

# Weekly Market Outlook

Sep 01, 2025 thru Sep 05, 2025

Milan Vaishnav, CMT, MSTA



Gemstone Equity Research & Advisory Services

Sharper Research. Smarter Outcomes.

We have been providing Independent Technical Research for over two decades covering 2000+ listed equities from the Indian Stock Markets.

---



## MarketPulse India: Your Private Window into Elite Equity Opportunities

Step beyond the noise of the public markets. MarketPulse India is not a mass-market service — it is a premium equity advisory crafted for High-Net-Worth Investors and professional money managers who demand depth, discretion, and precision. Our curated equity insights are designed to align with portfolios that require both performance and protection, setting you apart from the crowd.

## Week Ahead: Cautious Start Likely as Nifty Moves Towards This Crucial Support Zone

The markets witnessed a corrective phase over the truncated four-day trading week, largely consolidating with a negative bias and ending on a weak note. Nifty oscillated in an intra-week range of 616.85 points, moving between 25,021.55 and 24,404.70 before settling near the lower end of the range. Volatility remained largely unchanged; the India VIX rose marginally by 0.02% on a weekly basis to close at 11.75. The Nifty ended the week with a net loss of 443.25 points or (-1.78%), while August concluded with the Index down by 341.50 points or (-1.38%).



Nifty currently finds itself struggling below a key falling trendline resistance drawn from the all-time high levels. It has also violated the lower boundary of a rising trendline support, a breakdown that could potentially open room for further corrective moves. Should there be any weakness, then the Index is expected to find support from a strong confluence zone: the 200-DMA (24,071) and the 50-week moving average (24,173.42), both of which cluster in the 24,000–24,200 region. This zone now becomes crucial — any decisive breach below this support band could intensify the downside momentum. On the other hand, a sustained move above the 24,730–24,800 range would be necessary to negate the bearish structure and reinstate strength.

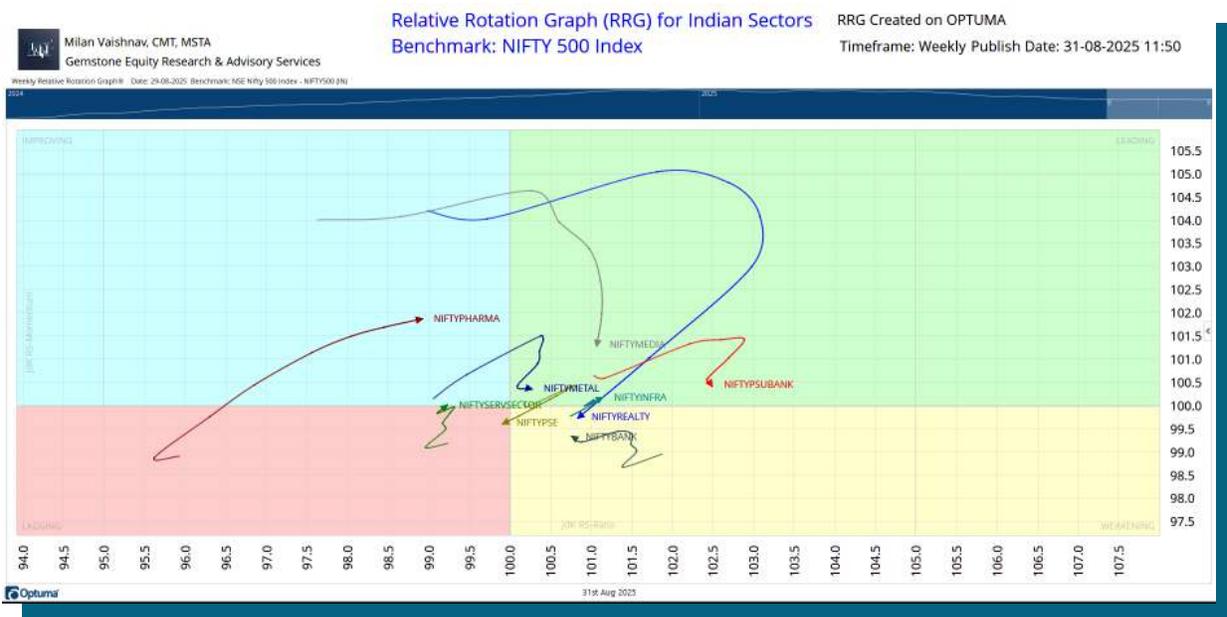
*The coming week may see a tentative and cautious start. The Index has ended near the week's low, suggesting possible weakness at open. Immediate resistance lies at 24,730 and 25,000, while support is expected in the 24,200 and 24,000 zones, both of which are technically significant.*

