



BGSE FINANCIALS LTD

Newsletter



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Weekly Takeaway

Indian benchmark indices snapped a two-day losing streak on Friday, supported by buying in blue-chip IT stocks and a positive trend across global markets. However, the recovery remained measured, with the Nifty still below an important technical resistance zone.

Friday's Close

Index	Close	Change
Sensex	77,264.51	+330.92 (+0.43%)
Nifty 50	24,175.65	+84.80 (+0.35%)

The Sensex touched an intraday high of 77,357.97 and a low of 76,988.22, while the Nifty moved between 24,076.85 and 24,188.30 during the session.

Despite Friday's rebound, the Nifty declined 0.31% for the week, remaining largely within the previous week's trading range.

What Supported Friday's Recovery?

IT & Global Cues Lead the Rebound

Buying in blue-chip IT stocks, combined with a positive trend across global markets, helped lift investor sentiment.

The rebound comes after two consecutive sessions of losses, highlighting the market's ability to absorb short-term selling pressure.

However, the weekly price action continues to point towards consolidation rather than a confirmed directional breakout.

India's \$5.1 Trillion Economy Opportunity

According to an analysis by OmniScience Capital, India could potentially become a \$5.1 trillion economy by FY29 as growth strengthens.

The report highlights three important drivers:

1. Stronger Real Growth

A sustained expansion in real economic activity could support India's nominal GDP trajectory.

2. Healthier Bank Balance Sheets

Improving banking-sector balance sheets provide a stronger foundation for credit growth and investment.

3. Revival in Corporate Capex

A revival in corporate capital expenditure could create a further engine for economic expansion.

The analysis estimates India's nominal GDP growth in US-dollar terms could reach approximately 8% in the base case and 9% in an optimistic scenario.

The country's earlier \$5 trillion ambition was delayed by the pandemic, stressed bank and corporate balance sheets, and significant rupee depreciation. However, the underlying long-term growth trajectory remains intact.

Jio IPO Moves Closer

Reliance Industries-backed Jio Platforms has received approval from SEBI for its draft IPO papers, moving the telecom and digital-services business closer to a public listing.

Proposed IPO

- **Potential Fundraise:** ~₹37,700 crore
- **Indicative Valuation:** ~₹9.5 trillion

If completed at the proposed scale, the offering could rank among the largest IPOs in India's capital-market history.

Why It Matters

The listing could provide investors with a major new opportunity to participate directly in India's rapidly expanding digital and telecommunications ecosystem while also potentially unlocking further value for Reliance Industries shareholders.

Global Markets: Rally Faces Fresh Tests

US equities remain close to record levels, but the next phase of the rally will face important catalysts.

Key Events Ahead

US Jobs Report

Fresh labour-market data will provide clues about the strength of the US economy and the future direction of monetary policy.

Broadcom Results

Quarterly results from semiconductor major Broadcom will be closely watched amid continued investor focus on AI-related technology spending.

The S&P 500 ended the week higher and remains just over 1% below its August 13 all-time high, while strong results from Nvidia recently helped restore confidence in technology stocks.

Options Market: Extreme Volatility Raises Concerns

The new closing-auction mechanism produced an extraordinary move during the first monthly expiry at BSE Ltd.

A bank-index put option trading at approximately ₹1.70 surged to ₹68.55 within minutes—an increase of nearly 4,000%—before subsequently falling back to zero.

The entire movement occurred within approximately 15 minutes.

Investor Alert

The episode highlights the risks associated with low-priced options and extreme short-term volatility, particularly around expiry and closing-auction periods.

Options traders should exercise strict position sizing and risk-management discipline.

Technical Snapshot

NIFTY 50

The Nifty remains below its **200-day EMA at approximately 24,350–24,400**, making this zone the immediate technical hurdle.

Immediate Support: 24,000

Next Support: 23,800

Key Resistance: 24,350–24,400

Upside on Breakout: 24,800

A sustained move above 24,350–24,400 could improve the technical structure and open the possibility of a move towards 24,800. Until then, consolidation and range-bound trading remain the more likely scenario.

TAKEAWAY

Indian equities remain resilient, but the market has yet to establish a clear directional breakout. Friday's rebound was supported by IT stocks and positive global cues, while India's long-term growth story received another boost from expectations of a potential \$5.1 trillion economy by FY29 and the progress of the Jio Platforms IPO.

For the near term, the 24,350–24,400 zone is the critical technical hurdle for the Nifty. Investors should also remain alert to global developments, particularly the US jobs report and Broadcom's results, while options traders need to exercise heightened caution following the extreme volatility witnessed during the latest closing auction.

Weekly Market Compass | – Market Pulse

Consolidation Continues as Nifty Faces 24,400 Resistance

Indian equities ended Friday on a positive note, but the broader weekly structure remains cautious. The Nifty gained 0.35% on Friday, yet declined 0.31% for the week, indicating that the recent rebound has not yet translated into a decisive trend reversal.

NIFTY 50 — Range-Bound Structure Remains

The Nifty opened higher on Friday and traded within an approximately 100-point range, before closing at 24,175.65.

