

## Selling Intensifies as Nifty Records Steepest Weekly Decline in Nearly Four Years

- Index View:** The Nifty 50 fell sharply through the week, declining ~5.3% from 24,450 to close at 23,151, its largest weekly decline since June 2022. Weekly gaps have persisted since early March, reflecting deteriorating sentiment and elevated volatility. The index remains below its 200-DMA, breached on February 27th and yet to be reclaimed, signaling continued structural weakness. FII selling intensified through the week, driven by escalating geopolitical tensions and rising crude oil prices, keeping India VIX elevated.
- Outlook:** The near-term bias remains cautious. Immediate support is placed at 22,800–23,000. A failure to hold this zone could accelerate the downside toward 22,500, with 22,000 serving as the next meaningful support level, in line with the March/April 2025 lows. On the upside, the index faces layered resistance at its 20-DMA, 50-DMA, and 200-DMA, all of which are trending lower. A reclaim of the 200-DMA will be critical to any meaningful recovery. Until key moving averages are retaken, rallies are likely to remain shallow and susceptible to renewed selling pressure.
- Broader Markets:** The Midcap and Smallcap indices registered fresh monthly lows during the week, with most sectoral indices trading below their respective key moving averages, confirming broad-based market weakness. The deterioration in participation across market capitalizations points to a risk-off environment with limited pockets of resilience.
- Market Breadth:** Breadth deteriorated sharply across all timeframes during the week (page 2).

Index	1W %	Last Friday Close	S1	S2	R1	R2
Nifty 50	-5.3%	23,151	22,800	22,500	23,920	24,840
Midcap 150	-4.5%	20,233	19,160	18,900	20,770	21,430
Smallcap 250	-3.7%	14,858	14,100	13,315	15,190	15,640



TradingView

- The index is trading below** its 200-DMA and all key MAs. 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	-5.3%	-9.8%	-10.3%	-7.9%	4.7%	-11.2%	-12.2%	30.0%
Nifty 100	-5.1%	-9.3%	-9.4%	-7.5%	5.8%	-10.4%	-11.6%	32.3%
Nifty 500	-4.9%	-8.8%	-9.0%	-8.1%	7.3%	-10.2%	-11.4%	24.2%
Nifty Midcap 150	-4.5%	-7.9%	-7.7%	-6.9%	14.0%	-9.0%	-10.7%	32.0%
NSE NIFTY Smallcap 250	-3.7%	-7.0%	-8.9%	-14.3%	6.2%	-10.9%	-17.8%	16.3%

Source: Spark PWM; Bloomberg, TradingView

Note: 1W - last Monday to Friday; S1/2 - 1st /2nd Support; R1/2 - 1st /2nd Resistance

