



2-Jul-25

## Seasonality suggests Bullish stance to continue in July

Index	
Nifty	25,542
Sensex	83,697

### Outlook

Nifty has to hold above 25250 zones for an up move towards 26000 and 26277 zones with immediate support is placed at 25000 and 24800 zones.

**Support : 25000/24800**  
**Resistance : 26000/26277**

Nifty index continued strength from May and witnessed renewed buying interest towards the end where the index jumped above 25650 zones in June. It consolidated for most part of the month with shallow dips in between which were quickly absorbed. On the sectoral front we have witnessed continues buying interest in the Financials, Infra, Auto, Private Bank, Consumption, Metal and IT sector while fresh buying interest is witnessed in sectors like Pharma with some weakness and short build up in FMCG space.

Technically, Nifty formed a bullish candle and has been making higher highs from the last four months. Buyers were in control but the index consolidated for the majority of the period. A decisive shift in the momentum could be seen after the breakout in the last week and it moved by almost 1200 points. Now it has to hold above 25250 zones for an up move towards 26000 and then to its all time high of 26277 zones with immediate support placed at 25000 and 24800 zones.





## Derivatives Sector Setup

Sector	Expiry Close	Change (%)	Outlook	Potential
Realty	1009	<b>5.4%</b>	Positive	Oberoi Realty, Godrej Prop, DLF
Infra	9355	<b>3.8%</b>	Positive	Larsen, Grasim, <b>Siemens</b>
IT	38996	<b>3.2%</b>	Positive	Coforge, Tech Mahindra, <b>LTI Mindtree</b>
Banks	57206	<b>2.9%</b>	Positive	HDFC Bank, ICICI Bank, Kotak Bank
Finance	27248	<b>2.8%</b>	Positive	Bajaj Finance, Bajaj FinServ, <b>PFC</b>
Metals	9544	<b>2.0%</b>	Positive	Sail, Hindalco, JSW Steel
Auto-Ancillary	23961	<b>1.7%</b>	Positive	M&M, TVS Motors, Ashok Leyland
Energy	36179	<b>0.5%</b>	Positive	Reliance Ind, <b>Tata Power, NTPC</b>
Pharma	21808	<b>1.0%</b>	Neutral	Lauras Labs, Divis Lab, Dr Reddy
FMCG	55118	<b>-0.9%</b>	Neutral	<b>Marico, Berger Paints, Dabur</b>

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## Bank Nifty

Bank Nifty exhibited a strong and sustained bullish trend throughout the month and traded in a clear uptrend. The technical outlook remains bullish with momentum and structure favoring further upside as the index closed well above all key moving averages after rallying by around 2300 points in June. Price observation of the last couple of weeks suggests that a hold above 56500 zones could move the index higher towards 58000 then 58500 zones while on the downside, supports are shifting higher to 56750 then 56000 zones.



## Nifty PSU Bank Index

Nifty PSU Bank Index is in an overall uptrend and is continuously forming higher top - higher bottom structure from the past three months. It has retested its breakout on the weekly chart and inched higher. On the daily scale, it is on the verge of giving breakout above its swing high. It is trading above all crucial moving averages and supports are gradually shifting higher. ADX Line is headed up on the daily time frame which suggests ongoing up move has strength. Thus, looking at overall chart setup we are expecting this index to head towards 7500 and 7800 zones while on the downside support is placed at 7000 and 6800 levels.

