

MARKET STRATEGY

03rd March 2025



NIFTY



LTP	R1	R2	S1	S2
22124.7	22450	22650	22000	21800



LTP	R1	R2	S1	S2
48344.7	49000	49600	47840	47000

- The Nifty 50 ended the week on a bearish note, declining by 2.94% to close at 22,124.70, in line with our expectations. The week began with a gap-down opening, followed by a sharp sell-off in the final trading session. The index breached the rising trendline that had provided support since 2020, additionally, the formation of a series of bearish candles further underscores the dominance of sellers and negative sentiment
- Notably, the Nifty 50 recorded its fifth consecutive monthly decline, reflecting persistent weakness. The weekly Relative Strength Index (RSI) has dropped to 21.40, approaching towards oversold territory, which could signal potential exhaustion in the current downtrend.
- From a technical perspective, the immediate support is placed at the 22,000 level, while resistance is seen in the 22,430-22,450 range. A decisive break below the 22,000 support could intensify the downward momentum, potentially dragging the index toward the 21,800 zone. Conversely, a sustained move above the 22,450 resistance could pave the way for a rebound toward the 22,650 mark.

BANK NIFTY

- The Nifty Bank index formed a small-bodied bearish candle on the weekly chart, featuring an upper shadow slightly longer than the lower shadow, indicating persistent supply pressure at higher levels. This was followed by a Doji candle, further reinforcing the negative bias. The index closed the week at 48,344.70, registering a weekly decline of 1.30%.
- The 200-period Exponential Moving Average (EMA) remains flat, suggesting the potential for rangebound movement in the near term. The Relative Strength Index (RSI) is currently at 37, reflecting a lack of strong directional momentum. However, the index is holding above its previous month's low of 47,844, showcasing relative outperformance compared to the benchmark indices.
- A clear directional strategy may be considered only upon a confirmed breakout above the 49,000 level, which could drive the index toward the immediate target of 49,600, aligning with the highs of the week preceding the previous one. On the downside, a breach below the 47,840-support level could trigger a decline toward the next significant support at 47,000

Sectoral Analysis

NIFTY PHARMA



- The Nifty Pharma Index lost 425 points (-2.81%) on the weekly chart, forming a bearish candlestick with an upper shadow indicating supply at higher levels. Additionally, the index has formed a series of consecutive bearish candles, signaling seller dominance.
- On the daily timeframe, the index trades near its seven-month low. Additionally, RSI is moving towards the southern direction, reflecting a lack of upward momentum.
- Crucial monitoring levels include resistance at 20250 and 20500 on the upside, while immediate support is placed at 19755, followed by 19500 on the downside.

Outperformers	Underperformers
LAURUSLABS	SYNGENE , GRANULES

NIFTY AUTO



- The NIFTY AUTO Index opened on a flat note however it ended the week with a massive loss of 1000 points (-4.68%) on the weekly timeframe. It has formed a strong bearish candle followed by a breakdown of a falling channel pattern in the previous week.
- The index is currently trading way below its 20 and 50-period exponential moving averages, signaling a short-term negative trend; however, a bounce is overdue. Furthermore, the RSI (14) is positioned at 27, approaching towards oversold area.
- Levels to note on the upside are 20660 and 20840, while on the downside immediate support is seen at 20450 followed by 20000.

Outperformers	Underperformers
-	APOLLOTYRE , MOTHERSONX

Sectoral Analysis

NIFTY IT



- The Nifty IT index registered a losses of 3226 points, or 7.96% down, forming a massive bearish candlestick on the weekly scale closing at 7 7-month low suggesting bearish outlook
- On the daily timeframe, the index has broken 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 38650 outlook remains negative, levels to watch for the week on downside are 37000 & 36500

Outperformers	Underperformers
-	LTIM , MPHASIS

NIFTY FINANCIAL SERVICE



- The NIFTY FINANCIAL index concluded the week on a subdued note, declining by 145 points or -6.3%, and has been trading within a narrow range over the past couple of 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 42, supporting the current consolidation phase.
- Key levels to watch are 23500 & 23700 on the upside while 22850 & 22550 levels on the downside.

Outperformers	Underperformers
SHRIRAMFIN , BAJAJFIN	ANGELONE , BSE

Sectoral Analysis

NIFTY FMCG



- The Nifty FMCG index closed lower, shedding 1,409 points, down nearly 2.70%, 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 52250, aligning with the 9-period EMA, should be viewed as a selling opportunity in the short term.
- Key levels to watch are 51500 & 52250 on the upside while strong support is placed at 50000.

Outperformers	Underperformers
COLPAL	JUBILANTFOOD , KALYAN

NIFTY REALTY



- The Nifty Realty Index ended the week on a negative note, shedding 46 points. The price action formed a bearish candle, followed by a small bullish candlestick, indicating an attempted rebound that faced selling pressure at higher levels.
- On the daily chart, the index is forming lower lows and continues to trade below the 200 EMA, signaling a bearish trend. The RSI (14) is currently at 23, reflecting a lack of upward momentum
- Key resistance levels to watch on the upside are 825 and 844, with the latter aligning with the previous week's high. On the downside, support is near 780-787 zone.

Outperformers	Underperformers
-	NBCC , HUDCO

Sectoral Analysis

NIFTY METAL



- The Nifty Metal index closed on a negative note, and declined nearly 4 percent or 390 points, forming a bearish candle suggesting sellers overpowered buyers in the week gone by.
- The index has been trading rangebound between 8,700 and 7,935 on the weekly scale for over two months. Dips toward the lower range should be seen as buying opportunities, while bounces toward the upper range should be viewed as selling opportunities.
- Key levels to watch for the upcoming sessions are 8500 and 8700 on the upside while 8000 and 7935 on the downside.

Outperformers	Underperformers
COALINDIA	NALCO , VEDL

NIFTY MEDIA



- The Nifty Media Index closed the session with significant losses of nearly 7%, forming a bearish candle. The index is down approximately 62% from its lifetime high, reflecting sustained weakness.
- The index is displaying a lower low and lower high formation, reinforcing its bearish structure. Additionally, all major Exponential Moving Averages (EMAs) are sloping downward, further confirming the prevailing negative trend.
- Key levels to monitor in coming week include 1,420 and 1,450 on the upside, while 1,370 and 1,350 are support levels on the downside.

Outperformers	Underperformers
	SUNTV , PVRINOX

Drumil vithlani
Technical Research Analyst

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Drumil Vithlani
Technical Research Analyst

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M/s. Bonanza Portfolio Ltd at Bonanza House, Plot No. M-2, Cama Industrial Estate. Walbhat Road, Goregaon (E), Mumbai – 400063

Web site: <https://www.bonanzaonline.com>

Research Analyst Regn No. INH100001666 SEBI Regn. No.: INZ000212137