

MARKET STRATEGY

16th Feb 2026





NIFTY

- The NIFTY 50 index continues to trade within a well-defined rising channel on the daily timeframe, reflecting a broader medium-term uptrend. However, recent price action indicates that momentum is gradually weakening near the upper boundary of the channel. The index has struggled to sustain above the 25,600–25,700 zone, suggesting emerging supply pressure and profit booking at higher levels.
- From a technical standpoint, although prices are still holding above the key short- and medium-term moving averages, their slope has begun to flatten, signaling a slowdown in bullish momentum. The recent cluster of indecisive candles near resistance highlights distribution at elevated zones rather than aggressive accumulation. This behavior points toward a phase of consolidation or mild corrective pullback within the broader uptrend structure.
- Momentum indicators further support a cautious stance. The daily RSI is hovering in the lower range near 30–35, approaching the oversold zone, which reflects weakening buying strength and increasing downside risk in the near term.
- Going forward, the bias remains neutral to slightly bearish unless the index reclaims and sustains above 25,600–26,000 decisively. On the downside, immediate support is placed around 24,850–24,700, followed by a stronger base near 24,400–24,000. A breakdown below these supports could accelerate corrective pressure, while a strong close above 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 strong medium-term uptrend. The index has consistently formed higher highs and higher lows, indicating sustained buying interest. However, recent price action near the upper boundary of the channel suggests emerging supply pressure, with prices witnessing mild consolidation after a sharp rally toward the 60,500–60,800 zone.
- From a technical standpoint, the index remains comfortably above its key short- and medium-term moving averages, which are still positively aligned, reinforcing the broader bullish structure. That said, the pace of the recent advance appears to be moderating, and the slope of the moving averages is gradually flattening, indicating a possible phase of consolidation before the next directional move. The presence of smaller-bodied candles near resistance highlights some hesitation at elevated levels.
- Going forward, the trend remains positive as long as the index sustains above the lower channel support around 58,900–58,500. Immediate resistance is placed near 60,800–61,000, and a decisive breakout above this zone could extend the rally toward fresh highs. Conversely, a breakdown below 58,500 may trigger a corrective move toward 57,000–56,800 levels.

SECTOR ANALYSIS



NIFTY IND DIGITAL



- The Nifty India Digital Index on the weekly chart has broken down from its crucial support level and is now witnessing sustained selling pressure. The index has slipped decisively below key moving averages, indicating a shift toward a bearish market structure on the higher timeframe.
- The index registered a weekly decline of 3.94%, closing at 8,446.30, reflecting weakening sentiment across the digital segment. Immediate support is placed near the 7,900 zone, while any recovery attempt is likely to face resistance around the 9,200 level.
- Trend strength remains weak as prices are trading below the 20, 50, and 100 EMAs on the weekly timeframe, confirming short-term bearishness and continued downside risk.
- Momentum indicators further support the negative outlook, with the RSI at 33.72, trading below its 14-period average of 53.73, suggesting that bearish momentum is likely to continue in the near term.

NIFTY IT



- The NIFTY IT Index on the weekly chart was trading in a sideways-to-negative zone and had formed an ascending triangle pattern. The index has now given a decisive breakdown from this formation, signaling a shift toward a bearish structure on the higher timeframe.
- The index declined sharply by 8.23% on a weekly basis, closing at 32,681.50, reflecting strong selling pressure in the IT sector. Immediate support is placed near the 30,900 level, while any pullback is likely to face resistance around the 35,000 zone.
- Trend strength remains weak as prices are trading below all major exponential moving averages — 20, 50, 100, and 200 EMAs — on the weekly timeframe, confirming both short-term and long-term bearishness in the index.
- Momentum indicators further reinforce the negative outlook, with the RSI at 33.37 on the weekly timeframe, trading below its 14-period RSI average of 53.85, indicating continued downside momentum.

Outperformers	Underperformers
SWIGGY,IDEAS	INTELLECT,CYIENT

Outperformers	Underperformers
TECHM, MPHYSIS	COFORGE, INFY

SECTOR ANALYSIS

NIFTY MEDIA



- The Nifty Media Index on the weekly chart has rebounded strongly from its crucial support level, indicating early signs of a potential trend reversal from the bottom.
- The index registered a weekly gain of 5.18%, closing at 1,462.80, reflecting renewed buying interest in the media sector. Immediate support is placed near the 1,300 level, while resistance is seen around 1,575, which will act as a key hurdle for further upside.
- From a trend perspective, the index is now trading above its 20-week EMA, suggesting short-term bullish momentum and improving price structure. The bounce from support coupled with sustained trading above the short-term moving average indicates a possible shift in near-term sentiment.
- Momentum indicators also support the recovery outlook, with the RSI at 47.34 on the weekly timeframe, trading above its 14-period RSI average of 35.75, signaling strengthening momentum and gradual improvement in buying strength.

Outperformers
NAZARA,SUNTV

Underperformers
NETWORK18,PFOCUS

NIFTY DEFENCE



- The Nifty India Defense Index on the weekly chart continues to trade in a sideways-to-positive trend and has recently bounced from its minor support level, indicating sustained buying interest within the defense segment.
- The index gained 3.07% on a weekly basis, closing at 7,991.75, reflecting steady accumulation at lower levels. Immediate support is placed near the 7,350 zone, while resistance is seen around 8,400, which remains a key hurdle for further upside momentum.
- From a trend perspective, the index is trading above all major exponential moving averages — 20, 50, 100, and 200 EMAs — on the weekly timeframe, confirming both short-term and long-term bullishness. The alignment of these moving averages strengthens the positive structural outlook.
- Momentum indicators also support the constructive view, with the RSI at 53.84, trading above its 14-period RSI average of 49.57, signaling improving strength and sustained bullish momentum.

Outperformers
BHARATFORGE,BEML

Underperformers
MAZDOCK,BDL

SECTOR PERFORMANCE



Pick of the week

Scrip	Trade	Entry Level	Target	Stop loss
LINDE	BUY	6950-7000	7450	6705

*Closing basis



Rational

- LINDE has delivered a strong breakout above the descending trendline resistance, supported by a sharp surge in volumes, indicating aggressive accumulation.
- The stock has decisively moved above its 20, 50, and 100-day moving averages, reflecting a shift in short- to medium-term trend strength.
- RSI is trading near 77, showing strong bullish momentum, though slightly overbought, which signals sustained buying interest.
- The breakout above the 6,900 zone confirms bullish continuation. Traders can consider fresh buying in the 6,950–7,000 range with a stop loss at 6,705. On the upside, the stock is well-positioned to test 7,450 in the coming sessions

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