The index continues to trade below its short- and medium-term moving averages, keeping the near-term technical setup cautious.

Key Levels

<u>Level</u>	<u>Zone</u>	<u>Interpretation</u>
Immediate Support	24,000	Crucial short-term support
Next Support	23,800	Important downside level
Major Hurdle	24,350–24,400	200-day EMA
Upside Target	24,800	Possible on sustained breakout

Technical Structure

On the daily timeframe, the Nifty formed a reasonably strong bullish candle with a minor lower wick, although the candle remained within the previous day's range.

On the weekly timeframe, the index formed a red candle with noticeable upper and lower shadows, remaining within the previous week's range.

This combination points towards continued consolidation and indecision, rather than a confirmed breakout.

24,400 — The Decisive Zone

The **24,350–24,400 area**, corresponding to the Nifty's 200-day EMA, remains the most important hurdle.

Bullish Scenario

A strong and sustainable move above **24,400** could improve market sentiment and potentially open the way towards: **24,800**

Range-Bound Scenario

If the Nifty fails to cross this hurdle, the index could continue consolidating within the prevailing range.

Bearish Scenario

A break below:

24,000 → 23,800

could trigger renewed selling pressure.

BANK NIFTY — Broader Structure Healthy, Short-Term Momentum Weak

Bank Nifty remained under pressure during Friday's session.

The index:

- Touched an intraday high of 57,596
- Closed at 57,496
- Declined approximately 0.5% for the week
- Remained within its 20-day and 50-day EMAs

Despite the weekly decline, the broader structure remains relatively healthy because the index continues to sustain above its key moving averages, which are trending upwards.

Bank Nifty Technical Structure**Daily Chart**

The index formed a small-bodied bullish candle with noticeable wicks on both sides.

This indicates:

- Indecision between bulls and bears
- Lack of strong directional momentum
- Short-term consolidation

The daily RSI also remains in the **neutral zone**, further confirming the absence of strong momentum.

Weekly Chart

Bank Nifty formed a red candle with upper and lower shadows, highlighting continued volatility and selling pressure.

However, the index remains above its major moving averages, keeping the broader structure constructive.

Bank Nifty — Key Trigger

58,000 = Breakout Level

A strong and sustained move above **58,000** would provide confirmation of renewed bullish momentum.

Until then, traders should expect a period of consolidation.

Market Momentum Dashboard

Indicator	Nifty 50	Bank Nifty
Short-Term Trend	● Cautious	● Cautious
Broader Trend	● Consolidating	● Healthy
Moving Average Structure	● Below key averages	● Above key averages
RSI / Momentum	● Moderate	● Neutral
Breakout Trigger	24,400	58,000
Immediate Risk Level	24,000	—

Market Sentiment

Positive Factors

- ✓ Friday's rebound after two consecutive sessions of losses
- ✓ Buying in blue-chip IT stocks
- ✓ Positive global market cues
- ✓ Bank Nifty maintaining its broader moving-average structure
- ✓ India's long-term growth outlook remains constructive

Cautionary Factors

- ⚠ Nifty remains below the 200-day EMA
- ⚠ Weekly Nifty performance remains negative
- ⚠ Short- and medium-term moving averages continue to cap momentum
- ⚠ Bank Nifty RSI remains neutral
- ⚠ Global markets remain sensitive to US employment data and technology-sector developments

TAKEAWAY

The market remains range-bound with a cautious near-term bias. The Nifty's ability to reclaim and sustain above 24,350–24,400 will be critical in determining whether the current consolidation develops into a fresh upward move towards 24,800. On the downside, 24,000 remains the immediate support, followed by 23,800.

Bank Nifty's broader structure remains healthier, but a decisive move above 58,000 is required to confirm a meaningful breakout. Until these levels are breached, patience and selective stock-specific positioning remain preferable to aggressive directional bets.

Weekly Market Compass | Macro & Global Cues

Global Cues Remain Supportive, While India's Growth Story Strengthens

The macro environment remains broadly constructive, although markets continue to balance strong growth expectations against evolving global risks. In India, improving bank balance sheets, a potential revival in corporate capital expenditure and the prospect of stronger real growth support the long-term economic outlook.

GLOBAL MACRO

US Markets Approach Record Highs

US equities continue to hold near record levels, supported by improving sentiment following strong technology earnings.

The **S&P 500** ended the week higher and is now only slightly more than **1% below its August 13 all-time high**.

However, the next leg of the global rally will face important tests, particularly from:

- US labour-market data
- Semiconductor earnings
- Treasury yields
- Technology valuations

Nvidia Earnings Reinforce AI Sentiment

A strong quarterly report from **Nvidia** helped revive investor confidence in technology stocks after concerns earlier in August surrounding rising US Treasury yields.

The AI investment cycle therefore remains a major driver of global equity markets.

However, investors are increasingly focused on whether the enormous capital expenditure being committed to AI infrastructure can translate into sustainable earnings growth.

Global Investor Focus

AI Investment → Earnings Growth → Valuation Justification

This relationship is likely to remain central to global technology valuations.

US JOBS DATA — NEXT MAJOR TEST

The US labour market will take centre stage next week.