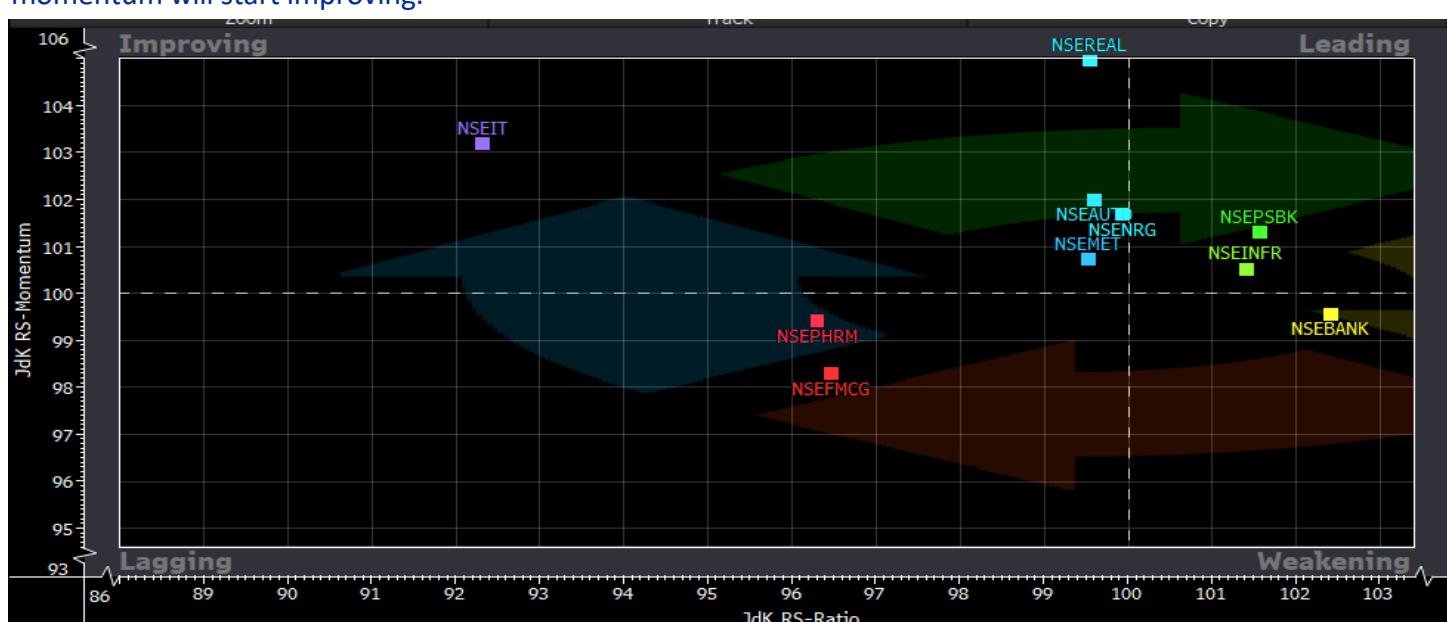


## Relative Rotation Graphs (RRG):

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Relative rotation graphs chart shows the relative strength and momentum for group of Stocks/Indices. It allows us to compare a security against the benchmark to see if it is outperforming or underperforming the benchmark. It is derived on Relative strength in which value of a sector is divided by the value of index mainly a benchmark which allows us to compare the performance of the sector. Relative Strength ratio is normalized to oscillate around 100 (plotted on X axis) i.e Jdk RS- Ratio along with this it provides the speed and direction of the Relative strength ratio (plotted on Y axis) i.e Jdk RS- momentum. The scatter plot is divided into four quadrants i.e Leading, Weakening quadrant, Lagging and Improving quadrant.

The analysis of sectorial RRG shows that Nifty PSU Bank and Infra are in the Leading Quadrant which indicates strength going ahead. Nifty Bank is in the weakening quadrant which suggests momentum is likely to decline. Nifty Pharma and FMCG are inside the lagging quadrant which shows strength and momentum both are missing. Nifty Energy, Metal, Auto, IT and Realty are under the improving quadrant which suggests strength is still low but momentum will start improving.



# Seasonality Chart - Nifty 500

Over the last 10 years, July has consistently delivered the strongest returns for the NSE 500 index, with an average gain of 3.83%, making it the most reliable month for positive market performance. This period coincides with the onset of the monsoon season which is a critical factor for the Indian economy where over 50% of agricultural activity depends on rainfall. A timely and well spread monsoon boosts rural income, leading to higher consumption of goods ranging from FMCG and two-wheelers to fertilizers and tractors. This surge in rural demand often acts as a tailwind for corporate earnings in several sectors, lifting overall market sentiment.

Additionally, the beginning of the monsoon reduces uncertainty related to inflation and food prices, further improving investor confidence. As a result, July typically benefits from a favorable macro backdrop, making it a historically rewarding period for equity investors in India.

