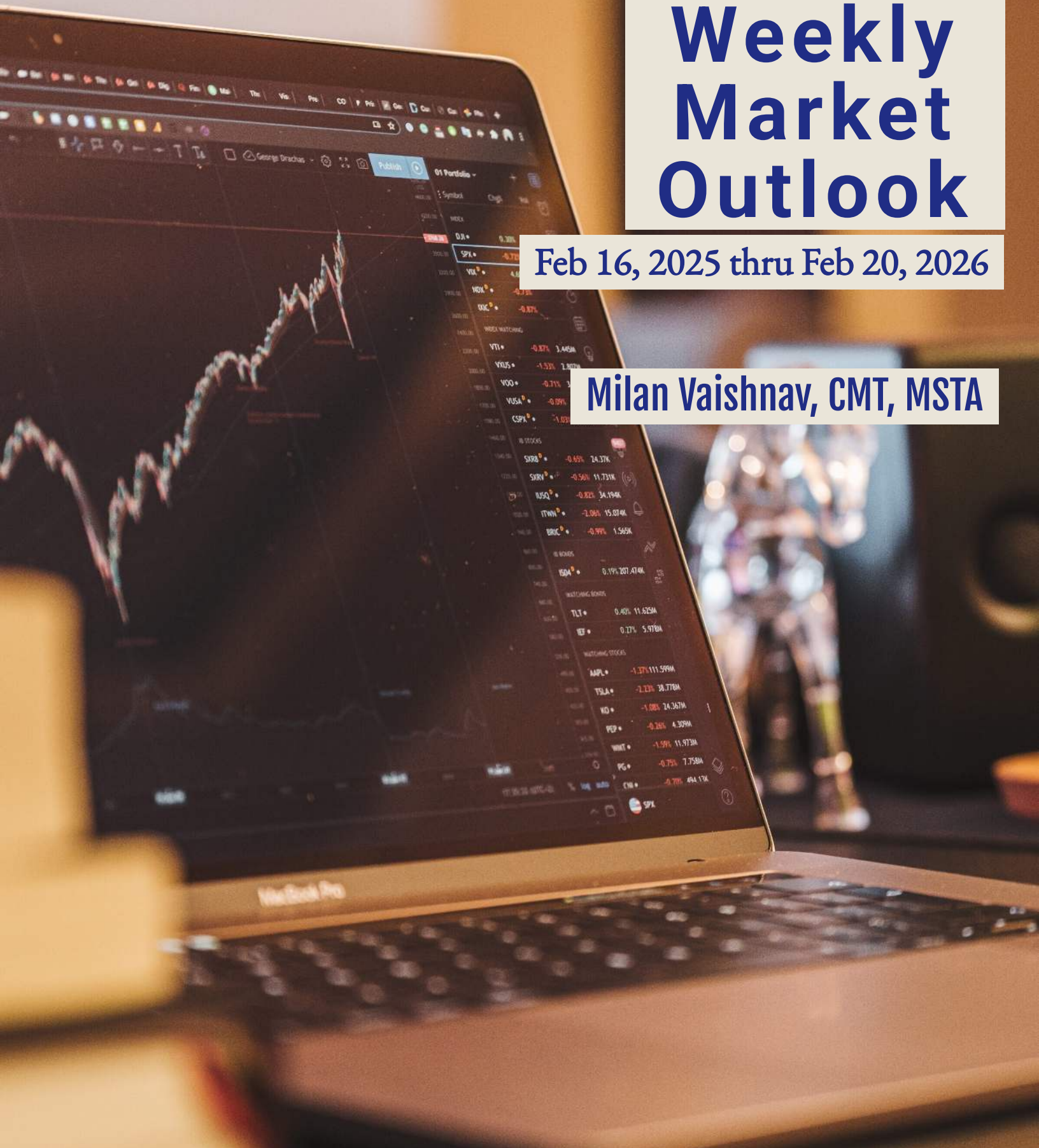


Weekly Market Outlook

Feb 16, 2025 thru Feb 20, 2026

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: Nifty Stares At A Major Medium-Term Support Zone; Avoid Aggressive Positioning