Fresh employment data will provide investors with important clues about:

- Economic strength
- Inflationary pressures
- Federal Reserve policy expectations
- US Treasury yields
- Global liquidity conditions

A stronger-than-expected labour market could keep yields elevated, while softer employment data could increase expectations of monetary-policy easing.

BROADCOM RESULTS IN FOCUS

Quarterly results from **Broadcom** will provide another important test for the global technology and semiconductor rally.

Investors will closely examine:

- AI-related demand
- Semiconductor growth
- Data-centre spending
- Forward guidance

Given the importance of AI stocks to global market performance, Broadcom's results could have implications beyond the company itself.

INDIA'S \$5.1 TRILLION ECONOMY PATH

India's long-term macroeconomic outlook remains constructive.

According to the analysis by **OmniScience Capital**, India could potentially reach a **\$5.1 trillion economy by FY29** if growth strengthens.

Growth Drivers

1. Stronger Real Economic Growth

Improving real growth could support stronger nominal GDP expansion.

2. Healthier Banking Sector

Improved bank balance sheets provide a stronger foundation for credit expansion and economic activity.

3. Corporate Capex Revival

A revival in corporate capital expenditure could become an important driver of the next phase of India's economic expansion.

The analysis estimates nominal GDP growth in US-dollar terms at approximately:

Base Case → 8%

Optimistic Case → 9%

Why India's \$5 Trillion Ambition Was Delayed

India's earlier \$5 trillion economic ambition was pushed back by several factors:

- COVID-19 pandemic
- Stressed banking-sector balance sheets
- Weak corporate balance sheets
- Significant rupee depreciation

However, the underlying structural growth trajectory remains intact.

The combination of **stronger banks + corporate investment + real economic growth** provides a potential foundation for renewed expansion.

JIO IPO — CAPITAL MARKETS DEVELOPMENT

Jio Platforms, backed by Reliance Industries, has received SEBI approval for its proposed IPO.

Indicative Parameters

- **Proposed Fundraise:** ~₹37,700 crore
- **Potential Valuation:** ~₹9.5 trillion

The potential listing could become one of India's largest IPOs and represents a significant development for the country's capital markets.

It could also provide an important valuation benchmark for India's rapidly expanding telecommunications and digital ecosystem.

INDIA — MACRO THEMES TO WATCH

Macro Factor	Current View
Economic Growth	● Positive
Bank Balance Sheets	● Improving
Corporate Capex	● Recovery Potential
Global Liquidity	● Watch
US Yields	● Key Variable
AI Investment Cycle	● Strong but Valuation Sensitive
Geopolitical Risk	● Monitor

TAKEAWAY

The global environment remains supportive but increasingly selective. Strong AI-related earnings continue to underpin US markets, while upcoming US jobs data and Broadcom's results could determine whether the global rally extends further.

For India, the long-term macro picture remains constructive. Healthier banking-sector balance sheets, stronger real growth and a potential revival in corporate capital expenditure provide a credible foundation for continued economic expansion. The potential \$5.1 trillion economy by FY29 and the proposed Jio IPO further highlight the depth and scale of India's ongoing economic and capital-market development.

Weekly Market Compass | Sector Radar

IT & Financials Lead; Energy, Telecom and Defence Remain in Focus

The week's market action was shaped by a combination of blue-chip IT buying, improving global sentiment and stock-specific corporate developments. At the same time, major structural themes such as India's digital economy, defence spending and energy remain important areas for investors.

Information Technology — Market Leadership Returns

IT stocks were among the key drivers behind Friday's recovery.

Buying in blue-chip technology companies helped the Nifty rebound after two consecutive sessions of losses, highlighting continued investor confidence in the sector.

What to Watch

- ✓ Global technology spending
- ✓ US economic growth
- ✓ AI-related investments
- ✓ Deal wins and order books
- ✓ Currency movement

The sector remains particularly sensitive to developments in the US economy and global technology spending.

Sector View: ● Positive

Financial Services — Structural Growth Story

Financial services remain an important component of India's long-term growth narrative.

Healthier bank balance sheets and improving credit conditions are among the factors supporting expectations of stronger economic expansion.

Key Structural Drivers

- ✓ Improving banking-sector balance sheets
- ✓ Credit growth
- ✓ Rising financialization of savings
- ✓ Increasing participation in capital markets
- ✓ Growing digital financial services

With India's economy potentially moving towards the **\$5.1 trillion mark by FY29**, the financial sector is positioned to remain an important beneficiary of economic expansion.

Sector View: ● Positive

Telecom & Digital Economy — Jio IPO in Focus

The proposed **Jio Platforms IPO** represents one of the most significant developments in India's capital markets.

Key Details

Potential Fundraise: ₹37,700 crore

Potential Valuation: ~₹9.5 trillion

SEBI's approval of the draft IPO papers moves Jio Platforms closer to a public listing.

Why It Matters

The potential IPO highlights the growing scale of India's:

- ❖ Telecommunications industry
- ❖ Digital ecosystem
- ❖ Consumer internet economy
- ❖ Digital financial services

The listing could also unlock significant value within the broader Reliance Industries ecosystem.

