

MARKET STRATEGY



18th MAY 2026



NIFTY



LTP	R1	R2	S1	S2
23,643.50	24,600	24,500	23,000	22,500

- The Nifty 50 opened the recent session around 23,731 and witnessed mild selling pressure, closing near 23,643, reflecting consolidation after the recent recovery bounce. The index is currently hovering near an important support zone around 23,500–23,300, indicating a crucial area for near-term price action.
- On the daily chart, the index continues to trade below its short-term moving averages, signaling weakness in momentum despite the recent pullback recovery. The formation of indecisive candles near resistance highlights lack of strong buying conviction at higher levels. Additionally, the RSI is hovering near the 40–45 zone, indicating subdued momentum and a cautious undertone in the broader market structure.
- From a technical perspective, the near-term outlook remains cautious to bearish unless the index sustains above immediate resistance levels. Immediate support is placed around 23,300–23,000, while resistance levels are seen near 24,100 and 24,600, which may act as strong supply zones on any rebound.

BANKNIFTY



LTP	R1	R2	S1	S2
53,710.35	57,500	57,000	51,500	51,000

- The Nifty Bank Index opened the recent session around 54,207 and witnessed sustained selling pressure, closing lower near 53,710, reflecting weakness in the banking space after the recent rebound. The index has slipped below its short-term support zone near 54,000, indicating cautious sentiment and increasing volatility in the near term.
- On the daily chart, the index is trading below its key short-term moving averages, signaling a loss of bullish momentum within the broader rising channel structure. The formation of consecutive weak candles near resistance highlights persistent profit booking at higher levels. Additionally, the RSI is hovering near the 35–40 zone, indicating weakening momentum and a bearish undertone in the short term.
- From a technical perspective, the near-term outlook remains cautious to bearish unless the index reclaims higher resistance levels. Immediate support is placed around 53,200–52,500, while resistance levels are seen near 54,800 and 56,000, which may act as strong supply zones on any recovery bounce.

NIFTY PHARMA



- The Nifty Pharma Index opened the recent week around 24,008 and witnessed strong buying momentum, closing higher near 24,635, indicating renewed strength in the pharma space. The index has successfully broken above the key resistance zone near 23,700–24,000, suggesting fresh accumulation and continuation of the broader uptrend.
- On the weekly chart, the index continues to trade above its key moving averages, reflecting a strong bullish structure in the medium-term trend. The formation of a strong bullish candle near breakout territory highlights sustained buying interest from market participants. Additionally, the RSI has surged above the 70 mark, indicating strong momentum and improved price strength, although the index is approaching overbought territory.
- From a technical perspective, the near-term outlook remains bullish with positive momentum likely to continue. Immediate support is placed around 23,700–23,200, while resistance levels are seen near 25,000 and 25,500, which may act as key supply zones in the coming sessions.

Outperformers	Underperformers
BIOCON, LAURUSLABS	LUPIN, WOCKPHARMA

NIFTY HEALTHCARE



- The Nifty Healthcare Index opened the recent week around 15,349 and witnessed sustained buying momentum, closing higher near 15,752, indicating continued strength in the healthcare space. The index has decisively broken above the key resistance zone near 15,000–15,100, suggesting fresh accumulation and continuation of the broader uptrend.
- On the weekly chart, the index continues to trade above its major moving averages, reflecting a strong bullish market structure. The formation of a strong bullish candle near lifetime-high territory highlights aggressive buying interest from market participants. Additionally, the RSI has surged above the 70 mark, indicating strong momentum and improving price strength, though the index is entering overbought territory.
- From a technical perspective, the near-term outlook remains bullish with positive momentum likely to continue. Immediate support is placed around 15,000–14,700, while resistance levels are seen near 16,000 and 16,500, which may act as key supply zones in the coming sessions.

Outperformers	Underperformers
BIOCON, LAURUSLABS	PPLPHARMA, LUPIN

NIFTY IT



- The Nifty IT Index opened the recent week around 29,323 and witnessed intense selling pressure, closing sharply lower near 27,717, reflecting significant weakness across the IT space. The index has broken below its crucial support zone near 30,000, indicating deterioration in sentiment and continuation of the prevailing downtrend.
- On the weekly chart, the index is trading well below its key moving averages, signaling a strong bearish market structure. The formation of a large bearish candle after repeated rejection near resistance levels highlights aggressive selling by market participants. Additionally, the RSI has slipped below the 30 mark, indicating weak momentum and oversold conditions in the near term.
- From a technical perspective, the near-term outlook remains bearish, although the oversold RSI may trigger a short-term relief bounce. Immediate support is placed around 27,000–26,500, while resistance levels are seen near 30,000 and 32,000, which may act as strong supply zones on any recovery attempt.

Outperformers	Underperformers
-	LTM, PERSISTENT

NIFTY REALTY



- The Nifty Realty Index opened the recent week around 819 and witnessed strong selling pressure, closing sharply lower near 756, reflecting continued weakness in the real estate segment. The index has failed to sustain above its key breakout zone and slipped back below important resistance levels, indicating deterioration in near-term sentiment and continuation of the broader corrective trend.
- On the weekly chart, the index is trading below its key short- and medium-term moving averages, signaling a weak technical structure. The formation of a strong bearish candle near the falling trend line resistance highlights persistent selling pressure at higher levels. Additionally, the RSI is hovering around the 45 mark, indicating subdued momentum despite intermittent pullback attempts.
- From a technical perspective, the near-term outlook remains cautious to bearish unless the index sustains above the 790–800 zone. Immediate support is placed around 720–700, while resistance levels are seen near 790 and 840, which may act as strong supply zones on any recovery attempt.

Outperformers	Underperformers
-	ABREL, ANANTRAJ

SECTOR PERFORMANCE



Pick of the week

Scrip	Trade	Entry Range	Target	Stop loss
MEDPLUS	BUY	950-956	1018	917

*Closing basis



Rational

- MEDPLUS is currently at a pivotal juncture, having broken out of a rising trend line. This breakout indicates steady accumulation by buyers at lower levels over the past days, potentially paving the way for a strong upward move
- The 21-day EMA (short-term trend indicator) has crossed above the 50-day EMA (mid-term trend indicator), confirming short-term strength and acting as a support zone.
- The RSI has also broken out and is now at 78.46, indicating strong upward momentum. If the stock holds above its breakout level, the rally could continue

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