NSE500 Index												Spread Builder		View		Edit		Seasonality Chart	
Last Price		Local CCY		Spread		Type security		Last Price											
10 Years Ending 2025		Percent Change		Net Change										High/Low/Rv					
Calendar Year	Trailing 12M	01-Jan	31-Dec	Monthly	Line	Heat Map													
10 Yr Avg		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov							
10 Yr Avg		.22	-1.16	-31	3.05	1.18	1.45	3.83	1.25	-33	.68	1.82			1.75				
2025		-3.55	-7.88	7.34	3.24	3.50	3.58	-.01											
2024		1.92	1.45	.82	3.66	.51	6.90	4.30	.87	2.15	-6.42	-.01			-1.37				
2023		-3.32	-2.79	.27	4.55	3.59	4.21	3.83	-.79	2.18	-2.84	7.06			8.01				
2022		-.50	-4.11	4.10	-.75	-4.49	-5.18	9.55	4.50	-3.23	4.01	3.39			-3.12				
2021		-1.87	7.78	1.09	.41	6.97	1.87	1.42	6.53	3.41	.23	-2.91			2.37				
2020		-.11	-6.34	-24.25	14.52	-2.38	8.34	6.62	3.72	-.32	2.57	11.87			7.46				
2019		-1.81	-.53	7.90	.01	1.46	-1.50	-6.35	-.75	4.05	3.73	1.28			.60				
2018		2.18	-4.50	-3.78	6.56	-1.91	-1.64	5.33	3.54	-8.77	-3.98	4.06			.67				
2017		5.68	4.47	3.71	2.74	1.66	-.23	5.54	-1.12	-1.09	6.44	.01			3.67				
2016		-5.73	-8.04	10.67	2.11	3.27	2.60	5.00	2.19	-1.28	1.44	-5.63			-1.36				
2015		5.80	1.02	-3.61	-3.27	3.11	-.90	3.03	-6.15	-.35	1.58	-.96			.58				

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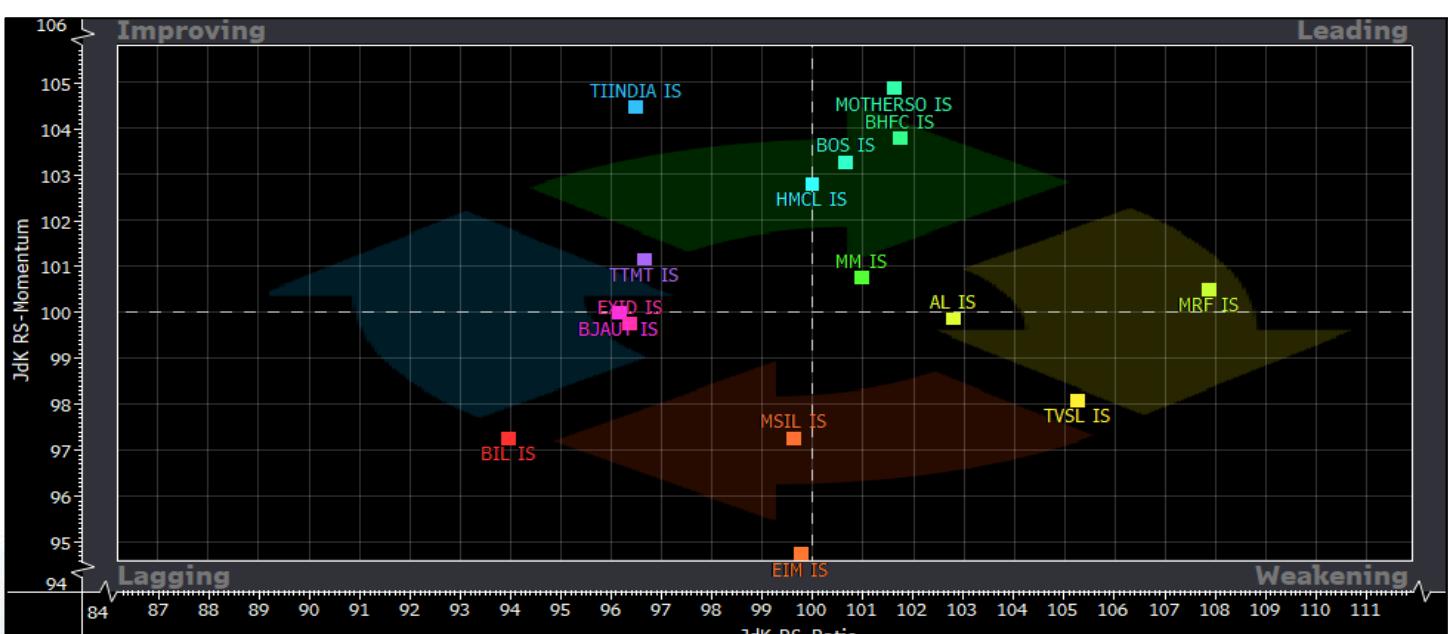
## Nifty Auto Index

