

MARKET STRATEGY

23rd December 2024



NIFTY



LTP	R1	R2	S1	S2
23587.5	23850	24000	23350	23000

- The Indian benchmark index, Nifty 50, began the week on a flat note at 24753 but continued its downward trajectory throughout the week. This decline pushed the index below its critical support level, the 200 EMA, registering a weekly low of 23,537 before settling at 23,587.50. The price action witnessed a false breakout of an inverted head and shoulders pattern, which triggered a bull trap below the 24,500 mark. Subsequently, the index experienced sharp selling pressure, resulting in the formation of a long bearish candle on the weekly chart, indicating a decisive shift in sentiment.
- The 20 DEMA has begun to slope downward, indicating bearish momentum. Furthermore, the RSI on the daily chart is trending lower and is currently at 34, confirming weakening sentiment and the persistence of bearish pressure.
- Looking ahead, the overall market sentiment for the upcoming week appears, negative as long as the index stays below 24,000. Participants should monitor the 23350 level as a critical support zone. A breakdown below this level could trigger a fresh rally towards 23000, while any pullback toward 23,850 may present an opportunity for selling with a stop loss of 24000

BANK NIFTY



LTP	R1	R2	S1	S2
50759.2	51400	52000	50600	50000

- On the weekly timeframe, the Nifty Bank index has formed a long bearish candle followed by the Hanging Man candle indicating a potential reversal., the index displayed a series of bearish candles throughout the week, signaling seller dominance, wiping gains of the previous 3-week and settling down by 2800 points or -5.27 percent
- The index is trading well below the 20 & 50 EMAs, signifying a short-term bearish structure The falling trajectory of the EMAs further confirms the negative trend The RSI is at 35, moving downward and below its signal line, reflecting a bearish sentiment. The RSI's trajectory suggests a renewed push toward oversold territory, consistent with further downward movement
- The index has respected its resistance zone, Traders should consider short positions below 50600, with a target of 50000 and 49800, keeping a stop-loss above 51400. Investors should continue to hold positions, as the overall structure remains positive for the long term as long as the index is placed above 49800 levels is not breached

NIFTY PHARMA



- The Nifty Pharma index recorded a weekly gain of 344 points, or 1.55%, on the weekly chart. It has formed a reasonable bullish candle followed by a bearish candle similar to a hammer indicating a potential short-term reversal
- On the daily chart, the index gave a breakout of the falling trend line indicating a bullish outlook as long as the index is placed above the breakout candle's low which is placed around 22150 additionally 20 EMA is slightly moving upward
- Key levels to watch on the upside are 22600 followed by 22800 and 22300 followed by 22150 on the downside.

Outperformers	Underperformers
DRREDDY	BIOCON , METROPOLIS

NIFTY AUTO



- The NIFTY AUTO index ended on a negative note 1193 points, 5.02 percent on the weekly timeframe forming a strong bearish candle and is trading near 6-month lows signaling bearish sentiment
- The breakdown of the ascending triangle pattern on the daily time frame is indicating a bearish outlook , moreover the momentum indicator RSI (14) is trading at 31 indicating a lack of momentum
- Going ahead levels to note on the upside is 23000 and 23250, and on the downside immediate support is seen at 22500 is said level is breached index may continue trending towards 22000

Outperformers	Underperformers
-	ESCORTS , SONACOMS

NIFTY IT



- The Nifty IT index recorded a loss of 2224 points, 4.84 percent forming a bearish candle at a record high signaling a profit booking is seen in the week gone by
- On the daily timeframe, the index is trading in higher high and higher low formation while RSI (14) has dropped significantly, trading at 46 indicating a shift in momentum
- Going ahead levels to watch on the upside are 44400 and 45000 while on the downside are 43400 and 43000

Outperformers

Underperformers

LTIM , LTTS

NIFTY FINANCIAL SERVICE



- The NIFTY FINANCIAL index ended the week on a negative note with 1288.70 points up, 5.18 percent forming a bearish candle on a weekly chart followed by hanging man indicating reversal in short term.
- On the daily timeframe the index formed series of negative candle throughout the week coupled with EMA trending on lower side reinforcing negative outlook ahead
- Key levels to watch are 24000 & 24275 on the upside while 23500 & 23300 level on the downside.

Outperformers

Underperformers

ICICIGI

PFC , ANGELONE

NIFTY FMCG



- The Nifty FMCG index ended on a negative note losing 1268 points, 2.23 percent down, continuing its bearish momentum.
- On the daily timeframe, the index is consistently encountering resistance at the 20 EMA. Additionally, on higher timeframes, the index has breached its rising trendline support. The bearish outlook remains valid as long as the index trades below the 56,900 level, which aligns with the Fast EMA, reinforcing the negative sentiment
- Key levels to watch are 56000 & 56900 on the upside while support is placed at 55500 & 55000 respectively.

