

Market Views for the Week 08 Sep–12 Sep 25-Venkat's Blog

#syfx.org #NIFTY #USDINR #EURINR #Gold #Crypto #Crude #BankNifty #DOW #US equities

NIFTY



(Chart image source: TradingView.com)

The Nifty Index held the 24450-500 zone as well to close at 24741 after attempting closer to 25K. This suggests that the Index is caught between 24450 & 25100, with interest on both ends. The market sentiment is continues to be neutral to negative and can gain momentum, only if we see a continued daily close above 25K.

A few observations from the weekly charts are:

- The index moved in a range of 548 points between 24432- 24980
- Option expiry and tariff impacts to drive the direction of the market
- Oscillators in different timeframes are turning positive

Expected scenarios for the ensuing week

- The Index holding the June 25 low of 24473 is seen as positive

Disclaimer: The views expressed here are personal and not connected to SYFX Treasury Foundation. The views are for learning and reference purpose only.

Additional interesting observations

- Nifty made a bearish candle with a lower low and lower high
- Index may find supports at 24670**, 24525***, 24430** and the index could face resistances at 24870**, 25050**, 25220***
- *There were multiple gaps created during this dream run. The levels were repeatedly mentioned in the previous blogs. Since they are far away for now, they will be inserted back when relevant*
 - 22828-23368- Huge Gap Created on 15th April is open
 - 23851-23949- Gap created on 21st Apr 25
 - 24008-24420- Gap created on 12th May 25(Saved for now?)
 - 25355-25255- Gap created on 11th July 25
 - 24631-24938- Gap created on 18th Aug 25

US Markets

- The DJI Index seem to consolidate at higher levels between 44800-45800 with interests on both sides
- DJI continues to trade in a range for the third consecutive week and made a positive candle with a lower low and higher high
- The momentum still favors upside and can expect demand on any dip lower towards 45K. The potential seem to favor attempt of 46K before possible reversal
- If the Index fails to clear 45800 on a daily closing basis, we may see a short term correction
- Only a daily close below 44800-850 would trigger stop loss and could see a move towards 44K
- The oscillators are getting stretched and showing mixed signal
- The market expects rate cuts and monetary easing
- We may expect a consolidation in the range of 45K-46K with a neutral bias

Final Note

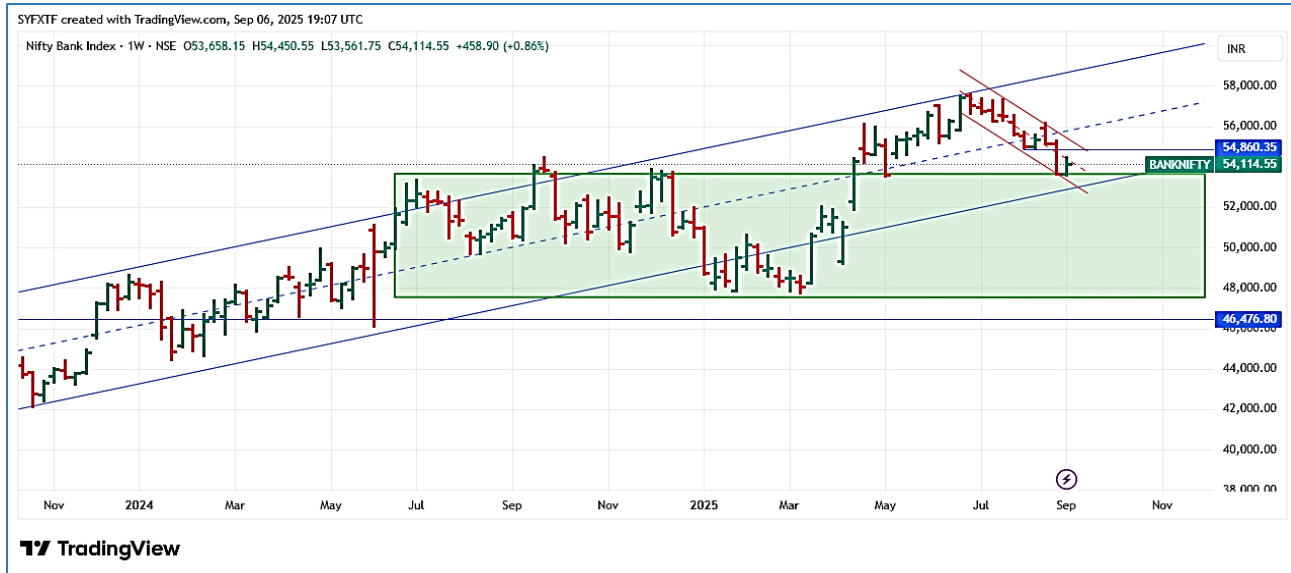
- The Index is closed below the 55 DMA at 24970 and fairly above the 200 DMA at 24092
- We may see a possible consolidation between 24520 and 25030