Nifty Auto is consolidating in between 22915 to 24175 band from the last seven weeks. It is on the verge of giving a trend line breakout above 24250 zones to start the next leg of up move. It is perfectly respecting its 50 DEMA and momentum indicator RSI is positively placed on the weekly and the monthly chart. Thus, looking at the overall chart setup we are expecting the sector to head towards 25000 and 25800 zones while on the downside support is at 23000 and 22500 levels.



## RRG For Nifty Auto

The analysis of RRG for Auto Index shows that MRF, M&M, Hero Motoco, Bosch, Bharat Forge and Samvardhana Motherson are in the leading quadrant which indicates strength going ahead. Ashok Leyland and TVS Motors are under weakening quadrant which suggests momentum is likely to decline. Maruti, Eicher, Balkrishna, Bajaj Auto and Exide are inside the lagging quadrant which shows strength and momentum both are missing. Tata Motors and Tube Investment are under improving quadrant which suggests strength is still low but momentum will start improving.



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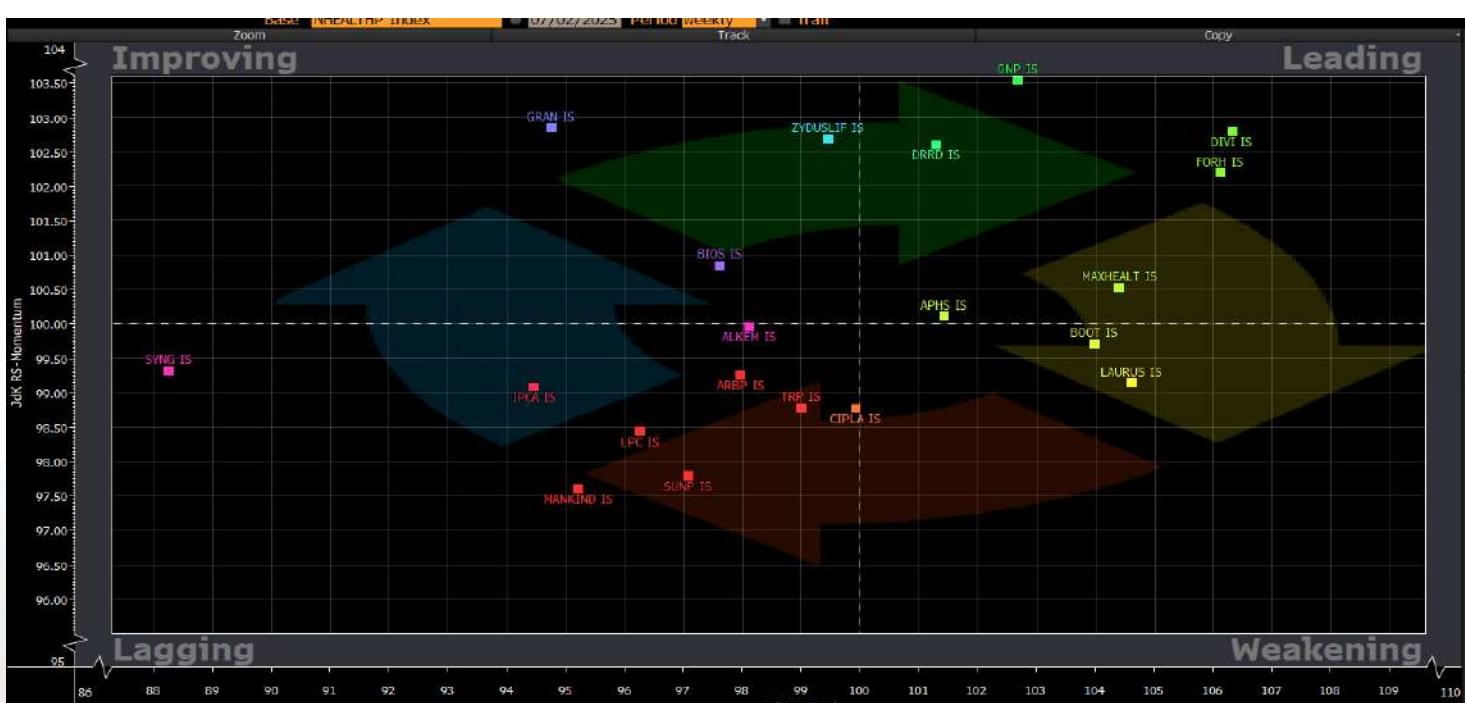
## Nifty Healthcare Index

