CHART CODE ACADEMY

Decode The Market Code

Key Nifty 50 Levels
to Watch

A price-action read on how **support and resistance zones** are actually built — swing highs and lows, round numbers, moving averages and **confluence** — explained with diagrams, plus the current zones to watch.

A FREE STUDY RESOURCE BY CHART CODE

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About This Guide

Support and resistance on Nifty are built, not memorised: they come from prior swing points, round numbers, moving averages, old breakout zones and gaps, and the strongest zones are where several of these line up. This guide shows the method step by step, with a diagram for every concept.

By the end of this guide you will be able to:

- Name the five recurring signal types behind every Nifty support or resistance zone
- Treat support and resistance as zones, and spot when a broken level flips roles
- Recognise why confluence zones, where several signals overlap, tend to react more strongly
- Tell a genuine breakout from a rejection wick by waiting for the candle close
- Read a live key-levels table on your own chart and avoid the common mistakes

Key Nifty 50 Levels to Watch

1. Why Key Levels Matter

Nifty doesn't move in a straight line — it advances and pulls back between zones where buyers and sellers have repeatedly shown up before. Knowing where those zones sit turns a random-looking chart into a map of where price is more likely to pause, reverse, or break through with force.

This guide explains exactly how those zones are built — not a fixed list of magic numbers, but a repeatable method you can apply to any chart, on any day, at any price Nifty happens to be trading at.

These five terms cover most of what you need to know:

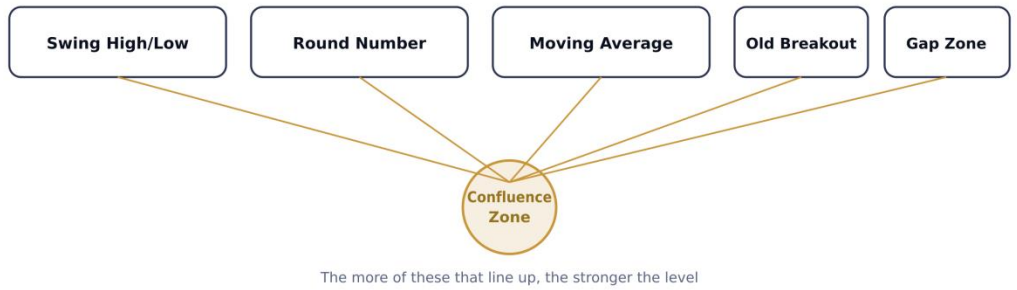
Term	What it means
The five signal types	Prior swing highs and lows, round numbers, rising or falling moving averages, old breakout or breakdown zones, and gap zones. A price where several line up is a confluence zone.
Support	A price zone where buying demand has historically been strong enough to halt or reverse a decline. Each bounce tends to reinforce the zone.
Resistance	A price zone where selling pressure has historically halted or reversed an advance. A zone that breaks convincingly often flips into support on the next pullback.
Confluence	When independent signals, such as a round number, a prior swing high and a rising moving average, sit close together, the zone tends to produce a stronger reaction.
Breakout vs rejection	A breakout is a decisive close beyond a zone, often on above-average volume. A rejection is a wick through the zone that closes back on the original side.

The five concepts below build on one another. Start at the top and work down.

Section	Concept	Role
2	How Key Levels Are Identified	Core concept
3	Support Explained	Support
4	Resistance Explained	Resistance
5	Confluence: Why Some Levels Are Stronger	Core concept
6	Breakout vs Rejection	Core concept

2. How Key Levels Are Identified

CORE CONCEPT



Visualising it: five recurring signals feed into one confluence zone. The more of them that line up, the stronger the level.

Key levels rarely come from a single source — they're built by combining several recurring signals: prior **swing highs and lows** where price has already reversed, **round numbers** that attract resting orders and psychological attention, rising or falling **moving averages** that act as dynamic support or resistance, **old breakout or breakdown zones** that often get retested, and **gap zones** left behind by a sharp move. A price where several of these line up together is called a confluence zone.

HOW TO USE IT

Rather than memorising numbers, practise spotting these five signal types on any chart — Nifty, Bank Nifty, or an individual stock — the method carries over everywhere.

3. Support Explained

SUPPORT



Visualising it: price falls to the support zone twice and buyers step in both times, which reinforces the level.

Support is a price zone where buying demand has historically been strong enough to halt or reverse a decline. Each time price approaches this zone and bounces, it reinforces the level — more buyers begin watching it, and more resting buy orders cluster around it, which can make the zone progressively more significant each time it holds.