Returns mentioned are calculated on a total return basis

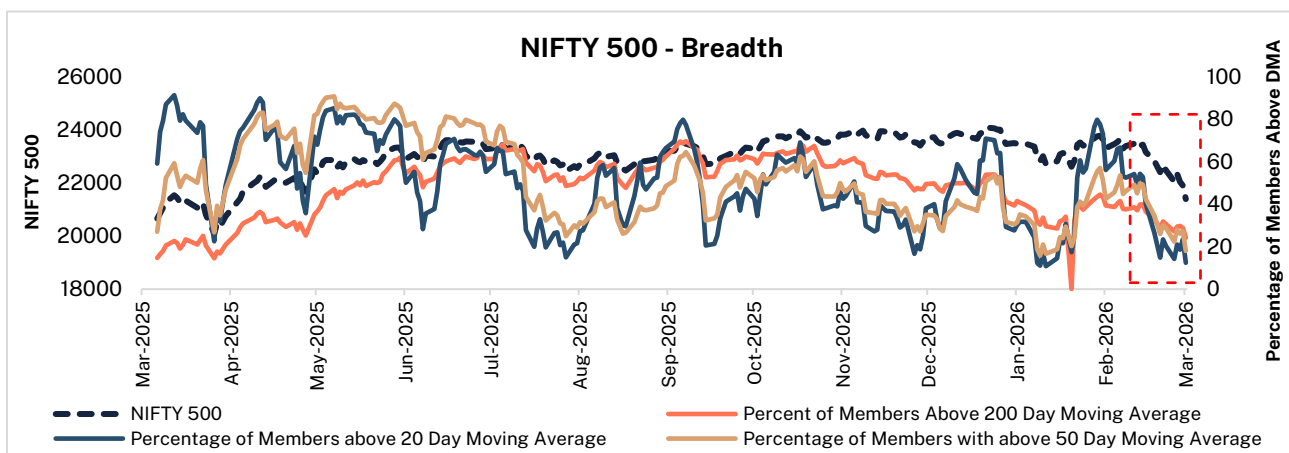
## Sectoral Trends

- Over the past week, broader markets declined sharply, with all 17 tracked sectors ending in the red. Nifty Pharma and Energy were the only sectors to fall less than 1%, while 11 sectors declined more than 4%. Auto, PSU Bank, and Bank were the primary laggards, falling 10.6%, 7.3%, and 7.0%, respectively.
- Over the past three months, CPSE has been the top performer with gains exceeding 16%, followed by Metal at over 8%, while Realty and IT remain the weakest. On a 12-month basis, PSU Banks lead with gains of over 51%, followed by Metal and CPSE, up 31% and 28%, respectively.
- Despite the broader weakness, Nifty CPSE touched a fresh 52-week high for the seventh consecutive week. Pharma, Healthcare, and Energy remained relatively resilient, trading close to their 52-week highs. Realty, IT, and Media continue to lag, trading 32%, 28%, and 27% below their respective peaks.
- Market Breadth:** The percentage of Nifty 50 stocks trading above their 200-DMA fell to 30%, down from 44% the prior week. On a sectoral basis, Nifty Metal leads with 73% of constituents above the 200-DMA (vs. 80% prior week), followed by CPSE and Pharma at 64%.

Index	1-W %	1-M %	3-M %	6-M %	12-M %	YTD %	% from 52W high	% of members > 200-DMA
Nifty Pharma	-0.6%	2.0%	1.3%	2.8%	12.8%	0.7%	-3.0%	60.0%
Nifty Energy	-0.7%	-0.4%	4.7%	3.4%	17.3%	2.9%	-3.3%	51.3%
Nifty CPSE	-1.2%	2.5%	16.2%	12.1%	27.9%	12.5%	-2.3%	63.6%
Nifty Healthcare PR	-1.3%	0.6%	0.0%	-0.3%	12.3%	-0.1%	-3.6%	55.0%
Nifty PSE	-2.5%	-2.1%	7.7%	5.5%	21.1%	3.4%	-4.5%	50.0%
Nifty IT	-3.5%	-11.2%	-23.1%	-18.6%	-17.2%	-22.8%	-27.9%	0.0%
Nifty Media	-4.0%	-10.2%	-9.2%	-19.7%	-8.5%	-9.8%	-27.2%	10.0%
Nifty Commodities	-4.0%	-5.4%	2.1%	4.9%	19.0%	-1.4%	-7.3%	56.7%
Nifty FMCG	-4.1%	-6.6%	-12.1%	-14.3%	-5.7%	-13.0%	-18.1%	6.7%
Nifty Realty	-4.3%	-15.2%	-18.8%	-22.4%	-11.0%	-19.1%	-32.4%	0.0%
Nifty Infrastructure	-5.1%	-9.1%	-7.5%	-4.1%	11.7%	-8.6%	-10.5%	40.0%
Nifty India Consumption	-5.5%	-10.5%	-13.1%	-14.6%	3.9%	-13.7%	-16.8%	19.4%
Nifty Financial Services	-5.7%	-11.2%	-8.2%	-5.0%	9.0%	-8.9%	-12.0%	25.0%
Nifty Metal	-5.9%	-5.5%	8.1%	13.5%	30.9%	1.3%	-9.7%	73.3%
Nifty Bank	-7.0%	-11.8%	-8.9%	-2.5%	13.1%	-9.8%	-13.0%	42.9%
Nifty PSU Bank	-7.3%	-8.5%	3.8%	19.5%	51.4%	-0.1%	-14.1%	58.3%
Nifty Auto	-10.6%	-13.7%	-12.0%	-10.7%	19.1%	-14.1%	-17.1%	40.0%

