

# WEEKLY MARKET STRATEGY



8<sup>th</sup> July 2024





## NIFTY

- A bullish momentum was witnessed in the Nifty index (+1.30%), signaling the bull's dominance over the index.
- Index may not see major corrective moves taking place however some measured retracement or consolidation is imminent at current levels or slightly higher levels. Additionally, RSI, a momentum indicator, is heading towards the upward region moreover all EMAs are moving higher.
- The index also touched its all-time high in the previous week indicating a positive outlook in the index.

LTP	R1	R2	S1	S2
23323.85	23400	23500	24150	24000

## BANK NIFTY



- Bank Nifty is currently moving towards the north, All in all, the uptrend remains intact and there are no signs of major corrective moves taking place it is recommended to protect profits at higher levels
- The Relative Strength Index (RSI) is moving in the upward territory, indicating positive momentum the up move may extended but this could make the current over-extended market unhealthier.
- Traders should keep their leverage positions at a modest level fresh purchases should be kept limited to those stocks that are showing improving relative strength

LTP	R1	R2	S1	S2
52660.35	53000	53350	53500	53290



# Sectoral Analysis

## NIFTY PHARMA



- The Nifty pharma index exhibited a robust performance last week registering a notable 3.6 percent increase and reaching a new all-time high.'
- Three white solid candlestick is seen on a daily scale followed by a rounding pattern breakout which indicates positive sentiment at least for short term.
- Going ahead till the index sustain above 20200 it can test 20600 followed by 20750
- On the flip side a close below 20200 can lead to correction till 20000 levels

### Outperformers

Laurus labs, Lupin

### Underperformers

Abbot India , Divis lab

## NIFTY AUTO



- The Nifty auto index gained a modest 0.78 percent forming a candlestick with shadow on lower side and a sizable body on higher side which indicates buyers are still strong.
- However index persisted its sideways consolidation following the June series up move along with its 20 EMA remaining flat to higher
- Going ahead levels of 25450-25500 will act as an immediate resistance for the index and support is now placed at 25000 followed by 24860

### Outperformers

Motherson, Bosch Ltd

### Underperformers

Ashokley, Apollo tyres

# Sectoral Analysis

## NIFTY IT



- The nifty IT index surged 4.32 percent last week forming a strong bullish candlestick on the weekly time frame
- The sharp rise indicates buyers overpowered the sellers in the last two weeks with a notable gain of 7 percent.
- Going ahead levels to watch on the higher side which will act as resistance are 37935 and 38150 and support is now placed at the 37000 mark. The strategy should be buying on dip until the said level is not breached on the lower side

Outperformers	Underperformers
Persistent system , Coforge	LTIM , Naukri

## NIFTY FINANCIAL SERVICE



- The Nifty financial service advanced by 0.95% reaching a new all-time high of 24046.80 in the previous week.
- Bullish candle on weekly scale followed by three white soldier candlestick pattern is suggesting bullish to sideways momentum may continue for short term
- On the indicator front RSI is slightly showing divergence which is signaling lack of strength on a daily time frame

Outperformers	Underperformers
ICICI Prudential, HDFC Amc	Canfin Home , Shriram Finance



# Sectoral Analysis

## NIFTY FMCG



- The nifty FMCG advanced by 1.61 percent forming a bullish candle apart for that index showing a breakout of a rising channel on the daily scale
- Moreover index may experience a breakout of cup & handle once the resistance zone 57800-58000 is decisively taken out on a higher side
- On the contrary 56500 is strong support if 56500 is breached doors of 56000 will be opened for the FMCG index

Outperformers	Underperformers
Tata consumer , Hul	Titan, Pidilite Ind

## NIFTY REALTY



- The Nifty realty index recorded a gain of 1.30 percent forming a sizeable bullish candle with a wick on the lower side of the weekly time frame
- The index is making higher high and higher low however early warning signals are evident from the ongoing bearish divergence between price and RSI (14) on the daily scale
- Going ahead till the time index is trading above the support zone of 1088-1080 move towards 1140 is on the table

Outperformers	Underperformers
DLF , Oberoi Realty	-

# Sectoral Analysis

## NIFTY METAL



- The nifty metal index surged by 1.59 percent last week forming a small-body bullish candle Moreover the sharp rise was followed by a sharp fall in the June series indicating a 'V' shape recovery
- All the 20/50/100/200 EMAs are heading towards the north indicating sideways to bullish momentum is likely to continue until 20/50 EMA are not getting subdued
- Going ahead levels to note on the upside are 10000 and 10195 and on the downside 9890 and 9790 respectively

Outperformers	Underperformers
National Aluminum , SAIL	Jindal steel , Tata steel

## NIFTY MEDIA



- The nifty media index gained 2.77 percent forming a strong bullish candle along with this index is now trading above 200 Day EMA on weekly and daily time frame
- Nonetheless a confirmation from a trend-following indicator or momentum indicator is required to confirm the either side move
- Levels to consider for nifty media on the downside is 2000-1987 which will act as a support zone also 20 EMA is placed at 1987 levels and immediate resistance is 2078

Outperformers	Underperformers
Suntv, Pvrinox	-

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