

MARKET STRATEGY

06th January 2025



NIFTY



LTP	R1	R2	S1	S2
24004.7	24200	24350	23800	23550

- The Indian benchmark index, Nifty 50, commenced the week on a flat note at 23,796.90. While some selling pressure was observed during the week, the index managed to recover and witnessed strong buying momentum. This positive movement propelled the index above its critical resistance level, recording a weekly high of 24,226.70 before settling at 24,004.75
- From a trend perspective, the 20-day exponential moving average (DEMA), which was previously sloping downward, has now flattened, indicating a potential shift in trend. Additionally, the Relative Strength Index (RSI) on the daily chart is gradually improving and is currently at 48, suggesting an enhancement in momentum.
- Looking ahead, the overall market sentiment for the upcoming week appears positive as long as the index stays above 23550. Participants should monitor the 23550 level as a critical support zone. Any pullback toward 23,800 may present an opportunity for buying with a stop loss of 23550 and target of 24200 and 24350



LTP	R1	R2	S1	S2
50988.80	51400	52000	50600	50000

BANK NIFTY

- On the weekly timeframe, the Nifty Bank index has exhibited range-bound behavior, forming a high-wave bearish candle followed by a small-bodied candle. This pattern reflects a volatility & tug-of-war between market participants throughout the week. The index ended the week at 50,988.80, down by 0.63%
- The index is currently trading within a well-defined range of 50,600–51,600, indicating a phase of consolidation. The flat movement of the exponential moving averages (EMAs) on the hourly timeframe further supports the ongoing range-bound activity. Meanwhile, the Relative Strength Index (RSI) stands at 41 and remains below its signal line, signaling a lack of momentum.
- A non-directional strategy is recommended as long as the index stays within the range of 50,600–51,600. Market participants should monitor these levels closely and wait for a decisive breakout above 51,600 or a breakdown below 50,600 for directional clarity.

NIFTY PHARMA



- The Nifty Pharma index gained 255 points, or 1.11%, over the past week, forming its third consecutive bullish candle on the weekly chart, which suggests a continued "buy on dips" strategy.
- On the daily chart, the index shows a gradual upward trajectory, with the RSI (14) trending positively in the northern direction, indicating sustained momentum. The 20 and 50 EMA levels on the hourly chart are acting as crucial support zones..
- Key levels to watch on the upside are 23600 followed by 23800 and 23180 followed by 23000 on the downside.

Outperformers	Underperformers
MAXHEALTH	METROPOLIS , AUROPHARM

NIFTY AUTO



- The Nifty Auto index surged by 905.95 points, or 3.92%, during the week, forming a strong bullish candle. It successfully closed above the 24,000 level, which had served as a resistance for the past nine weeks.
- The breakout of the channel pattern on the daily timeframe suggests a bullish outlook. Furthermore, the RSI (14) is trading at 69, indicating a notable improvement in momentum.
- Going ahead levels to note on the upside is 24250 and 24500, and on the downside immediate support is seen at 23750 if said level is breached index may continue trending towards 23500

Outperformers	Underperformers
TATAMOTORS , MARUTI	APOLLOTYRE , BALKRISIND

NIFTY IT



- The nifty it index closed at flat to positive note 5.15 points, 0.01 percent forming a classic doji candle indicating a indecision at higher levels on weekly scale
- On the daily timeframe, the index is consolidating within a tight range of 43,400-44,400. On the momentum front, the RSI (14) is positioned below the signal line at 47 indicating lack of moment.
- Looking ahead, key resistance levels to monitor are 44,000 and 44,400, while support levels are seen at 43,400 and 43,000.

Outperformers

LTTS , HFCL

Underperformers

KFINTECH , WIPRO

NIFTY FINANCIAL SERVICE



- The NIFTY FINANCIAL index ended the week on a flat note with 52 points down, 0.22 percent forming a classic doji candlestick on a weekly chart followed by inside bar indicating indecision
- the index has been consolidating within a range over the past 10 trading sessions, with 24,000 acting as a resistance level and 23,400 providing support. A decisive close above or below this range will likely determine the directional bias.
- Key levels to watch are 24000 & 24275 on the upside while 23500 & 23400 level on the downside.

Outperformers

CHOLAFIN , REC

Underperformers

ANGELONE, MCX

NIFTY FMCG



- The nifty FMCG index was seen positive with 1372.75 points, 2.43 percent gains forming a reasonably bullish candle on weekly timeframe
- the emergence of an Adam and Eve pattern suggests a potential short-term reversal. The momentum indicator RSI (14) is currently trading at 58.45, aligning with the price action and reinforcing a positive outlook
- Key levels to watch are 58800 & 59000 on the upside while support is placed at 56900 & 56500 respectively.

Outperformers

DABUR

Underperformers

ITC , KALYANJIL

NIFTY REALTY



- The Nifty Realty index concluded the weekly session on a bearish note forming a bearish candle near resistance zone on the weekly chart of 26 points, 2.45 percent down
- On a hourly timeframe the index is forming lower high lower low and with this index is finding resistance at 20 EMA indicating a bearish outlook moreover RSI (14) saw decline and is now below 50 supporting the downward momentum
- Going ahead, levels to watch on the upside are 1060 and 1086 on the upside while on the downside are 1030 followed by 1000.

Outperformers

HUDCO , LODHA

Underperformers

OBEROI REALTY

NIFTY METAL



- The nifty metal index ended on a flat to positive note 9.25 points up, 0.11 percent forming a doji candle on weekly timeframe indicating a tug of war btw buyers and seller
- On the daily scale, the index is trading below its key EMA, with a consistent lower-low and lower-high pattern further confirming the bearish outlook. Any upward movement should view as a selling opportunity till the time index remains below the 20 EMA
- Key levels to watch for the upcoming sessions are 8900 and 9100 on the upside while 8500 and 8300 on the downside.

Outperformers

APLAPOLLO ,VEDL

Underperformers

JSL , NALCO

NIFTY MEDIA



- The Nifty Media index closed slightly positive, gaining 0.43%, and formed a hammer candle with a lower shadow, indicating buying interest at lower levels. This comes after a three consecutive bearish candles on the weekly chart
- On a daily timeframe the index is trading in lower low and lower high formation while all the major Ema's are sloping downward confirming negative trend
- Key levels to watch for the week , 1895 & 1945 on the upside while 1835 & 1800 are on the downside.

Outperformers

Underperformers

SUNTV, PVRINOX

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