

MARKET STRATEGY

24th February 2025



NIFTY



LTP	R1	R2	S1	S2
22795.9	23050	23250	22575	22300



LTP	R1	R2	S1	S2
48981.2	49700	50280	48525	48000

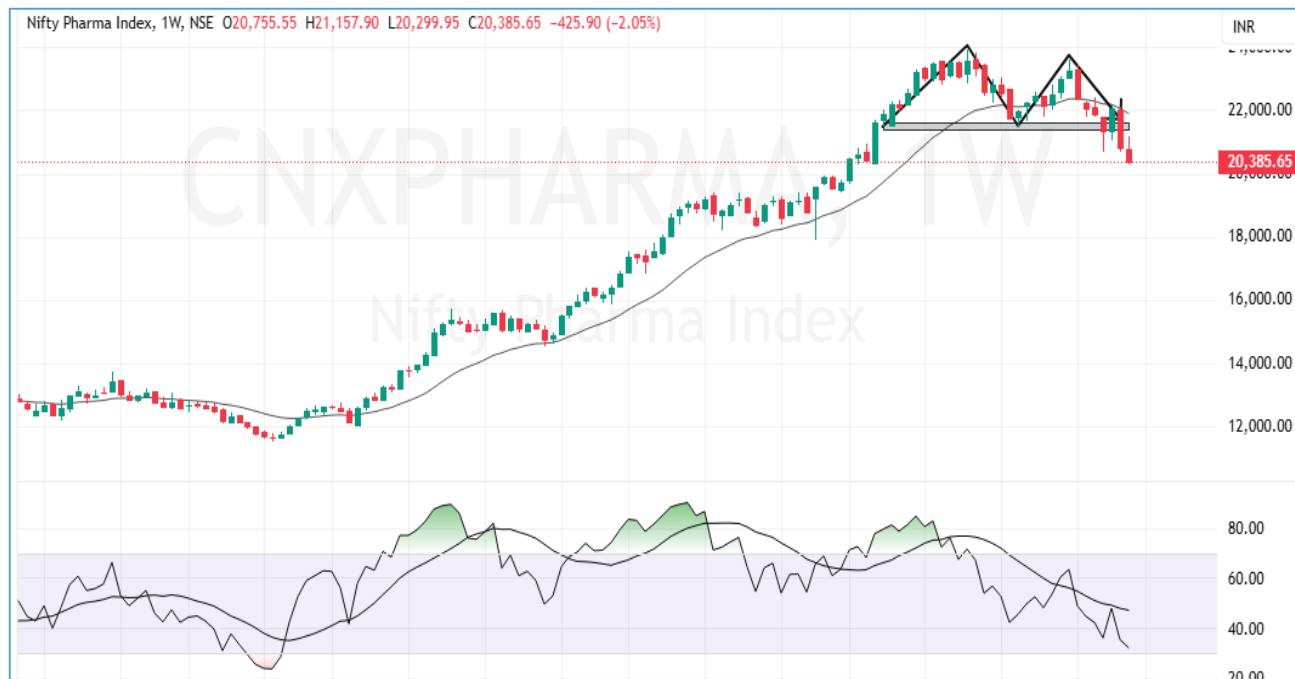
- The Nifty 50 concluded the week lower by 0.58%, closing at 22,795.90, aligning with our expectations. The index faced supply pressure at higher levels, The formation of small-bodied candles indicates a lack of conviction among both buyers and sellers, reflecting indecision in the market and resulting in a narrow trading range of approximately 300 points throughout the week.
- From a technical standpoint, the 20-day and 50-day Exponential Moving Averages (EMAs) continue to trend downward, reinforcing the bearish bias. Furthermore, the Relative Strength Index (RSI) on the daily chart is at 28 and is on a gradual downward trajectory, signaling weakening momentum
- The immediate support zone is identified at 22,575-22,600, while resistance is positioned around the 23,000-23,050 levels. A decisive break below the 22,575 support could accelerate the downward momentum, potentially pushing the index toward the 22,300 level. On the upside, a sustained move above the 23,050 resistance could trigger a rebound toward the 23,200 mark

BANK NIFTY

- The Nifty Bank index formed a Doji-like candle on the weekly chart, characterized by an upper shadow slightly longer than the lower shadow, reflecting heightened supply pressure at higher levels. This was followed by a bearish candle, reinforcing a negative bias. The index closed the week at 48,981.20, marking a weekly decline of 0.24%
- As anticipated, the index experienced a pause in momentum during the week. The 200-period Exponential Moving Average (EMA) remains flat, suggesting the potential for continued rangebound movement. Additionally, the Relative Strength Index (RSI) stands at 41, indicating a lack of strong directional momentum and further supporting the sideways trend
- For traders, a directional strategy may be considered only upon a confirmed breakout above the 49,700 level, which could propel the index toward the immediate target of 50,280, aligned with the 200 EMA. On the downside, a breach below the 48,525-support level could lead to a test of the next significant support at 48,000. Market participants are advised to closely monitor these critical levels for potential trading opportunities in the coming sessions..