Sector View: ● **Positive**

Defence — Long-Term Structural Theme

Defence remains an important long-term investment theme as India's focus on domestic manufacturing and defence self-reliance continues.

The sector offers exposure to:

- ❖ Government defence spending
- ❖ Indigenous manufacturing
- ❖ Shipbuilding
- ❖ Aerospace
- ❖ Defence electronics

Investors should, however, remain selective and focus on companies with strong order books, execution capabilities and sustainable earnings growth.

Sector View: ● **Positive / Selective**

Energy — Crude Remains a Key Variable

Energy markets continue to influence the broader macroeconomic environment.

For India, the relationship between crude oil prices and the domestic economy remains particularly important because higher energy costs can influence:

- ❖ Inflation
- ❖ Import costs
- ❖ Rupee stability
- ❖ Corporate margins

Oil & gas companies may experience differing impacts depending on their position across the upstream, refining and downstream segments.

Sector View: ● Neutral / Commodity Sensitive

Capital Markets — Options Volatility Raises Risk

The latest monthly expiry highlighted the risks associated with India's evolving market structure.

A bank-index put option moved from ₹1.70 to ₹68.55 within approximately 15 minutes, before subsequently falling back to zero.

The episode demonstrates how quickly liquidity and pricing can change around the closing auction.

Investor Focus

- △ Position sizing
- △ Liquidity
- △ Expiry-day volatility
- △ Defined-risk strategies

Sector View: ● Positive Long Term / High Short-Term Risk

Sector Radar

Sector	View	Key Theme
IT	● Positive	Blue-chip buying & global tech demand
Financials	● Positive	Stronger balance sheets & economic growth
Telecom/Digital	● Positive	Jio IPO & digital expansion
Defence	● Positive	Structural domestic demand
Energy	● Neutral	Crude-sensitive
Capital Markets	● Selective	Strong growth but high short-term volatility

TAKEAWAY

Sector leadership remains centred around IT and Financial Services, while the potential Jio Platforms IPO adds another major structural catalyst to India's digital and capital-market ecosystem. Defence continues to offer long-term growth potential, whereas energy remains highly sensitive to commodity prices.

The broader message for investors is clear: focus on sectors where earnings visibility and structural growth reinforce the technical trend, while maintaining discipline in areas exposed to sharp short-term volatility.

Weekly Market Compass | Market Risks & What Can Go Wrong

Nifty at a Decision Point: Global Cues & Technical Hurdles in Focus

Indian equities remain resilient, but the market is entering a phase where technical resistance, global developments and derivatives-market volatility could determine the next directional move. Friday's rebound was encouraging, but the weekly decline and the Nifty's position below key moving averages call for measured positioning.

1. Nifty Below the 200-Day EMA

The biggest near-term technical risk is the Nifty's inability to reclaim the 200-day EMA around 24,350–24,400.

The index closed at 24,175.65, leaving it below this important technical hurdle.

Key Levels

Resistance: 24,350–24,400

Immediate Support: 24,000

Next Support: 23,800

Upside on Breakout: 24,800

Risk Scenario

A failure to reclaim 24,400 could keep the index locked in a consolidation phase.

A break below 24,000 could increase selling pressure and expose the index to 23,800.

2. Bank Nifty — Momentum Needs Confirmation

Bank Nifty closed at **57,496** after touching an intraday high of **57,596**.

Although the broader structure remains healthy with key moving averages trending upwards, short-term momentum remains subdued.

Key Trigger

58,000

A strong and sustainable move above 58,000 would provide confirmation of a potential breakout.

Until then, the banking index could continue to experience range-bound trading and intermittent volatility.

3. Global Market Volatility

Global markets remain sensitive to developments in the US technology sector and changes in investor expectations surrounding interest rates.

The upcoming **US jobs report** will be particularly important because it could influence:

- US Treasury yields
- Federal Reserve expectations
- Dollar strength
- Global liquidity
- Emerging-market capital flows

A sharp change in US rate expectations could therefore have a direct impact on Indian equities.

4. Semiconductor & AI Valuation Risk

The global technology rally remains an important source of market support, but valuations remain sensitive to earnings expectations.

The upcoming **Broadcom results** will provide another test for the AI and semiconductor investment cycle.

Investors should watch:

- ✓ AI-related revenue growth
- ✓ Capital expenditure trends
- ✓ Forward guidance
- ✓ Sustainability of AI demand

Any disappointment could trigger profit booking across global technology stocks and potentially influence Indian IT sentiment.

5. Options Market — Extreme Short-Term Risk

The latest BSE monthly expiry highlighted the potential for extraordinary price movements in options.

A bank-index put option moved from approximately **₹1.70 to ₹68.55 within 15 minutes**, before subsequently falling back to zero.

That represents a move of nearly **4,000%** in a very short period.

Key Lesson for Traders

Extreme option-price movements can create the appearance of large opportunities, but they also carry significant risk of rapid capital erosion.

Defined-risk strategies and disciplined position sizing remain essential, particularly around expiry and closing-auction periods.

6. Rupee & Macro Risk

Currency movement remains an important variable for the Indian market.