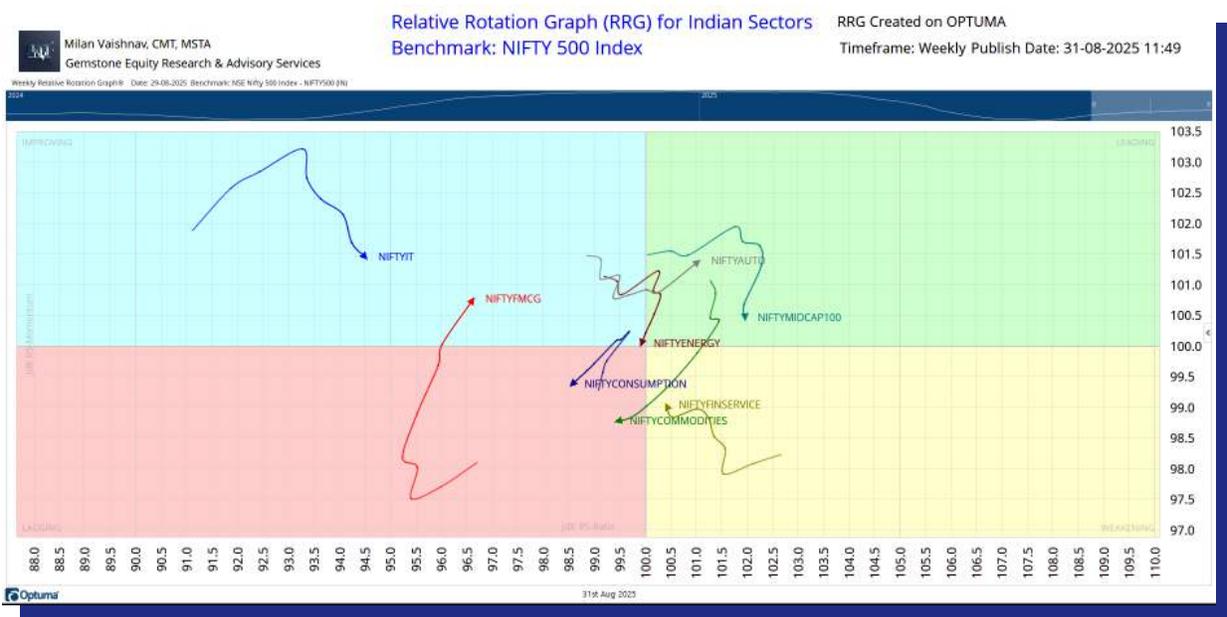
The weekly RSI stands at 49.70, neutral and not showing any divergence against the price action. However, the RSI slipping below 50 reflects weakening momentum. The MACD on the weekly chart is below its signal line, reaffirming a bearish crossover and indicating loss of upward momentum. A large, black-bodied candle hints at significant selling pressure that persisted throughout the week.

From a pattern perspective, the breakdown from the rising trendline support has been confirmed with a close below the lower trendline. Nifty now also trades below the 20-week MA, further validating bearish undertones. The 24,000–24,200 area now becomes a make-or-break zone for the broader trend.

Given the technical backdrop, it is strongly advised to approach the markets with heightened caution. Aggressive long positions should be avoided unless the Nifty manages to move past the 24,800 level convincingly. Until then, a stock-specific and defensive approach would be more prudent. Protecting profits and avoiding exposure in high-beta names may help navigate potential volatility in the sessions ahead. A carefully risk-managed, selective approach should be adopted as the markets show signs of increased fragility.

*In our look at Relative Rotation Graphs<sup>®</sup>, we compared various sectors against CNX500 (NIFTY 500 Index), which represents over 95% of the free float market cap of all the stocks listed*





Relative Rotation Graphs (RRG) indicate that the Infrastructure Index has rolled back again inside the leading quadrant. The Nifty Auto Index is performing strongly within the leading quadrant and may continue to outperform the broader Nifty 500 Index relatively. Along with this, the Midcap 100, Media, PSU Bank, and the Metal Index are inside this quadrant. While they continue to relatively outperform, their momentum is slowing down.

The Nifty Realty Sector Index has rolled inside the wakening quadrant. The Nifty Bank and the Financial Services Index are also positioned within this quadrant, while modestly improving their relative momentum.

The Commodities, PSE, and the Energy Indices have rolled inside the lagging quadrant. The Nifty Consumption Index also continues to languish inside this quadrant.

The Services Sector Index has rolled inside the improving quadrant. The Pharma, IT, and FMCG indices are also located within this quadrant.

**Important Note:** RRG™ charts show the relative strength and momentum of a group of stocks. In the above Chart, they show relative performance against NIFTY500 Index (Broader Markets) and should not be used directly as buy or sell signals.

## Milan Vaishnav, CMT, MSTA

Consulting Technical Analyst | Member: (CMT Association, USA | CSTA, Canada | STA, UK) | (Research Analyst, SEBI Reg. No. INH000003341)

