

MARKET STRATEGY

10th February 2025



NIFTY



LTP	R1	R2	S1	S2
23559.9	23800	24000	23200	23000



LTP	R1	R2	S1	S2
50158.8	50650	51100	49600	49000

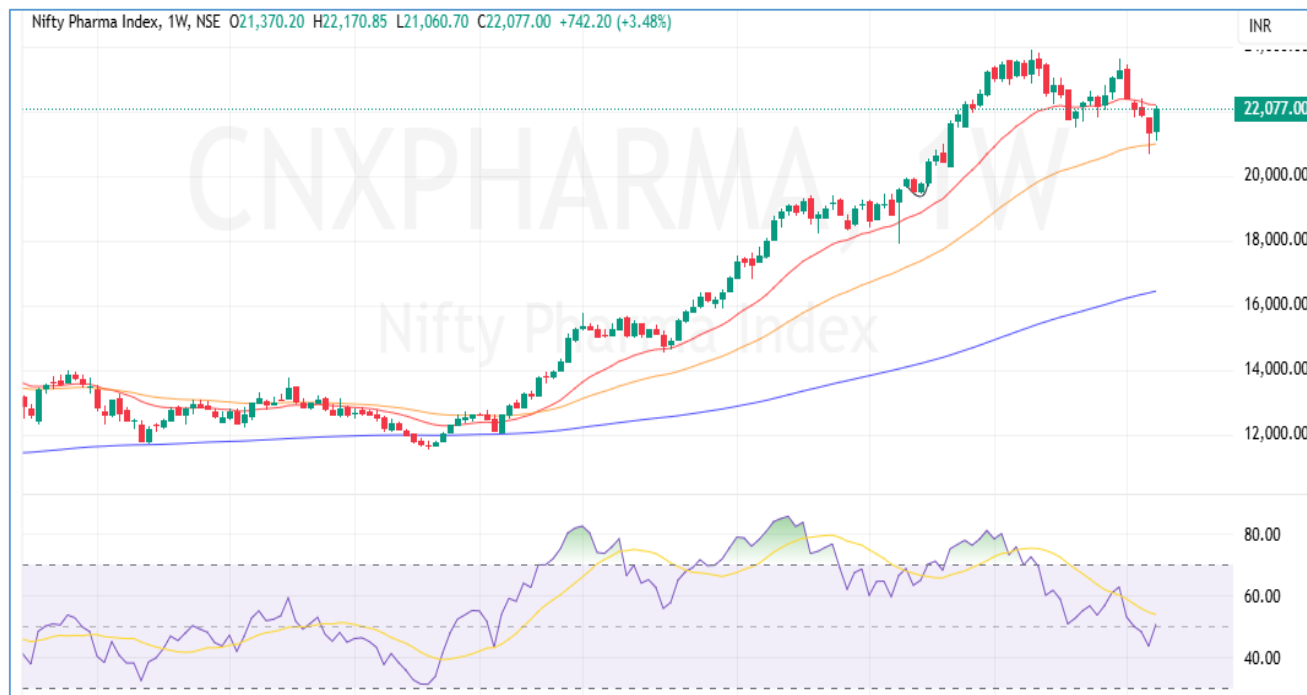
- The Nifty 50 index began the week on a negative note, opening at 23,319.35, reflecting initial pessimism. However, as the week progressed, buying activity emerged at lower levels, pushing the index to a weekly high of 23,807.30. In the latter half of the week, the index faced resistance near its falling trendline, where selling pressure intensified, capping further upside.
- From a trend analysis perspective, the 200-day Exponential Moving Average (EMA) has flattened, signaling potential choppiness in the sessions ahead. Additionally, the Relative Strength Index (RSI) on the daily chart is at 57 and moving within a broader range, indicating lack of directional momentum.
- Looking ahead, the market sentiment for the upcoming week is likely to remain rangebound. Key support is seen near the 23,200 zone, while resistance is anticipated around the 23,800 level. A decisive breakout above 23,800 could fuel further upward momentum, with potential targets extending toward the 24,000 mark. Conversely, a break below the 23,200-support level may lead to a decline toward the 23,000 zone.

BANK NIFTY

- On the weekly chart, the Nifty Bank index formed a positive candle with an upper shadow, indicating supply pressure at higher levels, followed by a bullish engulfing candlestick pattern, which signals a positive bias. The index closed the week at 50,158.95, posting a weekly gain of 1.32%.
- Having rallied nearly 2,900 points over the past eleven sessions, the index may see a breather at current levels. The 200-period Exponential Moving Average (EMA) has flattened, reinforcing expectations of rangebound movement. Additionally, the Relative Strength Index (RSI) is positioned at 54, near its signal line, further suggesting a lack of strong directional momentum.
- Traders may consider adopting a directional strategy only if the index confirms a breakout above the 50,650 level, which could trigger an upward move toward the immediate target of 51,100. Conversely, a break below the 49,600-support level could lead to a test of the next significant support at 49,000. Market participants should closely monitor these key levels for potential trading opportunities.