A weaker rupee can affect:

- ✓ Foreign investor sentiment
- ✓ Imported costs

- ✓ Corporate profitability
- ✓ Inflation expectations

Conversely, a stable currency combined with stronger foreign inflows could provide an additional tailwind for equities.

7. Long-Term Growth vs Short-Term Volatility

India's potential to reach a \$5.1 trillion economy by FY29 provides a strong structural backdrop.

However, investors should distinguish between:

Long-Term Fundamentals

- Stronger real growth
- Healthier bank balance sheets
- Corporate capex revival
- Expanding digital economy

and

Near-Term Risks

- Technical resistance
- Global rate uncertainty
- AI valuation concerns
- Derivatives volatility
- Currency fluctuations

The long-term economic story can remain positive even while equity markets undergo periods of consolidation.

MARKET RISK HEAT MAP

Risk Factor	Current Assessment
Nifty below 200-day EMA	● High
24,000 support	● Critical
Bank Nifty below 58,000	● Watch
US Jobs Data	● High Impact
AI/Tech Valuations	● Elevated
Options Volatility	● High
India Growth Outlook	● Positive

Risk Management Strategy**For Investors**

- ✓ Avoid making decisions based solely on short-term index movements.
- ✓ Focus on businesses with sustainable earnings and strong balance sheets.
- ✓ Use periods of market weakness to selectively accumulate quality companies.

For Traders

- ✓ Treat **24,400** as the key Nifty confirmation level.
- ✓ Monitor **24,000** closely on the downside.
- ✓ Use strict stop-losses.
- ✓ Avoid excessive leverage around expiry.
- ✓ Prefer defined-risk strategies when volatility increases.

TAKEAWAY

The market remains at an important technical decision point. 24,350–24,400 on the Nifty and 58,000 on Bank Nifty are the key levels that could determine whether the next move is a breakout or another phase of consolidation.

Weekly Market Compass | Core Portfolio Stock Ideas

The following stocks have been shortlisted based on a combination of technical positioning, price action and fundamental earnings quality. The focus is on stocks showing improving momentum, proximity to key moving averages, consistent financial performance, and potential for further upside.

1. AXIS BANK

Buy: ₹1,265 or CMP

Target: ₹1,334 – ₹1,365

Stop Loss: ₹1,185

Investment Summary

Axis Bank is showing signs of a technical recovery after bouncing from its support zone. The stock has closed just above its 50-day moving average, indicating improving short-term momentum.

Fundamentally, the bank continues to demonstrate good earnings quality, healthy revenue growth and a strong Net Interest Income (NII) profile, supporting the potential for further appreciation.

Technical View: Recovery above 50-DMA

Fundamental View: Strong earnings & NII

2. CRISIL

Buy: ₹4,732 or CMP

Target: ₹5,000 – ₹5,100

Stop Loss: ₹4,600

Investment Summary

CRISIL continues to demonstrate a consistent improvement in revenue and Profit After Tax (PAT). From a technical perspective, the stock has closed above its 25-day and 200-day moving averages, indicating a strong underlying uptrend.

The combination of improving financial performance and positive price structure makes CRISIL an attractive candidate for continued momentum.

Technical View: Above 25 & 200 DMA

Fundamental View: Consistent Revenue & PAT Growth

3. FORTIS HEALTHCARE

Buy: ₹926.75 or CMP

Target: ₹955 – ₹975

Stop Loss: ₹900

Investment Summary

Fortis Healthcare has recently closed above its 50-day moving average, supported by healthy trading volumes. The improvement in volume alongside the technical recovery indicates strengthening buying interest.

Fundamentally, the company continues to demonstrate consistent revenue and profit performance, providing support to the current technical setup.

Technical View: Above 50-DMA with volume support

Fundamental View: Consistent earnings

4. RELIANCE INDUSTRIES

Buy: ₹1,287 or CMP

Target: ₹1,365 – ₹1,415

Stop Loss: ₹1,225

Investment Summary

Reliance Industries has remained range-bound amid several external factors, including crude oil prices, USD/INR movements and geopolitical developments.

Despite this consolidation, the stock retains significant potential for a breakout from its current trading range. A decisive move above the prevailing range could create momentum towards higher levels and potentially establish new highs.

Technical View: Range-bound with breakout potential

Fundamental View: Strong diversified business profile

5. CYIENT

Buy: ₹1,107 or CMP

Target: ₹1,250 – ₹1,350

Stop Loss: ₹905

Investment Summary

Cyient continues to demonstrate consistent revenue and profit performance, supported by a declining debt profile.

The ongoing transformation of the global technology landscape through AI adoption could provide additional growth opportunities. Technically, the stock is breaching its 50-day moving average and showing improving upward momentum.

The combination of improving technical momentum, lower leverage and exposure to technology-led growth provides a positive setup.