Outperformers

NESTLEIND

Underperformers

VBL , KALYANJIL

NIFTY REALTY



- The Nifty Realty index concluded the weekly session on a bearish note forming a shooting star near resistance zone on the weekly chart of 24.95 points, 2.30 percent down
- On a daily timeframe the index formed a bearish marubuzo candlestick and with this index has decisively breached 20 EMA indicating a shift towards bearish sentiment moreover RSI (14) saw sharp decline and is now below 50 supporting the downward momentum
- Going ahead, levels to watch on the upside are 1070 and 1100 on the upside while on the downside are 1050 followed by 1040.

Outperformers

-

Underperformers

LODHA , PRESTIGE

NIFTY METAL



- The Nifty Metal index ended on a negative side with 6.3 percent down and with 626 points in total forming a long week bearish candle indicating seller's dominance.
- 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 9500 and 9600 on the upside while 9100 and 9000 on the downside.

Outperformers	Underperformers
	SAIL , VEDL

NIFTY MEDIA



- The nifty media index closed on negative note, 65 points and 3.35 percent down, forming a bearish candle with shadow on higher end indicating selling from higher levels.
- 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, 1940 & 1975 on the upside while 1875 & 1850 are on the downside.

Outperformers	Underperformers
	SUNTV, PVRINOX

Drumil vithlani
Technical Research Analyst

Disclosure: M/s. Bonanza Portfolio Ltd here by declares that views expressed in this report accurately reflect view point with subject to companies/securities. M/s. Bonanza Portfolio Ltd has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations. The Analysts engaged in preparation of this Report or his/her relative: - (a) do not have any financial interests in the subject company mentioned in this Report; (b) do not own 1% or more of the equity securities of the subject company mentioned in the report as of the last day of the month preceding the publication of the research report; (c) do not have any material conflict of interest at the time of publication of the Report. The Analysts engaged in preparation of this Report:- (a) have not received any compensation from the subject company in the past twelve months; (b) have not managed or co-managed public offering of securities for the subject company in the past twelve months; (c) have not received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months; (d) have not received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months; (e) has not received any compensation or other benefits from the subject company or third party in connection with the Report; (f) has not served as an officer, director or employee of the subject company; (g) is not engaged in market making activity for the subject company.

M/s. Bonanza Portfolio Ltd is a registered Research Analyst under the regulation of SEBI, the year 2014. The Regn No. INH100001666 and research analyst engaged in preparing reports is qualified as per the regulation's provision.

Disclaimer: This research report has been published by M/s. Bonanza portfolio Ltd and is meant solely for use by the recipient and is not for circulation. This document is for information purposes only and information / opinions / views are not meant to serve as a professional investment guide for the readers. Reasonable care has been taken to ensure that information given at the time believed to be fair and correct and opinions based thereupon are reasonable, due to the nature of research it cannot be warranted or represented that it is accurate or complete and it should not be relied upon as such. If this report is inadvertently send or has reached to any individual, same may be ignored and brought to the attention of the sender. Preparation of this research report does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Past performance is not a guide for future performance. This Report has been prepared on the basis of publicly available information, internally developed data and other sources believed by Bonanza portfolio Ltd to be reliable. This report should not be taken as the only base for any market transaction; however this data is representation of one of the support document among other market risk criterion. The market participant can have an idea of risk involved to use this information as the only source for any market related activity.

Drumil Vithlani
Technical Research Analyst

The distribution of this report in definite jurisdictions may be restricted by law, and persons in whose custody this report comes, should observe, any such restrictions. The revelation of interest statements integrated in this analysis are provided exclusively to improve & enhance the transparency and should not be treated as endorsement of the views expressed in the analysis. The price and value of the investments referred to in this report and the income from them may go down as well as up. Bonanza portfolio Ltd or its directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such information / opinions / views.

While due care has been taken to ensure that the disclosures and opinions given are fair and reasonable, none of the directors, employees, affiliates or representatives of M/s. Bonanza portfolio Ltd shall be liable. Research report may differ between M/s. Bonanza portfolio Ltd RAs and other companies on account of differences in, personal judgment and difference in time horizons for which recommendations are made. Research entity has not been engaged in market making activity for the subject company. Research analyst has not served as an officer, director or employee of the subject company. Research analyst has not received any compensation/benefits from the Subject Company or third party in connection with the research report.

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