A few additional Observations:

- The Index reversing from 24450 for the second time is a positive sign as it forms a possible "W" type formation
- Market seem accept the worst scenario of the 50% tariff as reality and the sentiments seem to turn from neutral to negative
- Next couple of weeks is going to be crucial for the Index as we are witnessing a Yo-Yo move around the Mid BB in the weekly since second week of April 24
- Broader perspective suggests that the Index is caught in a range of 24200-25200. Only a break on either side could show clear direction
- Option expiry and FED's rate decision next week to keep the market on the edge

#Stay Safe

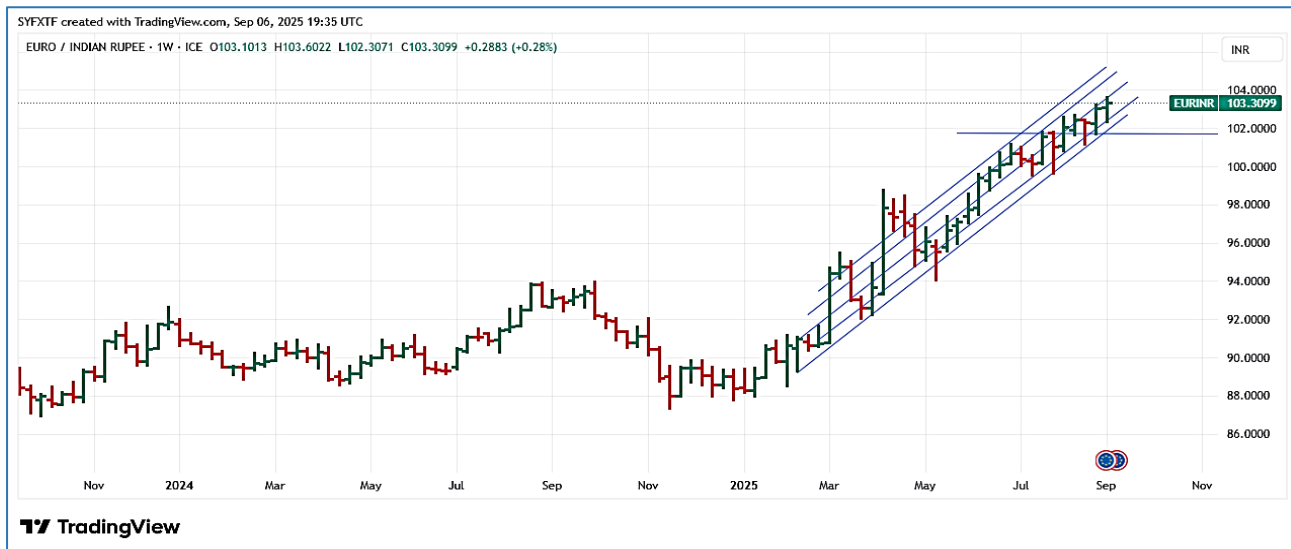
Bank Nifty:



(Chart image source: TradingView.com)

The Bank Nifty continues to be under selling pressure with supply on every spike. The Bank Nifty is moving in a minor descending channel within the major ascending channel. The minor channel support is at 53200 and the top of the channel is at 55200. The Bank Nifty is at the crucial support of the top of the boxed range since June 24 at 53.600. Major ascending channel support is also around 53K-53200. The zone between 53K-53.5K is expected to provide decent buying interest. We need to see a daily close above 55K for attempt of higher levels. Bank Nifty made a bullish candle and remained in a range of points 889 between 53561 & 54450 with a lower low and lower high. The oscillators in different time frames are showing mixed signals. Expected range for the week is 53K-55K with a neutral bias. A weekly close outside the range would trigger at least 700-900 points move in the direction of breach.