Technical View: Breaching 50-DMA with positive momentum

Fundamental View: Consistent earnings & declining debt

PORTFOLIO SNAPSHOT

<u>Stock</u>	<u>Buy</u>	<u>Target</u>	<u>Stop Loss</u>	<u>Primary Trigger</u>
Axis Bank	₹1,265	₹1,334–1,365	₹1,185	50-DMA recovery
CRISIL	₹4,732	₹5,000–5,100	₹4,600	Strong trend
Fortis Healthcare	₹926.75	₹955–975	₹900	50-DMA + volume
Reliance Industries	₹1,287	₹1,365–1,415	₹1,225	Range breakout
Cyient	₹1,107	₹1,250–1,350	₹905	50-DMA breakout

RESEARCH FRAMEWORK

The stock selection combines:

Technical Analysis

- 25/50/200-day moving averages
- Price action
- Momentum
- Volume confirmation
- Support & resistance

Fundamental Analysis

- Quarterly revenue growth
- Profitability and PAT
- Earnings quality
- NII for banking stocks
- Debt trends
- Sector and industry outlook

TAKEAWAY

This week's portfolio combines Banking, Financial Services, Healthcare, Diversified Conglomerates and Technology. The common theme is improving technical structure supported by consistent or improving fundamentals.

Axis Bank, CRISIL and Fortis Healthcare are showing constructive moving-average setups, while Reliance Industries offers a potential range-breakout opportunity. Cyient combines improving technical momentum with consistent earnings and declining debt.

Risk management remains critical: the stated stop-loss levels should be treated as an integral part of the investment/trading setup rather than optional levels.

Disclaimer – Stock Recommendations

The stock recommendations provided in this report are based on a combination of technical analysis (including moving averages, Bollinger Bands, Fibonacci retracement, volume and price action) and fundamental analysis (including quarterly performance and financial ratio analysis).

These recommendations are intended solely for informational and educational purposes and should not be construed as an offer, solicitation, or recommendation to buy or sell any securities.

Investments in the securities market are subject to market risks, including the potential loss of principal. Past performance is not indicative of future results.

Investors are advised to:

- Conduct their own independent research
- Assess their risk tolerance and financial objectives
- Consult with a qualified financial advisor before making any investment decisions

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The analyst and/or associated entities may or may not have positions in the securities discussed. Any such positions, if held, are subject to regulatory disclosures

Weekly Market Compass | Tactical & Trading Opportunities

Nifty at a Technical Decision Point

Indian equities remain in a **consolidation phase**, with the Nifty attempting to recover but still trading below a crucial long-term moving-average resistance zone. For traders, the next directional move is likely to be determined by the **24,000–24,400 range**.

NIFTY 50 — WAITING FOR THE BREAKOUT

The Nifty closed Friday at 24,175.65, gaining 0.35%, but declined 0.31% for the week.

The index remains below its 200-day EMA, positioned around 24,350–24,400.

Key Trading Levels

<u>Level</u>	<u>Zone</u>	<u>Trading Interpretation</u>
Immediate Support	24,000	Crucial
Major Support	23,800	Breakdown level
200-Day EMA	24,350–24,400	Major hurdle
Breakout Target	24,800	On sustained breakout

Bullish Setup

A strong and sustainable close above 24,400 could confirm a breakout from the current consolidation and open the possibility of a move towards 24,800.

Bearish Setup

A decisive break below 24,000 could weaken the structure and drag the index towards 23,800.

Current Bias

Consolidation / Range Bound

Until either side of the range is decisively breached, traders should avoid aggressively positioning for a sustained directional move.

BANK NIFTY — 58,000 IS THE TRIGGER

Bank Nifty closed at 57,496 on Friday after touching an intraday high of 57,596. The index declined approximately 0.5% during the week, but its broader structure remains relatively healthy as it continues to sustain above its major moving averages.

Key Level

58,000 — Breakout Trigger A strong move above 58,000 could signal renewed bullish momentum. Until that happens, the index may continue to remain volatile and range bound.

BANK NIFTY — TECHNICAL STRUCTURE**Daily Chart**

The index formed a small-bodied bullish candle with wicks on both sides, indicating indecision between buyers and sellers.

The daily RSI remains in the neutral zone, suggesting that momentum has not yet established a clear directional bias.

Weekly Chart

The index formed a red candle with upper and lower shadows, reflecting selling pressure and volatility.

However, the index continues to remain above its key moving averages, which are trending upwards.

Interpretation

Short Term: ● Cautious / Consolidating

Broader Trend: ● Healthy

TRADING SETUPS TO WATCH**1. Nifty Breakout Trade**

Above 24,400

Potential move towards **24,800**

→ Wait for sustained price action and confirmation rather than trading the first intraday spike.

2. Nifty Breakdown Trade

Below 24,000

Potential move towards **23,800**

→ Confirmation through price action and volume would strengthen the setup.

3. Bank Nifty Breakout**Above 58,000**

- ➔ Could indicate renewed buying momentum across banking stocks.

OPTIONS TRADING — RISK FIRST

The recent expiry-day price movement observed under the new closing-auction mechanism highlights the risks associated with short-term options trading.

An option moved from approximately **₹1.70 to ₹68.55 within 15 minutes**, before subsequently falling back to zero.

This demonstrates how quickly option prices can change around expiry and closing-auction periods.

