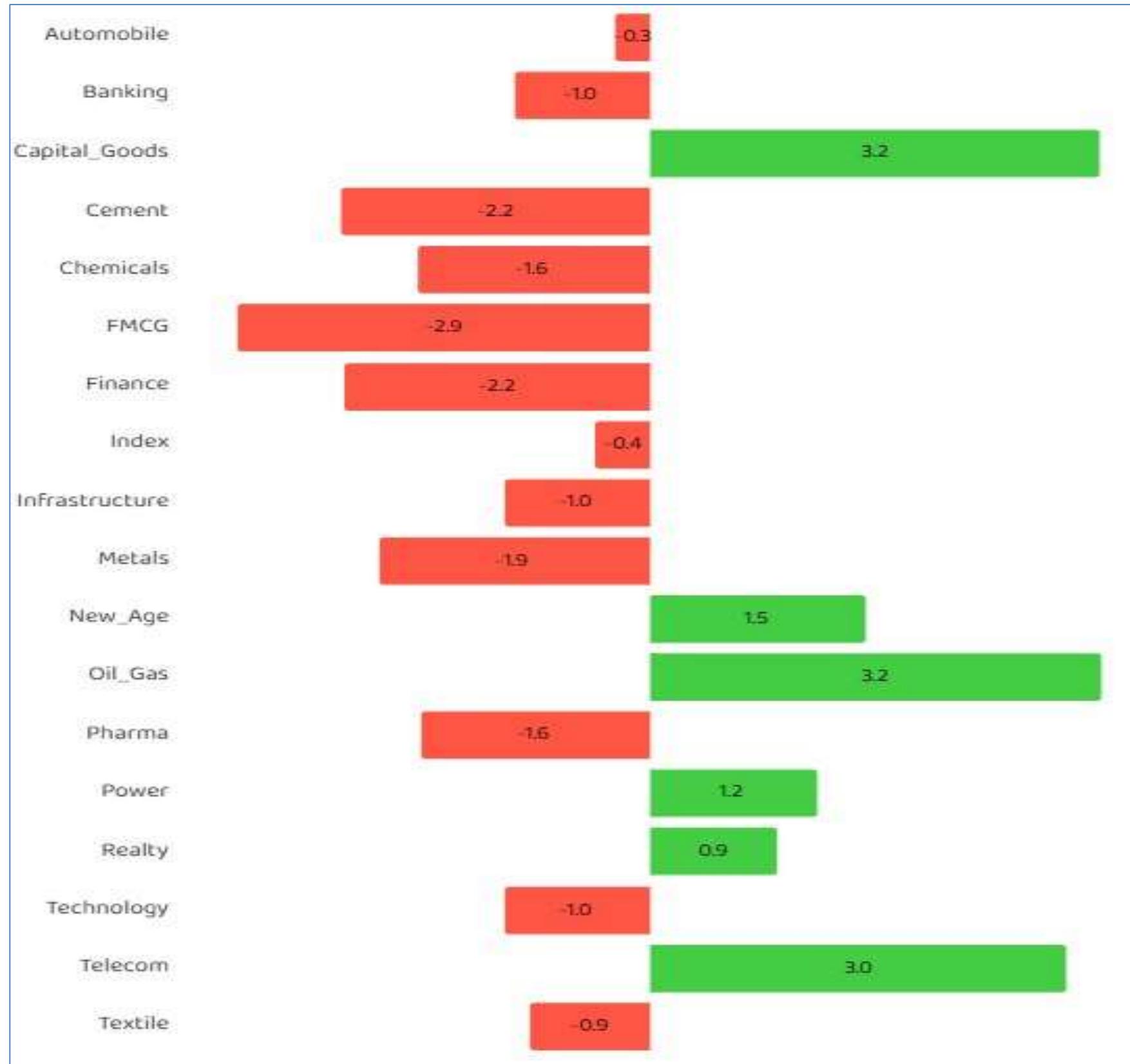
- The Nifty Auto Index on the daily chart has witnessed a breakdown from its recent consolidation near the higher levels and is now undergoing a corrective phase after a strong prior uptrend. The index has slipped below the short-term rising trend line, indicating emerging selling pressure.
- The index declined 2.09% in the latest session, closing at 26,190.65, reflecting short-term weakness. Immediate support is placed near 26,000–25,900, while resistance is seen around the 27,200–27,400 zone. Despite the recent correction, the broader trend remains positive as prices are still trading above the 50, 100, and 200 EMAs, keeping the medium- to long-term structure intact.
- Momentum has weakened, with RSI at 30.83, hovering near the oversold zone, indicating downside pressure, though a short-term technical bounce cannot be ruled out.