Sectoral Analysis

NIFTY PHARMA



- The Nifty Pharma Index lost 425 points (-2.05%) on the weekly chart, forming a bearish candlestick with upper shadow indicating supply at higher levels. Additionally, the index has given a breakout of double top pattern on the weekly timeframe.
- On the daily timeframe, the index is trading near its seven month low. Additionally, RSI is moving towards southern direction, reflecting a lack of upward momentum.
- Crucial levels to monitor include resistance at 20800 and 21000 on the upside, while immediate support is placed at 20300, followed by 20000 on the downside.

Outperformers

ABBOTIND, SYNGENE

Underperformers

BIOCON, LAURUSLAB

NIFTY AUTO



- The NIFTY AUTO Index opened on a flat note however it ended the week with a loss of 563 points (-2.55) on the weekly timeframe. It has formed a bearish candle with this index has given a breakdown of falling channel pattern.
- The index is currently trading below its 20 and 50-period exponential moving averages, signaling a short-term negative trend. Furthermore, the RSI (14) is positioned at 27, indicating a bearish momentum.
- Levels to note on the upside are 21700 and 22000, while on the downside immediate support is seen at 21300 followed by 21000.

Outperformers

EICHERMOTOR, ESCORTS

Underperformers

TVSMOTOR, M&M

Sectoral Analysis

NIFTY IT



- The Nifty IT index registered a losses of 766 points, or 1.86% down, forming a small body bearish candlestick on the weekly chart with upper shadow indicating a supply at higher levels
- On the daily timeframe, the index is steadily approaching the lower boundary of its descending channel pattern, indicating a potential continuation of the downward momentum
- Going ahead as long as the index is placed below 41500 outlook remains negative, levels to watch for the week on downside are 40000 & 39700.

Outperformers

HFCL , LTTS

Underperformers

CYIENT , OFSS

NIFTY FINANCIAL SERVICE



- The NIFTY FINANCIAL index concluded the week on a subdued note, declining by 12 points or 1.59%, and has been trading within a narrow range over the past ten trading sessions
- On the daily timeframe, the major Exponential Moving Averages (EMAs) remain flat, reinforcing the ongoing rangebound activity. , the momentum indicator, RSI (14), is positioned at 46, supporting the current consolidation phase.
- Key levels to watch are 23500 & 23700 on the upside while 22850 & 22550 levels on the downside.