Trading Discipline

- ✓ Use defined-risk strategies.
- ✓ Keep position sizes appropriate.
- ✓ Avoid chasing sudden option spikes.
- ✓ Maintain strict stop-losses.
- ✓ Be particularly cautious around expiry and closing-auction periods.

TACTICAL WATCHLIST**● Positive on Breakout****Nifty 50:** Above 24,400**Bank Nifty:** Above 58,000**● Range Trading**Nifty between **24,000–24,400****● Risk Trigger**Nifty below **24,000****TRADER'S CHECKLIST**

Before entering a position:

1. Identify the trend

Is the index trending or consolidating?

2. Wait for confirmation

Avoid entering solely on an intraday spike.

3. Define risk first

Know the stop-loss before entering.

4. Control position size

Higher volatility requires smaller exposure.

5. Respect the breakout levels

24,400 and 58,000 are the key confirmation zones.

TAKEAWAY

The market is currently at a technical decision point. The Nifty's ability to reclaim 24,350–24,400 will determine whether the current consolidation develops into a fresh upward move towards 24,800. On the downside, 24,000 and 23,800 remain the key levels to monitor.

Bank Nifty's broader structure remains healthier, but 58,000 is the critical breakout level.

For traders, patience is currently an advantage. Let the market confirm the direction before increasing exposure.

Market Compass | Events, Macro & Levels

Key Triggers & Market Outlook

The coming week is likely to remain event-driven, with global markets focusing on US labour-market data and Broadcom's results, while Indian equities will be guided by the Nifty's ability to overcome the 24,350–24,400 resistance zone. Domestic investors will also track developments around the Jio IPO and broader corporate and economic trends.

1. US Jobs Report — Major Global Trigger

The upcoming US labour-market data will be one of the most important events for global investors.

Why It Matters

The jobs report could influence:

- ✓ US Federal Reserve rate expectations
- ✓ US Treasury yields
- ✓ Dollar strength
- ✓ Global liquidity
- ✓ Emerging-market fund flows

Market Reaction

Stronger employment data → Higher yields / tighter-rate expectations → Potential pressure on equities

Softer employment data → Lower yields / greater policy-easing expectations → Potential support for equities

2. Broadcom Results — AI Rally Faces Another Test

Quarterly results from Broadcom will be closely watched following the strong performance of AI bellwether Nvidia.

Investors will focus on:

- ✓ AI-related demand
- ✓ Semiconductor growth
- ✓ Data-centre spending
- ✓ Forward guidance
- ✓ Sustainability of AI capital expenditure

The results could have a broader impact on global technology sentiment given the importance of AI-related stocks to the current market rally.

3. Nifty — 24,400 Remains the Key Level

The Nifty enters the week at 24,175.65, below its 200-day EMA around 24,350–24,400.

Bullish Trigger

Above 24,400

➡ Potential move towards **24,800**

Immediate Support

24,000

Next Support

23,800

The market could remain range-bound until either support or resistance is decisively breached.

4. Bank Nifty — 58,000 in Focus

Bank Nifty closed at **57,496** and continues to maintain its broader positive structure despite short-term consolidation.

Key Trigger

58,000

A sustained move above this level could attract fresh buying and confirm renewed momentum. Until then, traders should expect volatility around the current range.

5. Jio IPO — Major Domestic Capital-Market Event

Reliance Industries-backed **Jio Platforms** is moving closer to its proposed public listing following SEBI approval of its draft IPO papers.

Potential IPO

Fundraise: ~₹37,700 crore

Indicative Valuation: ~₹9.5 trillion

The potential listing could become one of India's largest IPOs and will be closely watched by both domestic and global investors.

6. India Growth Story Remains in Focus

The potential for India to reach a **\$5.1 trillion economy by FY29** reinforces the longer-term investment narrative.

Key drivers identified include:

- ✓ Stronger real economic growth
- ✓ Healthier bank balance sheets

- ✓ Revival in corporate capital expenditure

This provides a supportive structural backdrop even if equity markets experience short-term consolidation.

7. Options Market — Exercise Caution

The recent extreme movement during the BSE closing auction serves as an important reminder of the risks associated with short-dated options.

A bank-index put option moved from approximately **₹1.70 to ₹68.55** within 15 minutes before subsequently falling back to zero.

For Traders

- ⚠ Avoid oversized positions.
- ⚠ Do not chase sudden option-price spikes.
- ⚠ Prefer defined-risk strategies.
- ⚠ Maintain strict position sizing.

KEY EVENTS — WEEK AHEAD

Event	Importance
US Jobs Report	● High
 Broadcom Results	● High
 Nifty 24,400	● Critical
 Bank Nifty 58,000	● Important
 Jio IPO Developments	● Important
IN India Growth Outlook	● Positive
 Options Volatility	● High Risk

WEEKLY STRATEGY

For Investors

- ✓ Remain selective rather than chasing market momentum.
- ✓ Focus on companies with consistent earnings and strong balance sheets.
- ✓ Use periods of consolidation to accumulate quality businesses gradually.

For Traders

- ✓ Watch 24,400 for Nifty breakout confirmation.
- ✓ Watch 24,000 for downside risk.