The markets traded in a relatively narrower range through the week with a clear negative bias and ended lower. After opening near the higher end of the range, Nifty attempted an early push toward 26,009 but failed to sustain the move and gradually drifted lower. Selling pressure intensified toward the latter half, dragging the index to an intra-week low of 25,444 before settling near the lower end of the range. The index oscillated within a 565-point band. India VIX rose sharply by 11.33% to 13.29, reflecting a pickup in volatility and some nervousness creeping back into the system. Nifty ended the week with a net loss of 222.60 points (-0.87%).



The broader structure continues to show a market that is in a medium-term uptrend but currently undergoing a corrective phase within that trend. On the weekly chart, Nifty has slipped below its 20-week moving average (25,728) and is hovering above the 50-week MA (24,931), placing it in a critical intermediate support zone. The price action over the past several weeks resembles a mild distribution phase near the recent highs, and the index is now testing the lower boundary of the falling trend line. The 24,900–24,950 zone remains a major support area on a closing basis; a sustained breach below this band could open the door for a deeper retracement toward the 24,350–24,400 region. On the upside, only a decisive move back above 25,800–26,000 would negate the immediate weakness and restore directional strength.

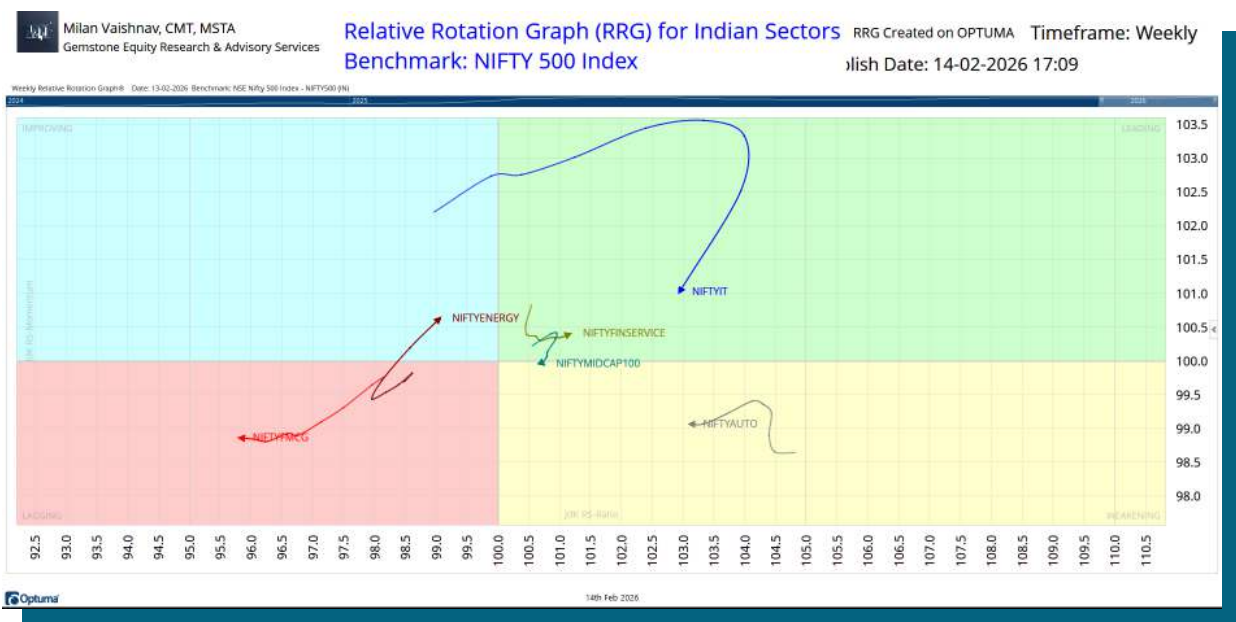
For the coming week, the markets are likely to see a cautious and potentially volatile start given the rise in VIX and the index closing near its weekly low. Immediate resistance levels are placed at 25,728 (20-week MA) and 26,000. Key supports come in at 25100 and 24,950.

