

MARKET STRATEGY

16th December 2024



NIFTY



LTP	R1	R2	S1	S2
24768.3	24850	25000	24500	24300



LTP	R1	R2	S1	S2
53583.8	54000	54500	53000	52650

- The Indian benchmark index, Nifty 50, commenced the week on a flat note at 24,633 and maintained a rangebound action until the last trading session of the week, wherein the index witnessed sharp selling, although buyers came into action and took the index above the open, marking a high of 24792.30 and closed at 24768.3. The index saw a throwback towards the breakout level of inverted head and shoulder, thereon witnessed sharp buying
- On the weekly chart, the index displayed a robust recovery from lower levels, forming a hanging man candle and closing near key resistance levels. The 20-week Exponential Moving Average (EMA) is slightly trending upwards, indicating that the bearish momentum has faded. Additionally, the Relative Strength Index (RSI) on the weekly chart is moving higher and is currently at 56, reflecting improving momentum.
- Looking ahead, the overall market sentiment for the upcoming week appears positive, with a bullish bias as long as the index holds above 24,300. Participants should monitor the 25,000 level as a critical resistance zone. A breakout above this level could trigger a fresh rally, while any throwback toward 24,500 may present an opportunity for accumulation.

BANK NIFTY

- On the weekly timeframe, the Nifty Bank index has formed a Hanging Man candle. Throughout the week, the index displayed a series of indecisive candles, signaling a lack of clear direction. However, during the final trading session of the week, the index experienced selling pressure, followed by a strong rebound from lower levels, which propelled the index to close above its opening price
- The index is trading well above the 20,50,100 & 200-week EMAs, signifying a bullish structure. The rising trajectory of the EMAs further confirms the positive trend. The RSI is at 63, moving upward and above its signal line, reflecting a strengthening bullish momentum. The RSI's trajectory suggests a renewed push toward overbought territory, consistent with further upward movement
- The index has respected its support zone and resumed its uptrend. Traders should consider long positions above 53,600, with a target of 54,200 and 54,500, keeping a stop-loss below 53,000. Investors should continue to hold positions, as the overall structure remains positive for the medium-term

NIFTY PHARMA



- The Nifty Pharma index recorded a loss of 277 points, or 1.24%, on the weekly chart. It has formed a hammer candle on the daily timeframe followed by a series of bearish candle
- On the weekly chart, the price is trading around fast ema (21) and above slow ema (50), while the momentum indicator RSI (14) is trading at 45, indicating a lack of momentum
- Key levels to watch on the upside are 22450 followed by 22750 and 22000 followed by 21800 on the downside.

Outperformers

MAXHEALTH, METROPOLIS

Underperformers

BIOCON , SYNGENE

NIFTY AUTO



- The NIFTY AUTO index ended the week on a negative note, declining by 187.15 points or 0.78%. On the weekly chart, it formed a hanging man-like candle and continues to trade within a broader range
- For any decisive move, wait for a close above 24200 or a close below 23600 on the daily timeframe. Additionally, the momentum indicator RSI (14) is trading at 49.70 indicating a lack of momentum.
- Going ahead levels to note on the upside is 24200 and 24400, and on the downside 23600 and 23400

Outperformers

MRF , BALKRISHNA

Underperformers

MOTHERSON , SONACOMS

NIFTY IT



- The Nifty IT index recorded gains of 1279.75 points, 2.86 percent, and made a fresh all-time high while forming a strong bullish candle on a weekly timeframe.
- On a daily timeframe, the index is trading in higher high and higher low formation and is trading above all major emas while RSI (14) is trading at 73 indicating a positive outlook in the underlying.
- Going ahead levels to watch on the upside are 46500 and 46800 while on the downside are 45000 and 44300

Outperformers

LTIM , PERSISTENT

Underperformers

OFSS, HFCL

NIFTY FINANCIAL SERVICE



- The NIFTY FINANCIAL index ended the week on a positive note with 176 points up, 0.72 percent forming a bullish candle on weekly chart and giving a range breakout.
- On a daily timeframe the index is trading above all major emas and is heading toward its lifetime high while the momentum indicator RSI (14) is trading at 64.60 supporting price action and indicating a positive outlook.
- Key levels to watch are 25000 & 25200 on the upside while 24200 & 24000 level on the downside.

Outperformers

MANAPPURAN, MUTHOOT

Underperformers

MCX , LIC

NIFTY FMCG



- The Nifty FMCG index ended on a negative note losing 874 points, 1.52 percent, forming a hammer candle followed by bearish trend
- On a daily timeframe the index is trading in lower low formations and the price is also trading below all major emas indicating a negative outlook. The negative view stays intact as long as the index is placed below 58000
- Key levels to watch are 57500 & 58000 on the upside while support is placed at 56000 & 55400 respectively.

Outperformers

KALYAN , UBL

Underperformers

TATACONSUMER, HUL

NIFTY REALTY



- The Nifty Realty index concluded the weekly session on a bullish note, forming a positive candle on the weekly chart of 11.05 points, 1.04 percent up.
- On a daily timeframe the index is trading in higher high and higher low formation while it is also trading above fast ema (21) and slow ema (50) and RSI (14) is trading at 66 supporting price action and indicating a positive outlook in the underlying.
- Going ahead, levels to watch on the upside are 1090 and 1100 on the upside while on the downside are 1060 followed by 1040.

Outperformers

LODHA , INDHOTEL

Underperformers

HUDCO , OBEROI

NIFTY METAL



- The Nifty Metal index ended on a positive note with 0.45 percent up and 42 points up in total forming a classic doji candle indicating a directionless market
- On a daily timeframe, the index is seen forming small body-long shadow candles indicating volatility in the week gone by. Moreover, in a previous session similar to dragonfly candle was observed signaling buying from lower levels
- Key levels to watch for the upcoming sessions are 9500 and 9600 on the upside while 9200 and 9100 on the downside.

Outperformers	Underperformers
JINDALSTEL , VEDL	NMDC , NALCO

NIFTY MEDIA



- The nifty media index closed on a negative note, 123 points and 5.96 percent down, forming a bearish engulfing candlestick pattern on weekly indicating seller's dominance.
- On a daily timeframe, the index is seen forming a series of bearish candles while all the major Ema's are placed below it. Indicating a negative outlook and sell-on-rise approach
- Key levels to watch for the week is 2100 & 2120 on the upside while 1925 & 1900 are on the downside.

Outperformers	Underperformers
	SUNTV, PVRINOX

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