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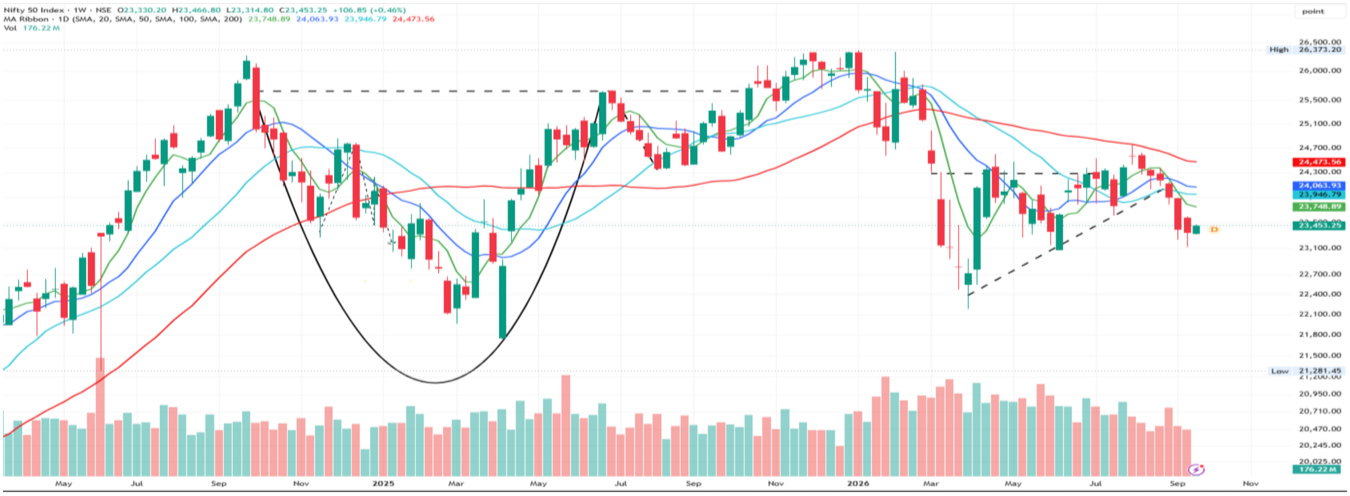
Nifty Finds Support Near 23,000; Broader Markets Show Signs of Stabilisation

- **Index View:** The Nifty 50 closed marginally lower for a sixth consecutive week, easing 0.22% to 23,346. However, price action improved meaningfully as the index staged a recovery from support. After declining towards the 23,000 zone and testing the lower end of the June support band, the index rebounded to reclaim 23,300 by the end of the week. The recovery and long lower shadows indicate buying interest emerging at lower levels, providing the first signs of stabilisation following five consecutive weeks of declines. However, the index remains below its 20-DMA at 23,780, 50-DMA at 24,090, and 200-DMA at 24,450.
- **Outlook:** The near-term bias remains cautious, although the recovery from support suggests that downside momentum has moderated. The 23,100–23,000 zone remains the key support area, with sustained holding above this range important to maintain the ongoing stabilisation attempt. On the upside, the index needs to reclaim 23,600, followed by the 20-DMA at 23,780, to strengthen the recovery, with the 50-DMA at 24,090 emerging as the next key resistance. A sustained break below 23,000 would negate the recent stabilisation and expose the index to further downside, while a move back above the key moving average cluster would signal a broader improvement in the technical structure. For now, the index appears to be attempting to establish a base following the recent correction.
- **Broader Markets:** Broader markets showed signs of stabilisation during the week, with midcaps gaining while smallcaps remained relatively resilient despite a marginal decline. The Nifty Midcap 150 gained 0.2%, while the Nifty Smallcap 250 fell 0.3%, with both indices continuing to trade above their rising 200-DMAs. The Midcap 150 remains below its 20- and 50-DMAs, while the Smallcap 250 is trading around its 50-DMA and below its 20-DMA. In contrast, the Nifty 50 remains below its key moving averages, although the sharp recovery from intraweek lows suggests that selling pressure across the broader market has moderated.
- **Market Breadth:** Breadth held steady during the week, with market participation remaining selective across sectors (Page 02).

