

MARKET STRATEGY



02nd Feb 2026



NIFTY



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

- 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



- 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

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Underperformers

RADICO, GODREJCP

NIFTY PSU BANK



- 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

PNB, IOB

Underperformers

MAHABANK, CANBK

SECTOR ANALYSIS

NIFTY AUTO



- 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

TIINDIA, MOTHERSON

Underperformers

MARUTI, M&M

NIFTY CONSUMPTION



- 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.

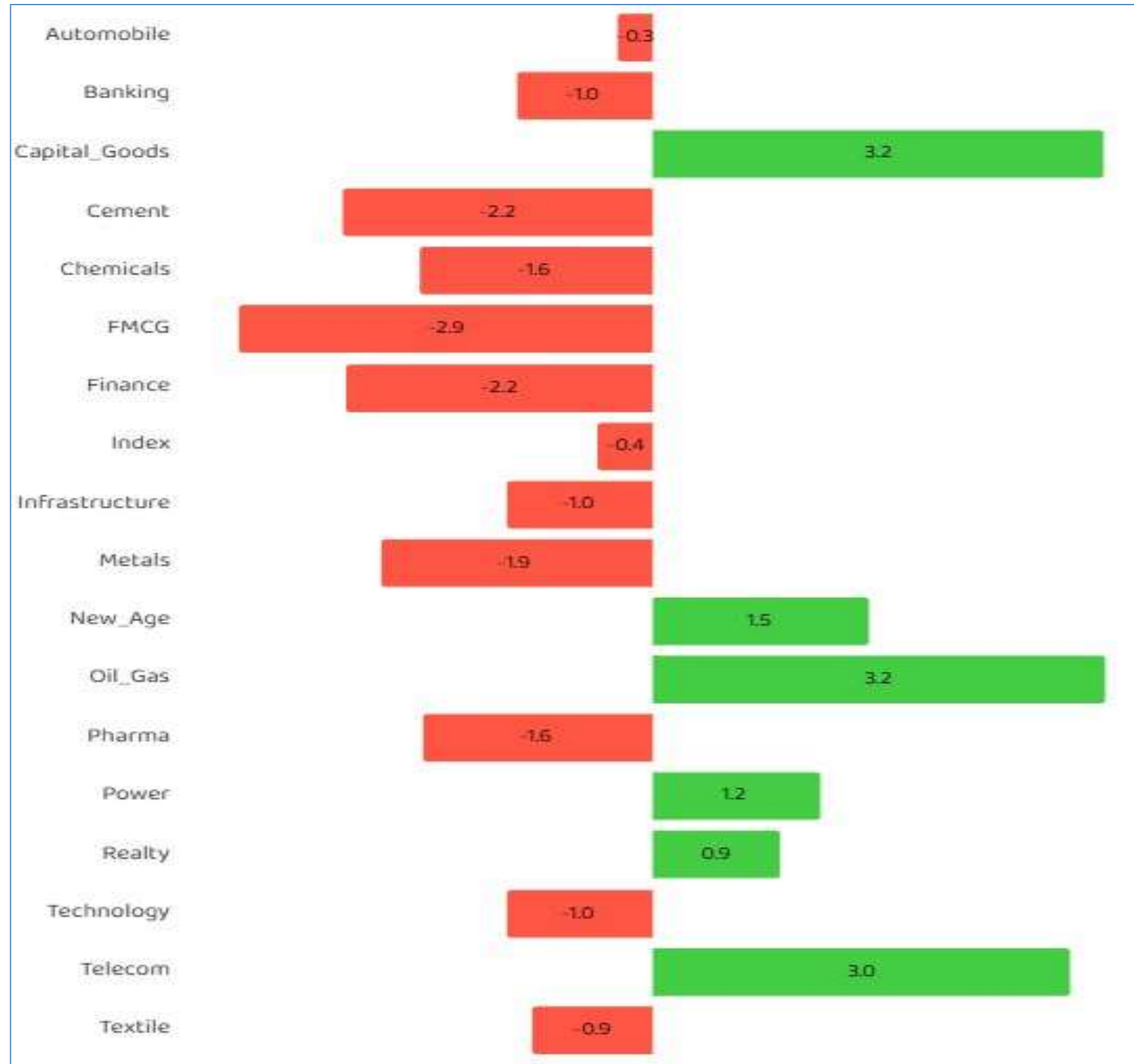
Outperformers

DLF, ETERNAL

Underperformers

ASIANPAINT, MARUTI

SECTOR PERFORMANCE



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