EURINR

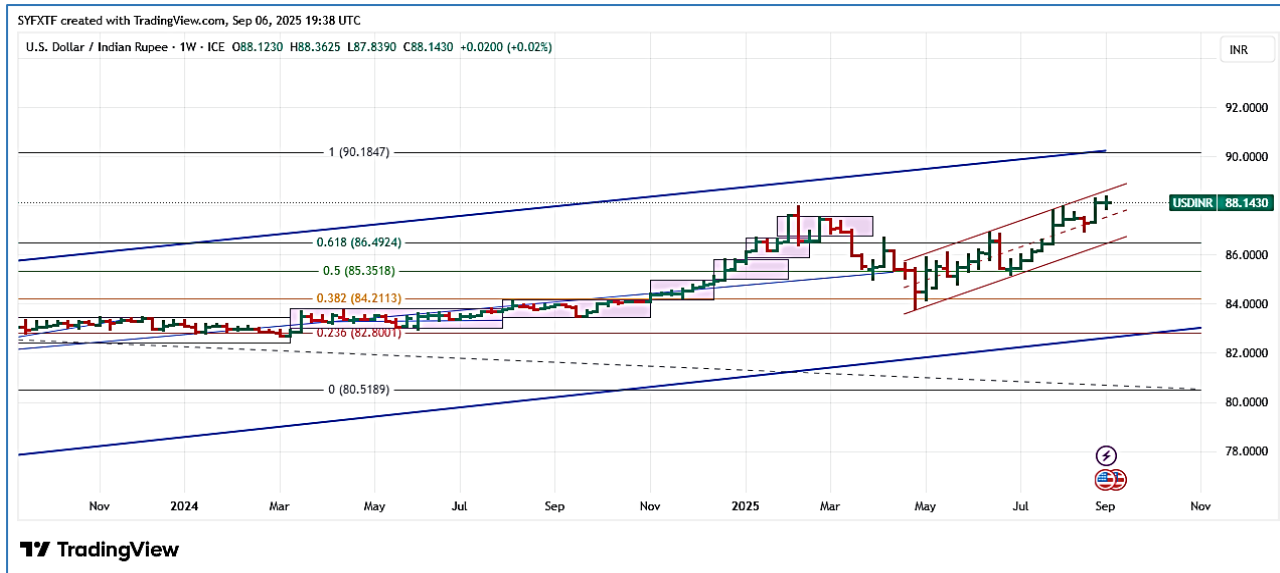


(TradingView.com)

The EURINR currency pair made a bullish candle with a higher low and higher high on weekly time frame. The weekly close around the top suggests that the potential for higher level still exists. The currency pair may continue its consolidation in a higher range on account of any one of the underlying cross pairs. We may see buying interest to emerge on any dip closer to 102.30. We can expect a consolidation in the range of 102.30 and 104.30 with a positive bias. Any breach of the range would lead to 70-100 pips move. The target for the move is likely to get extended to 105+.

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USDINR



(Chart image source: TradingView.com)

The currency pair hit a new ATH at 88.36 due to panic buying and the uncertainty on the impact of additional Tariff. It formed a bullish candle with higher high and higher low. The currency pair is moving in an ascending channel with top at 88.70 with the lower end of the channel at 86.70 with a mid-range at 87.70. Break above the crucial 87.70 is not a good sign for the currency pair. Only a daily close below 87.70 could see the currency pair move towards 87.10. While the imports are getting hedged at every dip lower, the Exporters who felt missing out the previous opportunity are expected to hedge on any spike higher, thereby providing supply.

A few observations

- Expect the range of 87.60 -88.70 would hold for the week
- Vols seen spiking higher

A few more observations:

- Appears as though the exporters are waiting on the side lines for the currency pair to trade above 90
- In any case, the two way move is likely to continue, which is positive.*
- The expectation of consolidation at a lower range after almost 2 years is short lived*
- At best we can expect 87.70-88.70 range with volatile moves
- Break above 88.60 would see the pair towards 89+

Gold

As noted in the previous blog that the precious metal attempts to break the long consolidation phase and is expected to hit 3500 mark and move beyond that in the coming weeks. has come true. Precious metal picked up higher momentum when it broke the psychological level of 3500. It made a new ATH and also remained strongly bullish through the week. The weekly close is suggestive of another trigger higher above 3600. The precious metal has a tendency to fall after hitting a new ATH and resume its trend subsequently. Aggressive purchases by the Central Banks keep the prices elevated. We may see consolidation between 3540-3660. There could be choppy moves within this range.

Crypto

The crypto assets seem to have hit its road block and there appears to be a temporary correction phase if not a reversal of the trend. It remains to be seen whether the July break-out levels hold this correction. Anything below this would see another 7-10% correction. The crypto asset is likely to have volatile sessions and there could be a consolidation with +/- 7-10% of current levels with a negative bias, as there are signs of exhaustion. It remains to be seen if this is going to be a correction phase or reversal phase. The next couple of weeks are crucial which may throw some light on the future direction of the market.

Crude

The crude prices remained in a safe range of 61-66 during the week. The weekly closing is below 65 is considered positive for the global economy. Overall picture for now is that the price range is 55-88 with a pivot at 74. The monthly charts seem to change its direction for one more attempt of lower levels. The current set-up suggests that the crude is likely to consolidate between 58 & 64 during the week.

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