Nifty Healthcare Index has given a range breakout on the weekly chart and is holding well above the same. It is in an overall uptrend and holding gains with the base shifting higher. It is perfectly respecting its 20 WEMA. MACD indicator is rising which confirms the bullish trend. Thus, looking at overall chart setup we are expecting the sector to head towards previous life time highs of 15109 and 15500 zones while on the downside support is at 14000 and 13700 levels.



## RRG For Nifty Healthcare

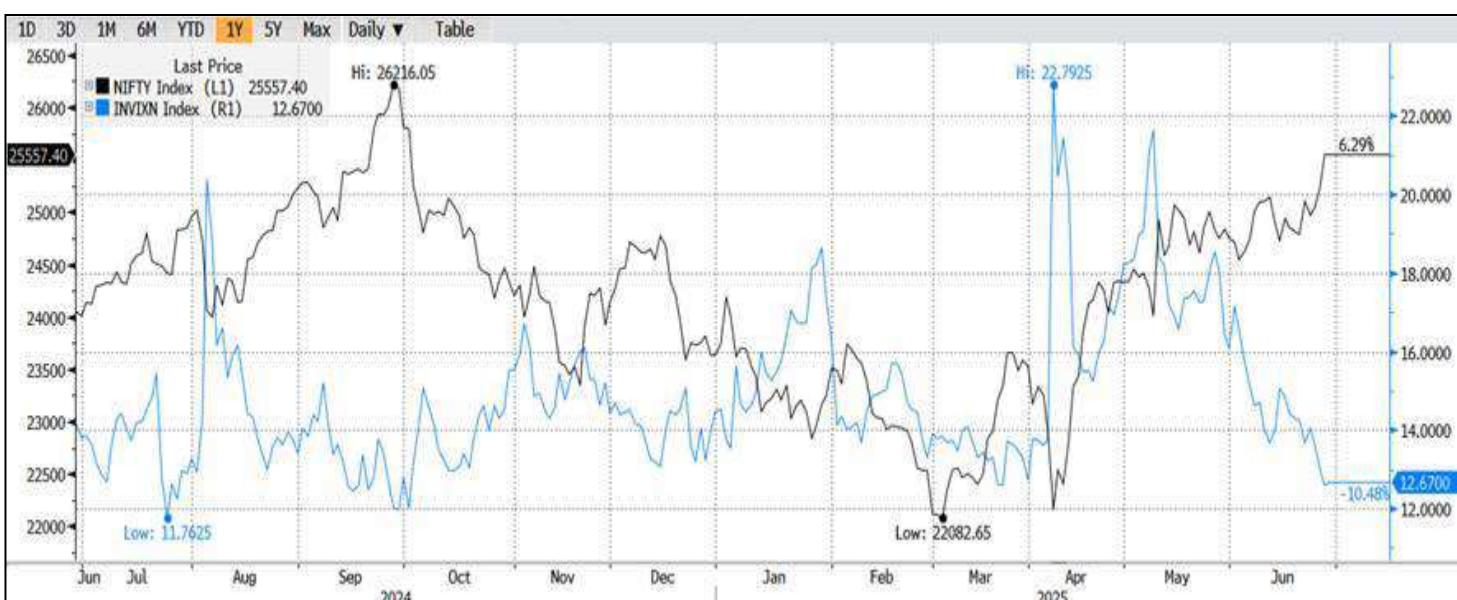
The analysis of RRG for Healthcare Index shows that Apollohosp, Dr Reddy, Glenmark, Maxhealth, Fortis, and Divislab, are in the leading quadrant which indicates strength going ahead, Abbott and Laurus are under weakening quadrant which suggests momentum is likely to decline. Cipla, Sunpharma, Mankind, Lupin, IPCA, Syngene and Auropharma are inside the lagging quadrant which shows strength and momentum both are missing. Granules, Biocon, Zyduslife, and Alkem are under improving quadrant which suggests strength is still low but momentum will start Improving.