Index	1W %	Last Week Close	S1	S2	R1	R2
Nifty 50	-0.2%	23,346	23,100	23,000	23,600	23,780
Midcap 150	0.2%	22,901	22,600	22,200	23,060	23,180
Smallcap 250	-0.3%	18,287	18,000	17,750	18,400	18,500



- **The index is trading below its 20, 50 and 200-DMA**. Focus on selective ideas trading above their key moving averages**.**
- **Trim/Exit** Lagging stocks breaching key support levels.

Index	1-W %	1-M %	3-M %	6-M %	12-M %	YTD %	% from 52W high	% of members > 200-DMA
Nifty 50	-0.2%	-3.3%	-2.8%	-0.8%	-6.9%	-9.6%	-11.5%	40.0%
Nifty 100	-0.2%	-3.3%	-2.4%	1.2%	-4.7%	-7.1%	-9.2%	48.0%
Nifty 500	-0.1%	-2.7%	-1.1%	5.1%	-1.7%	-3.3%	-5.4%	48.4%
Nifty Midcap 150	0.2%	-2.1%	0.2%	10.7%	5.2%	3.3%	-3.4%	43.0%
NSE NIFTY Smallcap 250	-0.3%	-0.2%	4.3%	21.3%	5.4%	10.3%	-1.4%	51.8%

Source: Spark PWM; Bloomberg, TradingView
Note: S1/2 – 1st /2nd Support; R1/2 - 1st /2nd Resistance
Returns mentioned are calculated on a total return basis

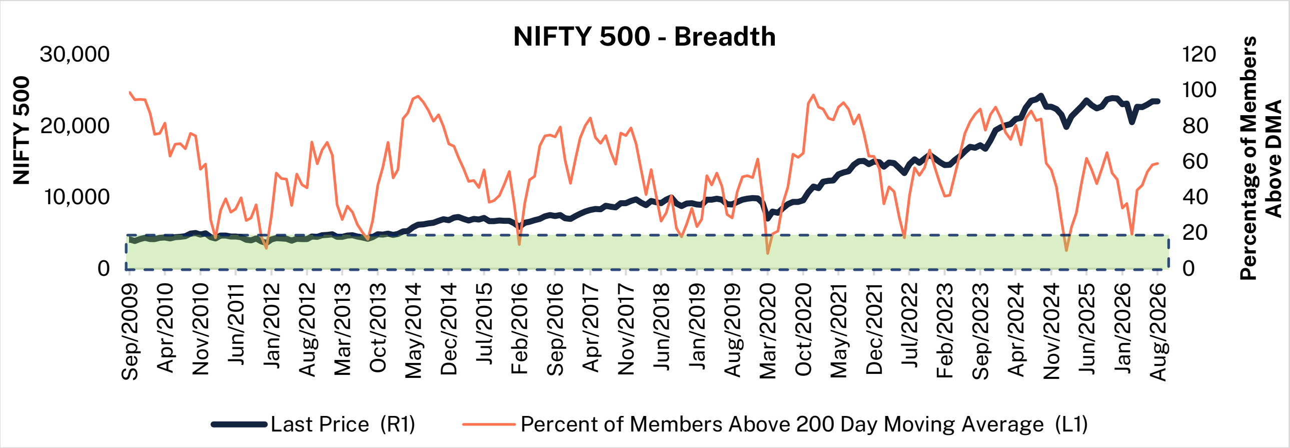
Sectoral Trends

- Over the past week, broader markets remained largely flattish, with 6 of the 17 tracked sectors closing in the green, while 10 sectors were flat to marginally lower. Nifty Media and FMCG were the key gainers, rising 1.1% and 0.9%, respectively. Meanwhile, Nifty CPSE was the primary laggard, declining 1.7% during the week.
- Over the past three months, Nifty Pharma has emerged as the top performer, gaining 10.4%, followed by Healthcare, which rose 7.1%. Meanwhile, Nifty FMCG remains the weakest performer during this period. On a 12-month basis, Metals continues to lead, with gains of around 32%, while most other sectors have delivered relatively moderate returns. IT continues to be the weakest performer over this period, declining around 19%.
- No sector hit a fresh 52-week high during the past week. Nifty Pharma, Healthcare, Metal, and Media remained relatively resilient, trading close to their respective 52-week highs. In contrast, IT and FMCG continued to lag, trading 29% and 21%, respectively, below their respective 52-week highs.
- **Market Breadth:** The percentage of Nifty 50 stocks trading above their 200-DMA edged lower to 40% from 42% in the previous week. On a sectoral basis, Nifty Pharma leads, with 70% of its constituents trading above the 200-DMA, followed by Auto at 67%.