- ✓ Monitor 58,000 on Bank Nifty.
 - ✓ Keep position sizes controlled around major global events.
-

TAKEAWAY

The week ahead presents several important catalysts for Indian and global markets. US employment data and Broadcom's results will provide fresh direction to global equities, while the Nifty's reaction around 24,350–24,400 will be crucial for determining the domestic market's next move.

With India's long-term growth narrative remaining strong and the Jio IPO adding another significant capital-market catalyst, the broader outlook remains constructive. However, until key resistance levels are decisively breached, selective positioning and disciplined risk management remain the preferred approach.

Weekly Market Compass | Conclusion & Positioning

MARKET OUTLOOK

Indian equity markets demonstrated resilience at the end of the week, with the Sensex gaining 331 points and the Nifty advancing 85 points on Friday. However, the weekly performance remained subdued, with the Nifty declining 0.31% and continuing to trade within the previous week's range.

The market is therefore at an important technical and fundamental crossroads.

Strong domestic growth expectations, improving corporate fundamentals and positive global cues provide support, but the Nifty's inability to reclaim its 200-day EMA around 24,350–24,400 means the broader market has yet to confirm a fresh bullish phase.

THE BIGGER INDIA STORY

One of the strongest themes emerging from this week's developments is the continued strength of India's long-term economic growth story.

India could potentially reach a **\$5.1 trillion economy by FY29**, supported by:

Stronger Real Growth

Continued economic expansion provides the foundation for higher corporate revenues and profitability.

Healthier Banking Balance Sheets

Improved bank balance sheets can support stronger credit growth and economic activity.

Corporate Capex Revival

A revival in private-sector capital expenditure could become an important driver of the next phase of India's economic expansion.

This creates a constructive long-term backdrop even if the equity market experiences periods of short-term consolidation.

JIO IPO — A MAJOR CAPITAL-MARKET MILESTONE

The proposed Jio Platforms IPO, with a potential fundraise of approximately ₹37,700 crore and an indicative valuation of nearly ₹9.5 trillion, represents another important development for India's capital markets.

The potential listing highlights the scale of India's:

- ✓ Digital economy
- ✓ Telecommunications sector
- ✓ Consumer technology ecosystem
- ✓ Financial technology expansion

It could also unlock significant value within the broader Reliance Industries ecosystem.

WHAT COULD DRIVE THE NEXT MARKET MOVE?

1. Nifty 24,400 Breakout

A sustained move above **24,350–24,400** would be the clearest technical signal that the current consolidation is resolving on the upside.

Potential Upside: 24,800

2. Nifty 24,000 Breakdown

A decisive move below **24,000** could increase selling pressure.

Next Support: 23,800

3. Bank Nifty 58,000

A strong move above **58,000** would provide confirmation of renewed momentum in the banking index.

GLOBAL MARKET WATCH

The global backdrop remains important for India's market direction.

Investors should monitor:

- ✓ US Jobs Report
- ✓  Broadcom Results
- ✓  US technology valuations
- ✓  US Treasury yields
- ✓  AI investment trends
- ✓  Global risk sentiment

Strong global technology earnings could support risk appetite, while renewed concerns around AI valuations or higher US yields could trigger volatility.

OUR INVESTMENT VIEW

Near Term

● Consolidation

The market needs to overcome key technical resistance before a fresh directional trend can be confirmed.

Medium Term

● Constructive

Strong domestic growth prospects, healthier banking balance sheets and improving corporate fundamentals provide support.

Long Term**● Positive**

India's structural growth story remains intact, supported by economic expansion, digitalisation, infrastructure development and rising financialization.

STRATEGY GOING FORWARD**For Investors**

- ✓ Focus on fundamentally strong companies with consistent earnings.
- ✓ Accumulate selectively during periods of market weakness.
- ✓ Maintain diversification across sectors.
- ✓ Keep a medium- to long-term investment horizon.

For Traders

- ✓ Treat **24,400** as the key Nifty breakout level.
- ✓ Monitor **24,000** for downside risk.
- ✓ Watch **58,000** on Bank Nifty.
- ✓ Use strict stop-losses.
- ✓ Avoid excessive leverage, particularly in short-dated options.

FINAL THOUGHTS

The current market environment is best described as consolidation within a fundamentally constructive backdrop.

Friday's rebound demonstrates that buyers remain willing to support quality stocks at lower levels. However, the Nifty still needs to overcome the 24,350–24,400 resistance zone before a sustained upward move can be confirmed.

Beyond the immediate technical picture, India's structural economic story remains encouraging. The potential for a \$5.1 trillion economy by FY29, healthier banking balance sheets, a revival in corporate capex and the upcoming Jio Platforms IPO all reinforce the depth of India's long-term investment opportunity.

The coming week will therefore be about confirmation rather than prediction.

For investors: focus on quality and earnings.

For traders: respect the levels and manage risk.

For everyone: let the market confirm the trend before increasing exposure.

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" "The market does not reward prediction; it rewards preparation, discipline and the ability to act when the evidence confirms the opportunity. "BGSE Financials Ltd/Research Department-

Thank you for reading the Weekly Market Compass. We wish all our readers a successful and profitable trading week ahead.

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