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## India VIX

India VIX decreased by 23.2% from 16.4 to 12.59 levels in the June series. Volatility has been continuously cooling off from the last few weeks and paving way for a comfortable base for the bulls to soar the index higher.



## Nifty OI V/S Price

Nifty index started the series with a dip to 24500 zones in the first week but was followed by a strong comeback of the bulls and recovered by more than 750 points in next week itself. Nifty further declined but managed to hold the lows of 24500 and recovered again with a breakout to inch above 25500 levels in the last week. In the middle of the series Nifty traded in a range with high volatility but managed to form a bullish candle with longer lower shadow indicating support based buying. Put Call Ratio based on Open Interest of Nifty started the series near 0.77 and oscillated in between 0.65 to 1.28 levels to finally end the series to near its higher band at 1.25. On option front, Maximum Call OI is at 26000 then 25500 strike while Maximum Put OI is at 25000 then 24500 strike. Call writing is seen at 26000 then 26500 strike while Put writing is seen at 25000 then 25500 strike. Option data suggests a broader trading range in between 24800 to 26200 zones while an immediate range between 25000 to 26000 levels.



## Monthly Ideas

(2-3 Months Horizon)

Stop Loss on daily closing basis

### ULTRATECH CEMENTS

**BUY**

MTF Stock

- Stock is in an overall uptrend and on the verge of giving range breakout above 12340 zones.
- It is comfortably holding above all its crucial moving averages with slight dips being bought into.
- Momentum indicator RSI is rising which confirms the positive sentiment.
- Looking at the overall price structure, we are expecting the stock to inch higher towards 13200 zones.
- Hence, we advise traders to buy the stock with a stop-loss of 11700.

CMP : 12195 Buy Range : 12100 - 12300 SL: 11700 TRGT: 13200



### SBI

**BUY**

MTF Stock

- Stock has given a trend line breakout on the daily chart and is holding well above the same.
- Buying is visible across PSU Banks which has bullish implications.
- RSI indicator is positively placed which may support the ongoing up move.
- Looking at the overall price action, we are expecting the stock to inch higher towards 880 zones.
- Hence, we advise traders to buy the stock with a stop-loss of 790.

CMP : 820 Buy Range : 815 -825 SL : 790 TRGT: 880



## Previous Calls

Date	Reco	Stocks	Reco Price	SL	TGT	Closed Price	% Return
Jun-25	Buy	SBICARD	923	882	1,000	1,000	8.3%
Jun-25	Buy	PAYTM	924	850	1,030	978	5.8%
May-25	Buy	IOC	143	132	165	143	0.0%
May-25	Buy	HAL	4,492	4,150	5,210	5,017	11.7%
Apr-25	Buy	SBICARD	881	822	1,000	822	-6.7%
Apr-25	Buy	BAJAJFINSV	2,007	1,890	2,240	1,890	-5.8%

# Option Strategies

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## NIFTY

### Bull Call Butterfly : July Series

- Nifty index finally witnessed a range breakout on weekly scale after six weeks and formed a strong bullish candle.
- On daily scale Index is forming higher lows from last few sessions as buying interest is visible at lower levels and its trading above short term moving averages with overall buy on dips stance.
- Maximum Put OI is at 25000 and 25500 strike while Call OI is seen at 26000 strike.
- Thus suggesting Bull Call Butterfly to play the upside swing with decline in volatility going ahead.