Sectoral Analysis

NIFTY PHARMA



- The Nifty Pharma Index gained 742 points (3.48%) on the weekly chart, forming a bullish candlestick followed by a series of bearish candles. Additionally, the index found support near the 50-period EMA on the weekly timeframe.
- On the daily timeframe, the index is trading near its previous supply zone, where it has faced selling pressure. Additionally, RSI is around midpoint, reflecting a lack of directional momentum.
- Crucial levels to monitor include resistance at 22350 and 22520 on the upside, while immediate support is placed at 21000, followed by 20800 on the downside.

Outperformers

ABBOTINDIA , DIVISLABS

Underperformers

CIPLA , LALPATHLAB

NIFTY AUTO



- The NIFTY AUTO Index opened on a flat note however it ended the week with a modest gains of 154 points (0.66%) on the weekly timeframe. It has formed a small body positive candle followed by bullish engulfing candlestick pattern.
- The index is currently trading above its 20 and 50-period exponential moving averages, signaling a short-term positive trend. Meanwhile, the RSI (14) is positioned at 58, indicating an improvement in momentum.
- Levels to note on the upside are 23550 and 23800, while on the downside immediate support is seen at 23000 followed by 22700.

Outperformers

M&M , MARUTI

Underperformers

BHARATFORG , ESCORTS

Sectoral Analysis

NIFTY IT



- The Nifty IT index registered a gains of 891.35 points, or 2.12%, forming a bullish candlestick on the weekly chart.
- On the daily timeframe, the index has found support near the lower boundary of its rising channel pattern, which suggests that the upward trend structure remains intact.
- Going ahead as long as the index is placed above 42000 view remains positive, levels to watch for the week on upside are 43400 & 43750.

Outperformers

CYIENT , PERSISTENT

Underperformers

HCLTECH , TCS

NIFTY FINANCIAL SERVICE



- The NIFTY FINANCIAL index ended the week on a positive note with 369 points up, 1.59 percent additionally negating lower low lower high formation indicating a positive outlook
- On the hourly timeframe with EMA trending on the higher side reinforcing the positive outlook ahead, moreover the momentum indicator, RSI (14) is placed at 56 supporting the current upside rally
- Key levels to watch are 23700 & 24000 on the upside while 23200 & 23000 levels on the downside.

Outperformers

BSE , BAJFINANCE

Underperformers

LICI , ABCAPITAL

Sectoral Analysis

NIFTY FMCG



- The Nifty FMCG index ended on a negative note losing 1282 points, nearly 5.62 percent down, forming a strong bearish candlestick indicating a seller's dominance.
- On the daily timeframe, the index is trading below the 20 and 50 EMA, additionally a breakout failure of the falling wedge is indicating a bull trap. This outlook will remain intact as long as the index stays below 56300 the key resistance level
- Key levels to watch are 55750 & 56300 on the upside while support is placed at 54800 & 54500 respectively.

Outperformers

KALYAN , VBL

Underperformers

UPL , COLPAL

NIFTY REALTY



- The Nifty Realty Index closed the week on a negative note, forming a bearish candlestick with an upper shadow, indicating selling pressure at higher levels. The index declined by 34 points, marking a weekly loss of 3.65%.
- The daily chart shows the index negated a lower low formation but remains below the 200 EMA, On the momentum front, RSI (14) now stands at 46.
- key levels to monitor on the upside are 930,945 & 968 with the latter representing the previous week's high. These levels will act as crucial resistance zones. On the downside, immediate support is expected around 900 followed by the 875 level

Outperformers

INDHOTEL , LODHA

Underperformers

NBCC , HUDCO

Sectoral Analysis

NIFTY METAL



- The Nifty Metal index closed on a positive note, and surged by 3.46 percent or 287 points, forming a bullish candlestick with a wick on the lower end suggesting buying interest at lower levels
- On the daily scale, the index comfortably closed above 20 period EMA indicating early signs of reversal and potential shift towards upward momentum. Any dip should be viewed as a buying opportunity till the time index remains above the 20 EMA
- Key levels to watch for the upcoming sessions are 8700 and 8850 on the upside while 8400 and 8200 on the downside.

Outperformers

JINDALSTEL , JSWSTEEL

Underperformers

APLAPOLLO , COALINDIA

NIFTY MEDIA



- The nifty media index closed on a flat note, 6.65 points and 0.41 percent up, forming a small body candlestick with this index is trading near 2-year low range
- On the daily timeframe, the index is exhibiting a lower low and lower high formation, indicating a bearish structure. All major EMAs are also sloping downward, further confirming the prevailing negative trend. However, with the previous week's high being breached, there is potential for a bounce in the index
- Key levels to watch for the week, 1655 & 1690 on the upside while 1600 & 1556 are on the downside.

Outperformers

SUNTV , PVRINOX

Underperformers

Drumil vithlani
Technical Research Analyst

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Technical Research Analyst

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