

Market Views for the Week 30 Jun– 04 Jul 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 made a remarkable stride ending its grind in a known range after 6 weeks. The markets sentiments turned positive for the equities after the ceasefire agreed between Israel and Iran. The Bulls have managed to get the weekly closing above 25500 which is positive. It appears as if a new base around 24700-800 is getting stronger.

A few observations from the weekly charts are:

- The index moved in a range of 830 points between 24824 and 25654
- Option expiry to drive the direction of the market
- Oscillators in different timeframes are turning positive

Expected scenarios for the ensuing week

- The Index successfully cleared the tuff resistance at 25268 (Aug 24 high) and 25360 (Sep 24 open)

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 strongly bullish candle with a higher high and higher low
- Index may find supports at 25480, 25360**, 25260** the index could face resistances at 25770*, 25900**, 26040***
- *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(at risk?)

US Markets

- DJI breaks the narrow range after 6 consecutive weeks and edged higher towards 44K
- With this strong move the base at 43300 will attract buying interest on any dip
- The positive turn of events through ceasefire between Israel & Iran had positive impact on equities globally
- The risk of break below 42K has been successfully avoided and the oscillators are turning positive with this strong move
- We may expect a consolidation in the previously known range of 43300-44500

Final Note

- The Index is closed well above the 55 DMA at 24546 and fairly above the 200 DMA at 24088
- We may see a possible consolidation between 25360 and 26040

A few additional Observations:

- The Bulls managed to get the weekly closing of Index above 25500 which is seen as positive
- Another interesting observation is that the NIFTY is making a “V” shaped recovery and is well back in to the long term trend and also cleared the resistance around 25270 after 6 weeks which is seen as positive.
- Market sentiments and the turn of oscillators appear to suggest that we can expect the Index move higher to create a new ATH in the coming weeks
- Just a couple of weeks create diagonally opposing picture on the canvas. Hence the investors need follow prudent risk management measures
- The Index is expected to consolidate between 25360-26040
- Crucial levels to watch are 25360 followed by 25270 on the downside and 25800 followed by 26040 on the upside
- The major risk seen is that any drag on Tariff issue could derail the sentiments

#Stay Safe

Bank Nifty:



(Chart image source: TradingView.com)

The Bank Nifty managed to hold the support of the minor ascending channel and posted strong gains to close near the top of the long term ascending channel, thereby creating a new ATH. The Bank Nifty is moving in a minor ascending channel within the major ascending channel. The minor channel support is at 55500 and the top of the channel is at 58700 with the mid-line at 57K. The long term ascending channel top at 57700 is currently acting as an intermediary resistance. However, if the momentum favors the Bank Nifty can penetrate and hit a new ATH. We need to see a daily close above 57700 for attempt of possibly a new ATH. Bank Nifty made a bullish candle and remained in a range of 1696 points between 55779 & 57475 with a higher low and higher high. The oscillators in different time frames are showing mixed signal. Bank Nifty is expected to be well supported between 55.5K & 56K zone and we can expect supply around 58K levels. Only a daily close below 54.5K would trigger stops and change of direction. Expected range for the week is 56K-58500 with a positive bias. A daily close outside the range would trigger at least 700-900 points move in the direction of breach.

EURINR



(Chart image source: TradingView.com)

The EURINR currency pair made 6th consecutive weekly bullish candle. The weekly closing is indicative of the momentum higher. With 98.70 support base being strong the currency pair may attempt the recent highs and also may attempt to create another new ATH. The currency pair may continue its consolidation in a higher range. We may see buying interest to emerge on any dip closer to 98.00. We can expect a consolidation in the range of 98.40 and 101.40 with a positive bias. Any breach of the range would lead to 70-100 pips move. One area of concern is that, the currency pair has a tendency to come under selling pressure for 2-3 weeks as and when it hits a new ATH. The target for the move appears to be 101+

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

USDINR



(Chart image source: TradingView.com)

The currency pair made a magical correction snapping the 4 consecutive weekly bullish candles. There is minor trend seen with an ascending channel. The resistance as per this pattern comes around 87.05-10 and the support around 85.35-30. A daily close below 85.30 could see the currency pair move towards 84.75. As observed in the previous blog, the weekly closing above 86.40 had turned out to be a trap. 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 84.90-86.10 would hold for the week
- Vols are expected cool off
- .

A few more observations:

- The close just below 86.10 reignites the hope for a consolidation at a lower range with a positive bias*
- Going forward the exporters who missed the opportunity earlier would rush to hedge
- After almost 2 years of consolidation the charts appear to be showing probability of further down move, A weekly close below 86.10 brings back the hope*
- In any case, the two way move is likely to continue, which is positive.*
- The monthly candle is not favouring much downside. As the currency pair is caught between multiple MAs, at best we can expect 84.90-86.10 range with volatile moves

Gold

Precious metal posted 2nd consecutive negative candle. The easing of Geo-political risk perception coupled with failure to hold above 3450 brings in a bit of supply. The closing is at another crucial level. A daily close below 3260 could trigger stops and we may see a correction towards 3160. The general observation is that there is a long consolidation phase with a price range of 3200-3400. The precious metal has a tendency to fall after hitting a new ATH, and resume its trend subsequently. We are likely to witness this in action and the support at 3260 is crucial to watch. Central Bank's continuous purchase for changing the reserve mix coupled with other uncertainties like conflict between countries, weak Dollar, Inflation concerns and Tariff threats are the major factors contributing to the elevated levels. The buying interest is likely to soften ahead to lean season. Only a sharp down move above 3440 on a daily closing basis would negate the trend. We may see consolidation between 3160-3370. There could be choppy moves within this range.

Crypto

The crypto assets seem to continuing its consolidation phase for the 6th consecutive week. The narrow range in the past 6 weeks suggest that the upside momentum is slowing down. However, contrary to our earlier observation that we may see a sell-off towards the month-end, the Crypto assets held the range and closed with a positive candle. Most likely scenario could be that the crypto asset is likely to have volatile sessions and there could be a consolidation with +/- 7-10% of current levels with a positive bias. The next couple of weeks are crucial which may throw some light on the future direction of the market.

Crude

The crude prices eased off sharply post ceasefire agreed between Israel & Iran. The earlier observation that it is an unlikely scenario that we see crude prices cooling towards 60 anytime in the near future stands vindicated with the sharp fall. The long consolidation phase gave ample opportunity to set the recovery & growth path. Overall picture for now is that the price range is 58-88 with a pivot at 74. The current set-up suggests that the crude is likely to consolidate between 62 & 70 during the week. Saved this time from a deep oil shock.

#Stay safe