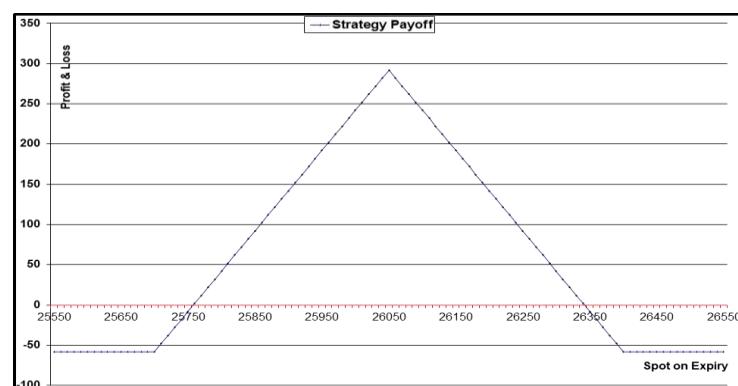
## Bank Nifty

### Bull Call Butterfly : July Series

- Bank Nifty index is in strong uptrend and gave range breakout on weekly scale with strong bullish candle.
- Index is trading above its short term moving averages and momentum likely to continue going ahead as good buying interest visible across banking stocks.
- Maximum Put OI is intact at 56000 levels while Call OI is at 60000 strike.
- Thus suggesting Bull Call Butterfly Spread to play the upside momentum with decline in volatility

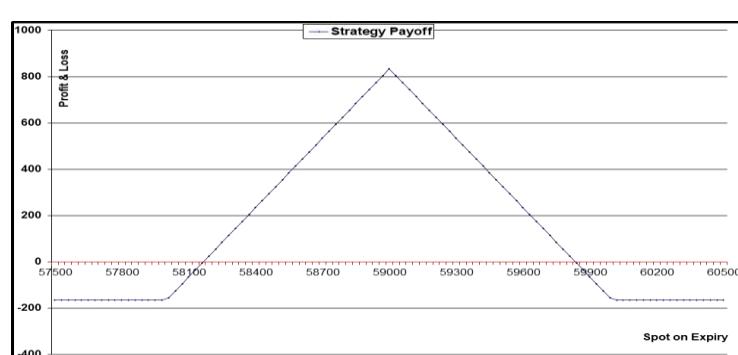
BUY 1 LOT OF 25700 CALL  
SELL 1 LOT OF 26050 CALL  
SELL 1 LOT OF 26050 CALL  
BUY 1 LOT OF 26400 CALL

Margin Required : Rs.85,000  
Net Premium Paid : 60 Points (Rs.4500)  
Max Risk : 60 Points (Rs.4500)  
Max Profit: 290 Points ( Rs.21750)  
Lot size : 75  
Profit if it remains in between 25760 to 26340 zones



BUY 1 LOT OF 58000 CALL, SELL 1 LOT OF 59000 CALL,  
SELL 1 LOT OF 59000 CALL, BUY 1 LOT OF 60000 CALL

Margin Required : Rs.85,000  
Net Premium Paid : 165 Points (Rs.5775)  
Max Risk : 165 Points (Rs.5775)  
Max Profit: 835 Points (Rs.29225)  
Lot size : 35  
Profit if it remains in between 58165 to 59835 zones.



## Previous Calls

Date	Strategy	Net Premium	Status	Profit/Loss
Jun-25	NIFTY: Bull Call Ladder (+24400CE -24800CE -25200CE)	60 Points paid	Profit of 93 Points	6,975
May-25	NIFTY: Bull Call Ladder (+24400CE -24800CE -25200CE)	90 Points paid	Profit of 240 Points	18,000
Apr-25	NIFTY: Bull Call Ladder (+23500CE -23900CE -24200CE)	110 Points paid	Profit of 216 Points	16,170
Mar-25	NIFTY: Bear Put Butterfly (+22500PE -22000PE -22000PE +21500PE)	82 Points paid	Loss of 82 Points	-6150
Feb-25	NIFTY: Bull Call Ladder (+23700CE -24100CE -24400CE)	115 Points paid	Loss of 50 Points	-1,250

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