Index	1-W %	1-M %	3-M %	6-M %	12-M %	YTD %	% from 52W high	% of members > 200-DMA
Nifty Media	1.1%	-2.4%	3.5%	15.9%	-3.3%	8.6%	-5.3%	50.0%
Nifty FMCG	0.9%	-4.3%	-7.6%	-3.7%	-17.4%	-16.0%	-20.5%	26.7%
Nifty Healthcare PR	0.7%	0.9%	7.1%	15.2%	12.4%	14.1%	-1.9%	60.0%
Nifty Pharma	0.7%	1.4%	10.4%	18.5%	19.1%	18.3%	-1.7%	70.0%
Nifty Metal	0.4%	0.0%	0.3%	13.0%	32.3%	17.8%	-6.6%	46.7%
Nifty India Consumption	0.0%	-4.4%	-0.7%	5.8%	-7.0%	-5.6%	-9.8%	53.3%
Nifty Infrastructure	-0.1%	-3.5%	-4.3%	1.7%	-0.7%	-5.0%	-7.6%	40.0%
Nifty Financial Services	-0.1%	-2.3%	-4.1%	-1.6%	-4.5%	-7.6%	-10.7%	30.0%
Nifty Commodities	-0.1%	-2.4%	-4.6%	1.5%	8.2%	1.9%	-9.5%	30.0%
Nifty IT	-0.2%	-5.2%	1.3%	-1.2%	-19.4%	-22.4%	-28.9%	40.0%
Nifty PSU Bank	-0.4%	-3.6%	-5.0%	-1.7%	16.6%	-0.2%	-16.2%	25.0%
Nifty Bank	-0.4%	-1.6%	-2.8%	1.9%	1.1%	-5.4%	-8.8%	64.3%
Nifty Energy	-0.4%	-1.8%	-6.1%	5.2%	9.1%	8.5%	-9.7%	37.5%
Nifty Realty	-0.5%	-5.3%	3.8%	16.5%	-7.2%	-3.0%	-13.0%	60.0%
Nifty Auto	-0.6%	-6.7%	2.8%	7.6%	1.0%	-2.1%	-8.6%	66.7%
Nifty PSE	-0.9%	-2.1%	-4.9%	-3.5%	0.8%	-0.5%	-11.4%	20.0%
Nifty CPSE	-1.7%	-1.5%	-6.6%	-9.4%	0.7%	1.5%	-16.5%	9.1%

NIFTY 500 Market Breadth

- The percentage of stocks trading above key moving averages remained unchanged during the week. The proportion of stocks trading above the 200-DMA held steady at 52%.



Source: Spark PWM; Bloomberg.
Note: Returns mentioned are calculated on a total return basis

Midas Equities and Research

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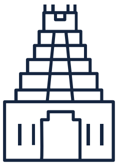

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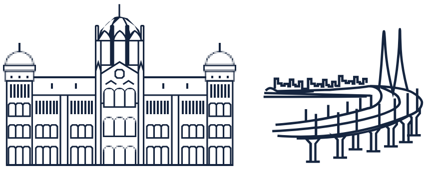

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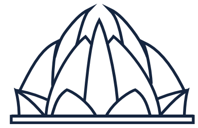

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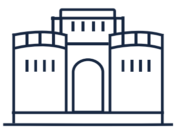

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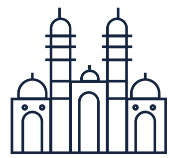

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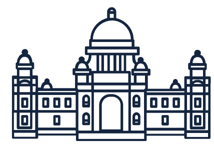

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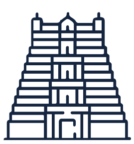

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