Outperformers	Underperformers
TIINDIA, MOTHERSON	MARUTI, M&M

- The Nifty India Consumption Index on the daily chart has slipped into a corrective phase after failing to sustain above its recent consolidation zone. The index has broken below its short-term trend line and key moving averages, indicating increasing selling pressure.
- The index declined 1.72% in the latest session, closing at 11,271.70, reflecting continued weakness. Immediate support is seen near 11,200–11,150, while resistance is placed around the 11,900–12,050 zone. Trend strength has weakened as prices are trading below the 20 and 50 EMAs and approaching the 100 EMA, suggesting short-term bearishness, though the long-term trend remains relatively stable.
- Momentum has deteriorated, with RSI at 21.28, firmly in the oversold zone, indicating strong downside momentum, though a short-term technical rebound cannot be ruled out.

Outperformers	Underperformers
DLF, ETERNAL	ASIANPAINT, MARUTI

SECTOR PERFORMANCE



Disclosure:

M/s. Bonanza Portfolio Ltd hereby declares that the views expressed in this report accurately reflect its viewpoint with respect to the subject companies/securities. M/s. Bonanza Portfolio Ltd has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations. The analysts engaged in the preparation of this report or their relatives: (a) do not have any financial interests in the subject company mentioned in this report; (b) do not own 1% or more of the equity securities of the subject company mentioned in the report as of the last day of the month preceding the publication of the research report; (c) do not have any material conflict of interest at the time of publication of the report. (d) have not received any compensation for products or services other than investment banking, merchant banking, or brokerage services from the subject company in the past twelve months; (e) have not received any compensation or other benefits from the subject company or any third party in connection with this report; (f) have not served as an officer, director, or employee of the subject company; (g) are not engaged in market-making activity for the subject company; (h) are not engaged in the use of artificial intelligence. M/s. Bonanza Portfolio Ltd is a registered Research Analyst under the SEBI (Research Analyst) Regulations, 2014. The registration number is INH100001666, and the research analysts engaged in preparing reports are qualified as per the provisions of the regulations.

Disclaimer:

This research report has been published by M/s. Bonanza Portfolio Ltd and is meant solely for the use of the recipient and is not for circulation. This document is for information purposes only, and the information, opinions, and views are not meant to serve as a professional investment guide for the readers. Reasonable care has been taken to ensure that the information given is believed to be fair and correct at the time, and the opinions based there upon are reasonable. However, due to the nature of research, it cannot be warranted or represented that it is accurate or complete, and it should not be relied upon as such. If this report is inadvertently sent or has reached any individual, it may be ignored and brought to the attention of the sender. Preparation of this research report does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Past performance is not a guide to future performance. This report has been prepared on the basis of publicly available information, internally developed data, and other sources believed by Bonanza Portfolio Ltd to be reliable. This report should not be taken as the only basis for any market transaction; however, this data represents one of the supporting documents among other market risk criteria. Market participants should be aware of the risks involved in using this information as the sole source for any market-related activity.

“Investments in securities markets are subject to market risks. Read all the related documents carefully before investing.”

“Registration granted by SEBI, membership of BSE, and certification from NISM in no way guarantee the performance of the intermediary or provide any assurance of returns to investors.”

The distribution of this report in certain jurisdictions may be restricted by law, and persons in whose custody this report comes should observe any such restrictions. The disclosures of interest statements included in this analysis are provided solely to improve transparency and should not be treated as an endorsement of the views expressed in the analysis. The price and value of the investments referred to in this report and the income from them may go down as well as up. Bonanza Portfolio Ltd or its directors, employees, affiliates, or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy, or reliability of such information, opinions, or views. While due care has been taken to ensure that the disclosures and opinions given are fair and reasonable, none of the directors, employees, affiliates, or representatives of M/s. Bonanza Portfolio Ltd shall be liable. Research reports may differ between M/s. Bonanza Portfolio Ltd Research Analysts and other entities on account of differences in personal judgment and time horizons for which recommendations are made. The research entity has not been engaged in market-making activity for the subject company. The research analyst has not served as an officer, director, or employee of the subject company and has not received any compensation or benefits from the subject company or any third party in connection with this research report.

Bonanza Portfolio Ltd.
Bonanza House, Plot No. M-2, Cama Industrial Estate, Walbhat Road, Goregaon (E), Mumbai – 400063 Phone: 022-68363794/708
Website: <https://www.bonanzaonline.com> SEBI Regn. No.: INZ000212137 BSE CM: INB 011110237 | BSE F&O: INF 011110237 | MSEI: INE 260637836 | CDSL: 120 33500 | NSDL: a) IN 301477 | b) IN 301688 (Delhi) | PMS: INP 000000985 | AMFI: ARN -0186
Compliance Officer: Trupti Milind Khot, 022-62735507, compliance@bonanzaonline.com