Outperformers

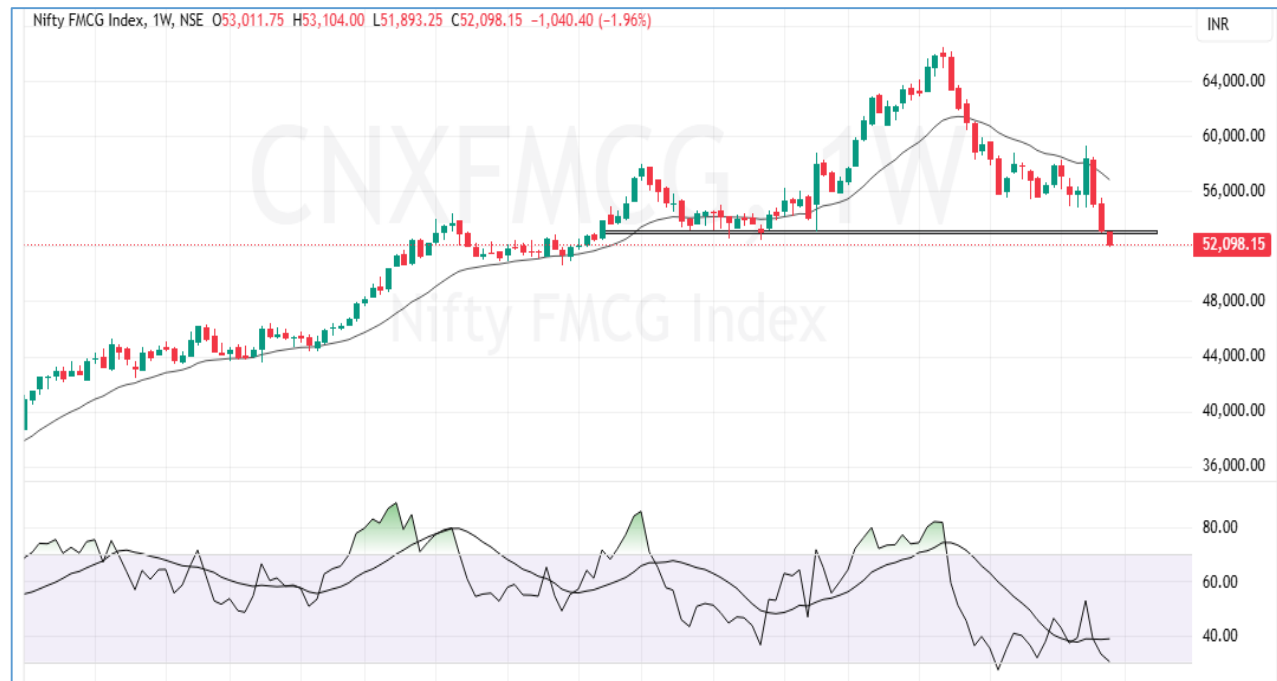
BSE , MANAPPURAN

Underperformers

MUTHOOT, SBICARD

Sectoral Analysis

NIFTY FMCG



- The Nifty FMCG index closed lower, shedding 1,040 points, down nearly 1.96%, and formed a sequence of bearish candlesticks on the weekly chart, reflecting strong selling pressure and seller dominance.
- On the daily timeframe, the index is trading well below the 20 and 50 EMA, with the RSI nearing oversold levels, suggesting a potential bounce is due. A rebound towards 54,000, aligning with the 20 EMA, should be viewed as a selling opportunity in the short term.
- Key levels to watch are 53000 & 54000 on the upside while support is placed at 51900 & 51000 respectively.

