

Weekly Equity Market Outlook

Volatility Rules Rife, As the Gulf Continues to Simmer

23rd Mar 2026 – 27th Mar 2026

The Week That Was (16th Mar – 20th Mar) : Domestic markets trade lower as FIIs resume their selling

Market Performance and Broad Index Trajectory : The Indian equity market witnessed a volatile yet range-bound week. The Nifty 50 ended marginally flat at ~23,114, declining ~0.16% W-o-W, after sharp intra-week swings. Early optimism on Monday (Nifty ~23,400) faded as risk-off sentiment dominated mid-week. Broader markets underperformed, reflecting declining risk appetite. The Nifty Midcap indices showed mild resilience with marginal gains (~0.2%), indicating selective buying, while the Nifty Smallcap segment fell ~1–1.1%, continuing its corrective phase. Sharp drawdowns were visible on 19th March, when midcaps and smallcaps fell nearly 3% intraday, highlighting fragility in market breadth. The week was characterized by sharp sell-offs interspersed with short-covering rallies, suggesting institutional caution. FPI outflows remained elevated amid global uncertainty and rising crude prices, reinforcing defensive positioning.

Key Domestic & Global Drivers (Including West Asia Conflict) : The war in West Asia triggered a surge in crude prices above \$100/bbl. For India, the energy supply disruptions led to shortages of LPG and LNG, with shipments delayed and multiple tankers stranded. The week saw a sharp fall in fuel availability, forcing prioritisation of household consumption over industrial usage. The LNG shortage has begun impacting industrial output—particularly city gas distribution, fertilisers, ceramics, and manufacturing clusters—leading to production cuts and rising input costs. Brokerages downgraded Nifty targets, citing risks of higher inflation, wider current account deficits, and weaker earnings growth. Elevated crude prices also pressured the rupee and triggered sustained FPI selling. The markets did see some intermittent support from value buying in large-cap banks and autos, but this was insufficient to offset global macro concerns.

Sectoral Trends & Stock-Specific Movers : The stock which made news this week was HDFC Bank, after the sudden resignation of Atanu Chakraborty citing “values and ethics” concerns triggered governance worries and investor uncertainty. The stock fell sharply by ~8–9% intraday, erasing nearly ₹1 lakh crore in market value, with continued weakness driven by sentiment and lack of clarity despite regulatory reassurance. Other sectoral gainers for the week include Nifty Auto (up 2.15%) and Nifty Metal (up 1.07%), while the major losers were Nifty Oil and Gas (down 2.23%) as OMCs continued to bear the brunt of escalating crude prices, together with Nifty FMCG which was down close to 2% on fears of increasing input costs.

Interesting Charts ... that speak a thousand words

DOLLAR INDEX



WTI CRUDE



The Week Ahead (23rd Mar to 27th Mar) : FII participation and the War in the Gulf to determine market direction

Market Setup & Key Drivers : Indian equities enter the week on a fragile recovery after sharp volatility, with the Nifty holding near 23,100 following a late-week rebound led by IT, auto and metals. However, the backdrop remains cautious amid elevated crude (~\$110/bbl), sustained FPI outflows (~₹88,000 crore in March), Rupee weakness and intensifying West Asia conflict, all of which continue to weigh on sentiment. Global cues are also risk-off, with reducing expectations of monetary easing.

Outlook for the Week : Markets are likely to remain volatile with a negative-to-sideways bias, with Nifty expected to trade in a broad 22,800–23,500 range. Banking and financials may underperform amid risk aversion, while IT could provide intermittent support on global cues; energy-sensitive sectors (OMCs, aviation, paints) remain vulnerable, whereas metals and select autos may see tactical buying. **Overall, upside is likely capped unless crude stabilises and FPI flows turn supportive.**

Nifty 50 Technical Outlook



TradingView

Source: Tradingview

- The Nifty continues remain weak and formed a Doji candle on weekly timeframe charts.
- The index made a new low near 22930 levels, with RSI flattering near 30 levels. the next week will be crucial for index and current support will may a major reversal.
- A break below it will negate the sideways view and can correct near 22600-22400 on downside while a close above 23850 will add further bullish.

Nifty Bank Technical Outlook



TradingView

Source: Tradingview

- BankNifty has formed a inverted hammer , the index has immediate support is near 53250 levels.
- Index has major gap support near 51975 levels while a break above 54500 will give some bullish confirmation.
- The index entire rally from 47625 to 61789 & its 61.8% is at 53035 levels.
- The RSI is trading near 28 levels, even on weekly chart the index has formed a inverted hammer formation.

Global Markets

Developed Markets

US (S&P 500)	-1.90%
Germany (FSE DAX)	-4.55%
UK (FTSE 100)	-3.34%
Eurozone (Eurostoxx 50)	-3.90%
Japan (Nikkei 225)	-0.83%

Emerging Markets

Indonesia (IDX Composite)	-0.43%
India (Nifty 50)	-0.16%
China (CSI 300)	-2.19%
South Korea (KOSPI 100)	+6.05%
Brazil (Bovespa)	-0.81%

Sectoral Gainers and Key Commodities

Sectoral Indices

Nifty Auto – TRI	+2.15%
Nifty Metal – TRI	+1.07%
Nifty PSU Bank – TRI	+0.80%
Nifty FMCG – TRI	-1.91%
Nifty Oil & Gas TRI	-2.23%

Commodities

Gold	-10.52%
Silver	-15.87%
Brent Crude	+8.77%

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>

*Member (NSE and BSE)
Single SEBI Regn. No.: INZ000317534*

*Depository Participant (DP)
CDSL DP ID: 12100900
Single SEBI Regn. No.: IN-DP-788-2024*

*Research Analyst SEBI Registration No. INH000018337
Mutual Fund Distributor AMFI Regn No. ARN- 300129*

*Website: www.centrumgalaxc.com
Investor Grievance Email ID: ig@centrum.co.in*

*Compliance Officer Details:
Mangesh Salesa
(022) 69559036; Email ID:
finversecomp@centrum.co.in*

Centrum Finverse Ltd. (CIN : U66120MH2023PLC411440)

Registered and Corporate Office:
Centrum House, C.S.T. Road,
Vidyanagari Marg, Kalina,
Santacruz (East) Mumbai – 400098
Tel.: - +91 22 4215 9000

Email : info@centrum.co.in