# Weekly Equity Market Outlook

*AI-Led Rally Pushes Global Stocks Higher*

**17th Aug 2026- 21st Aug 2026**

## The Week That Was *(10th Aug to 14th Aug) : Indian Markets Ease on Inflation and Geopolitical Concerns*

- During the week, Indian equities witnessed a phase of consolidation and mild correction after recent gains. The Nifty 50 declined about 0.8% to 24,366 while the Sensex fell around 0.6% to 78,009, as investors turned cautious amid rising geopolitical tensions, higher inflation, and continued foreign fund outflows. Despite the weakness in frontline indices, broader markets were relatively resilient, supported by domestic institutional buying and stock-specific earnings reactions.
- The dominant global theme was the escalation of US-Iran tensions, with reports indicating that the US could maintain restrictions on Iran for an extended period after ceasefire talks stalled. This kept markets focused on the risk of disruptions to oil supplies through the Strait of Hormuz, leading to elevated crude prices and concerns over inflation globally. At the same time, softer US inflation-related data reduced expectations of an immediate Federal Reserve rate hike, providing some support to global risk sentiment.
- On the domestic macro front, India's July CPI inflation rose to 4.45%, a 19-month high, compared with 4.38% in June. Food inflation accelerated to 5.52%, driven by higher prices of onions, ginger and garlic, while the impact of elevated energy prices remained a concern. The higher inflation print reinforced expectations that the RBI would maintain a cautious policy stance despite moderating growth concerns. Meanwhile, the rupee remained under pressure and FIIs continued to be net sellers during the week.
- Sectorally, the market favoured defensive and earnings-resilient pockets such as healthcare, telecom and selective consumer stocks, while financials, automobiles and metals underperformed. Apollo Hospitals and Bharti Airtel were among notable outperformers, whereas banking stocks saw profit booking. Autos remained under pressure due to concerns around margins and demand trends amid a higher cost environment.
- The earnings season continued to drive stock-specific movements. Tata Motors Passenger Vehicles reported a sharp decline in quarterly profits, leading to a significant correction in the stock. In contrast, LG Electronics India rallied strongly after reporting robust earnings and reaffirming its outlook, while Honasa Consumer gained on healthy quarterly results.

## Interesting Charts … that speak a thousand words

### NIFTY DEFENCE- A FRESH BREAKOUT!

### S&P500- STRONG SET-UP!

## The Week Ahead *(17th Aug to 21st Aug) : Markets Focus on PMI, Trade Data and Global Events*

- Indian equities are likely to remain range-bound with a positive bias during the week, supported by moderating inflation, stable domestic growth expectations, and a favorable interest rate backdrop. Key domestic triggers include July trade data, core infrastructure output, and flash PMI readings, which will provide fresh insights into the economy's growth momentum.
- Globally, investors will track US-China trade negotiations, evolving US tariff policies, and geopolitical developments in the Middle East. Any escalation in US-Iran tensions could push crude oil prices higher and create volatility for emerging markets, including India. Chinese industrial production and retail sales data will also be important indicators for global growth and commodity demand.
- From a sectoral perspective, banks, capital goods, infrastructure, defence, and power are expected to remain relatively strong, supported by domestic investment activity and government spending. Metals could be influenced by Chinese economic data, while oil-sensitive sectors may react to crude price movements.

# Weekly Equity Market Outlook

17th Aug 2026 to 21st Aug 2026

CENTRUM GALAXC

## Nifty 50 Technical Outlook

Source: Tradingview

- The Nifty extended its losing streak for the fifth consecutive session, forming a pattern of lower highs and lower lows. It formed a Doji candle on the daily chart, indicating indecisiveness among market participants. The index found strong support near its 21-DMA at 24,300 and managed to close above this crucial level. After the recent decline, the index is likely to witness a pullback towards the 24,500 mark in the near term. A decisive breakout above 24,500 could pave the way for an upmove towards 24,800. Meanwhile, the volatility index, INDIAVIX, cooled off by 7% and slipped towards 11 levels, providing further comfort to the bulls. We expect Nifty to oscillate within the broader range of 24,100–24,500 in the short term.

## Nifty Bank Technical Outlook

Source: Tradingview

- The Bank Nifty remained volatile during the week but managed to rebound from its 50-DMA placed near 57,300 levels. The index ended the week just above its crucial 200-DMA at 57,475, which is likely to act as a strong support on a closing basis.
- The momentum indicators and oscillators continue to remain in the buy mode on the weekly chart, indicating a positive undertone.
- The immediate hurdle is placed at 58,000, and a decisive breakout above this level could pave the way for an upmove towards 58,500.
- For the coming week, the broader trading range is expected to be 57,000–58,000.

## Global Markets

| Developed Markets | |
|---|---|
| US (S&P 500) | +0.36% |
| Germany (FSE DAX) | +0.46% |
| UK (FTSE 100) | -1.38% |
| Eurozone (Eurostoxx 50) | +0.20% |
| Japan (Nikkei 225) | +4.74% |

| Emerging Markets | |
|---|---|
| Indonesia (IDX Composite) | -0.12% |
| India (Nifty 50) | -0.83% |
| China (CSI 300) | -0.61% |
| South Korea (KOSPI 100) | +12.67% |
| Brazil (Bovespa) | -3.23% |

## Sectoral Gainers and Key Commodities

| Sectoral Indices | |
|---|---|
| Nifty Media – TRI | +2.26% |
| Nifty Capital Goods – TRI | +1.53% |
| Nifty Auto – TRI | -1.48% |
| Nifty FMCG – TRI | -1.64% |
| Nifty Metal – TRI | -1.88% |

| Commodities | |
|---|---|
| Gold | +0.76% |
| Silver | +1.77% |
| Brent Crude | +6.04% |

**Centrum Finverse Ltd ("Centrum")** is registered with the Securities and Exchange Board of India (SEBI) as a Stock Broker, Depository Participant, and Research Analyst. SEBI RA Registration No.: INH000018337. The information and research content available on this website are for informational and educational purposes only and do not constitute investment advice, solicitation, or recommendation to buy or sell any securities.

All information, including market data and third-party content, is provided on an "as is" basis. Centrum does not guarantee the accuracy, completeness, or timeliness of any data and shall not be liable for any loss or damage arising from the use of, or reliance on, such information. Users should independently verify all information and consult professional advisers before making investment decisions.

Investments in securities markets are subject to market risks. Past performance is not indicative of future results. Centrum, its associates, and employees may have positions or business relationships with the companies mentioned in research reports, as disclosed therein.

This website and its content are not intended for distribution to or use by any person in the United States, United Kingdom, Canada, or any jurisdiction where such distribution is unlawful.

**"Investment in securities market are subject to market risks. Read all related documents carefully before investing."**

*Link to Disclaimer (RA) :*

**https://www.centrumgalaxc.com/wp-content/uploads/2026/01/CFL-RA-Disclaimer.pdf**