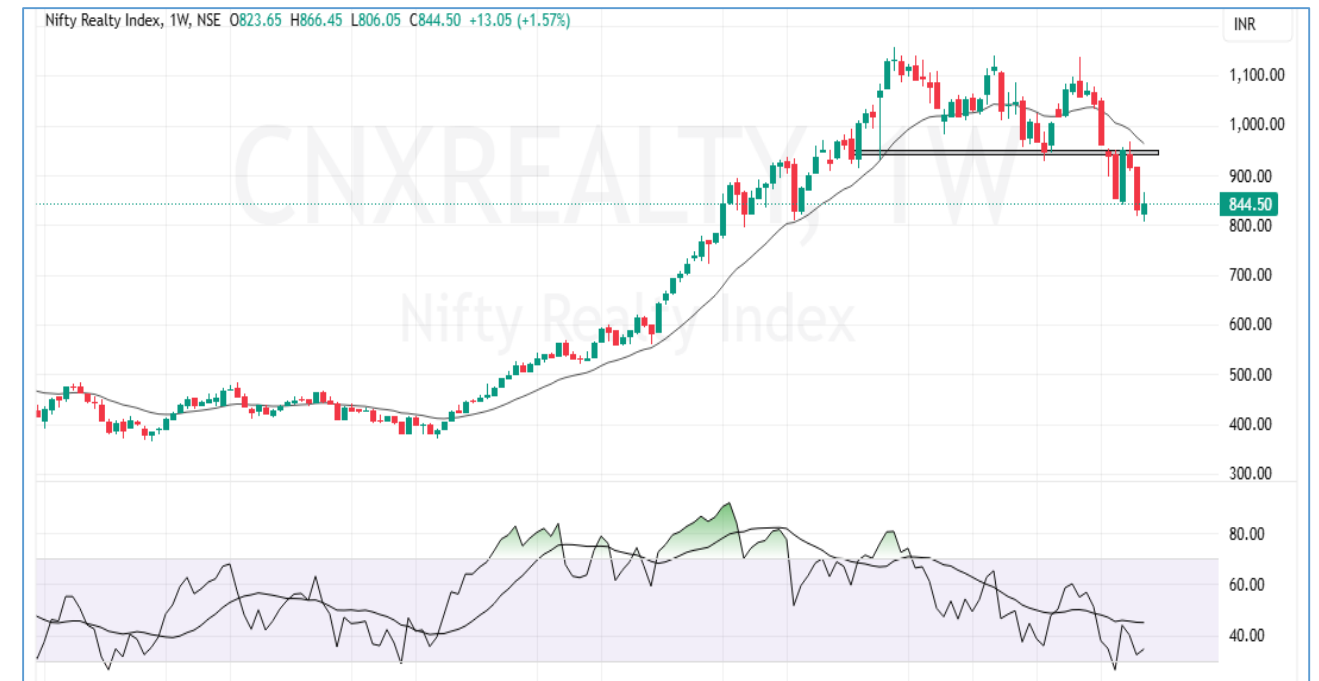
Outperformers

JUBILANTFOOD , BERGER

Underperformers

HUL , UNITEDSPR

NIFTY REALTY



- The Nifty Realty Index concluded the week on a positive tone, gaining 13 points .The price action formed a small bullish candlestick followed by a sharp bearish candle, suggesting a potential rebound is underway
- On the daily chart, the index is forming lower lows and continues to trade below the 200 EMA, signaling a bearish bias. The RSI (14) is currently at 46, reflecting a lack of upward momentum
- Key resistance levels to watch on the upside are 866 and 876, with the latter aligning with the 20 EMA. On the downside, immediate support is near 822, followed by the 806 level.

Outperformers

INDHOTEL , LODHA

Underperformers

NBCC , PRESTIGE

Sectoral Analysis

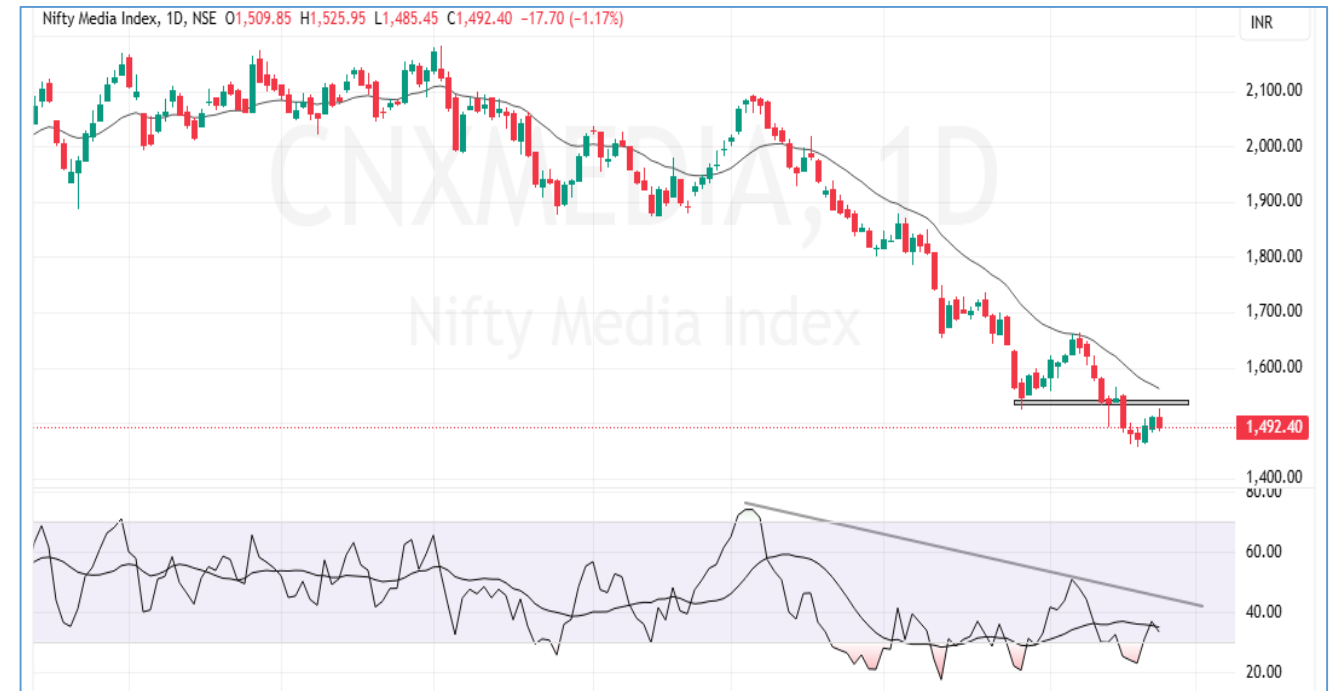
NIFTY METAL



- The Nifty Metal index closed on a positive note, and surged nearly 5 percent or 422 points, forming a strong bullish candlestick suggesting buyers overpowered sellers in the week gone by.
- On the daily scale, the index comfortably closed above 20 & 50 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	Underperformers
NALCO , APLAPOLLO	HINDCOPPER , JSWSTEEL

NIFTY MEDIA



- The Nifty Media Index ended the session nearly flat, gaining just 0.25 points or 0.02%, and formed a classic Doji candlestick pattern. This reflects market indecision and lack of conviction between buyers and sellers.
- 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, 1525 & 1562 on the upside while 1475 & 1456 are on the downside.

Outperformers	Underperformers
	SUNTV , PVRINOX

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