## NIFTY 500 Market Breadth

- The percentage of stocks trading above key moving averages declined across the board. Stocks above the 200-DMA fell to 24% (from 31%), those above the 50-DMA dropped sharply to 18% (from 29%), and stocks above the 20-DMA slipped to 12% (from 20%).



Source: Spark PWM; Bloomberg.

Note: 1W - last Monday to Friday; Returns mentioned are calculated on a total return basis

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<b>BUY</b>	Stock expected to provide positive returns of >15% over a 1-year horizon	<b>REDUCE</b>	Stock expected to provide returns of <5% – -10% over a 1-year horizon
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# Our Offices



## Chennai

No. 1, 3<sup>rd</sup> Floor,  
First Crescent  
Park Road,  
Gandhi Nagar,  
Adyar,  
Chennai – 600 020



## Mumbai

Unit – 301, 302, 11<sup>th</sup> floor, C Wing, ONE  
Windsor House, BKC, Unit Nos. 1116,  
2, Kolivery Village, Bandra Kurla  
MMRDA Area, Kalina, Complex,  
Santacruz East, Bandra East,  
Mumbai – 400 098 Mumbai – 400 051



## Delhi

No. 23,  
1<sup>st</sup> Floor,  
Community Centre,  
Basant Lok,  
Vasant Vihar,  
New Delhi – 110 057



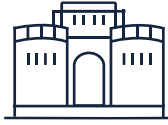
## Bengaluru

No. 2,  
3<sup>rd</sup> Floor,  
Prestige  
Emerald,  
Lavelle Road,  
Bengaluru – 560 001



## Hyderabad

No. 25 & 42, 3<sup>rd</sup> Floor,  
Lumbini Avenue,  
Near Preston Prime Mall  
Main Road, Gachibowli,  
Hyderabad – 500 032



## Pune

No. 7/352 1<sup>st</sup> Floor,  
Elbee House,  
Boat Club Road,  
Sangamvadi,  
Pune – 411 001



## Ahmedabad

No. 409, 4<sup>th</sup> Floor,  
Venus Amadeus,  
Near Jodhpur Cross Road,  
Satellite,  
Ahmedabad – 380 015



## Kolkata

No. 9A-1 & 9B-1,  
9<sup>th</sup> Floor,  
No. 95A,  
Park Street,  
Kolkata – 700 016



## Kochi

No.1285 F1, Ground  
floor, The Quadrant,  
MP Pylee Road,  
Jawahar Nagar Avenue,  
Kadavanthra P O,  
Ernakulam - 682 020



## Thiruvananthapuram

2<sup>nd</sup> Floor,  
Mankulangara  
Tower,  
Kuravankonam,  
Pattom P.O.,  
Thiruvananthapuram – 695 004



## Lucknow

Unit No.6, 3<sup>rd</sup> Floor  
Marigold Building,  
Sapru Marg Shahnajaf  
Road,  
Hazratfang,  
Lucknow – 226 001



## Kanpur

Unit No 205,  
2<sup>nd</sup> Floor,  
Imperial Square,  
16/105,  
MG Road,  
Kanpur – 208 001



## Spark Global PWM Private Limited

Unit number- GV-00-04-03-BC-24, Gate Village Building  
04, Dubai International Financial Centre (DIFC), Dubai, UAE