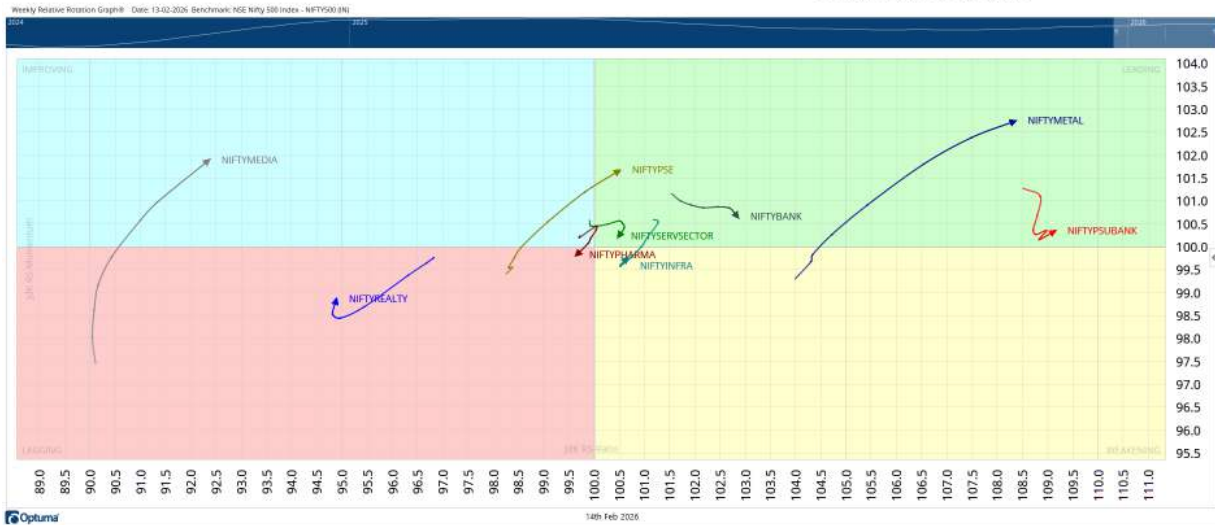
The weekly RSI stands at 50.17, having slipped below its recent peaks and now sitting in neutral territory; there is no visible bullish or bearish divergence against price at this point. The weekly MACD remains above the zero line but is below its signal line, indicating a loss of upward momentum. The latest candle is a bearish body following a phase of hesitation near the highs, hinting at growing supply at elevated levels.

From a pattern perspective, the index appears to be forming a short-term topping structure after failing to sustain above the recent highs. The inability to hold above the upper Bollinger Band and the subsequent drift toward the middle band reflect waning momentum. The 50-week MA at 24,931 and the 100-week MA at 24,359 form a layered support cluster below current levels, while the 200-week MA continues to slope upward, underscoring that the long-term trend remains intact despite near-term pressure.

Given this setup, a measured and stock-specific approach is advisable. Traders should avoid aggressive fresh longs until the index either reclaims 25,800 decisively or retests and stabilizes around the 24,900–24,950 support zone. Protection of existing gains should take precedence over chasing momentum. The coming week demands disciplined risk management and selective participation rather than broad-based aggressive positioning.

In our look at Relative Rotation Graphs[®], 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) show that the Nifty PSE Sector Index has rolled inside the leading quadrant. Besides this, even IT index is inside the leading quadrant, but is seen rapidly giving up on its relative momentum. The other sector Indices that are inside the leading quadrant are Services Sector, Bank Nifty, PSU Bank, Metal, and Financial Services Indices. These groups may relatively outperform the broader markets.

The Auto and the Midcap 100 Index are inside the weakening quadrant. The Infrastructure Index is also inside this quadrant but it is improving on its relative momentum.

The Nifty Pharma Index has rolled inside the lagging quadrant. While the FMCG Index languishes inside the lagging quadrant, the Realty Index is seen improving its relative momentum.

The Media and the Energy Indices are placed inside the improving 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)