WATCH FOR
Support isn't a single exact number — treat it as a zone. Price often pierces slightly below the "line" before buyers actually step in.

4. Resistance Explained

RESISTANCE



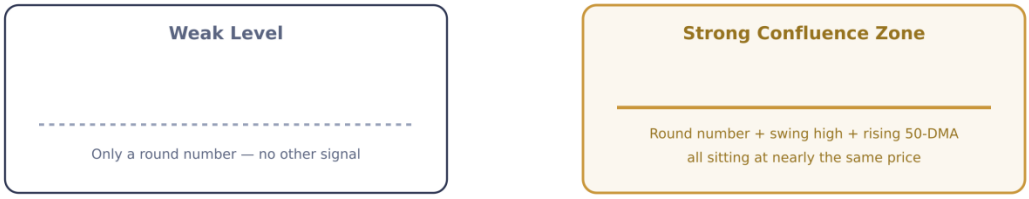
Visualising it: price rallies to the resistance zone twice and sellers step in both times, pushing it back down.

Resistance is the mirror image of support — a price zone where selling pressure has historically been strong enough to halt or reverse an advance. As with support, treat it as a zone rather than an exact number, and note that a resistance zone that finally breaks convincingly often flips into support on the next pullback.

WATCH FOR
A "role reversal" — old resistance becoming new support after a breakout — is one of the more reliable patterns to watch for on a retest.

5. Confluence: Why Some Levels Are Stronger

CORE CONCEPT



Visualising it: a level with only one signal is weak, while a zone where a round number, swing high and rising moving average coincide is strong.

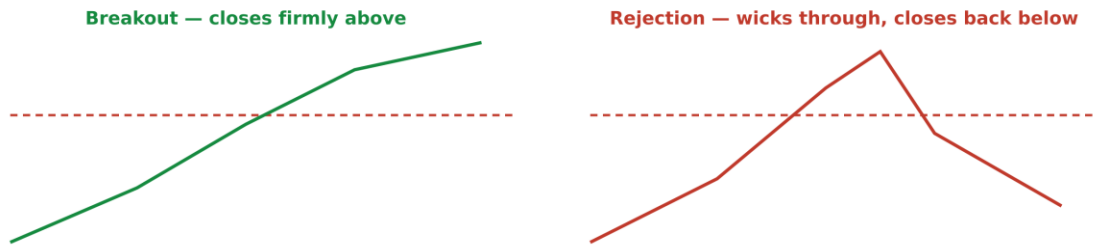
Not every level carries the same weight. A price that's only a round number is a weaker signal on its own than a price where a round number, a prior swing high, and a rising moving average all happen to sit close together. When multiple independent signals point to roughly the same price, that confluence zone tends to attract more attention and produce a stronger reaction than any single signal alone.

HOW TO USE IT

Before trading a level, check how many of the five signal types from section 2 actually overlap there — more overlap generally means a more reliable zone.

6. Breakout vs Rejection

CORE CONCEPT



Visualising it: on the left, price closes firmly above the zone, a breakout. On the right, price wicks through but closes back below, a rejection.

What happens when price actually reaches a level matters more than the touch itself. A **breakout** is a decisive close beyond the zone, often on above-average volume — a sign the level has genuinely given way. A **rejection** is a wick that pokes through the zone intraday but closes back on the original side — a sign the level is still holding, even though it looked briefly broken.

COMMON TRAP

Acting on the wick alone, before the candle closes, is one of the most common ways traders get faked out around a key level.

7. Current Nifty 50 Levels to Watch

Applying the method above to Nifty's live chart gives a working map of today's zones. Because swing points and moving averages shift as new price action forms, these levels are refreshed periodically rather than fixed — always cross-check against your own live chart before acting. Use the last column to fill in the levels from your own chart.

Zone	What builds it	Current level
Resistance Zone 2	Prior swing high + round number confluence	
Resistance Zone 1	Immediate overhead supply zone	
Support Zone 1	Immediate demand zone / rising 20-DMA	
Support Zone 2	Major swing low + round number confluence	

Levels as of: _____ For educational purposes only, not investment advice.

8. Common Mistakes Around Key Levels

1. **Treating a level as one exact price:** Support and resistance are zones, not laser lines — expect price to move within a range around them.
2. **Acting on the wick, not the close:** A level touched intraday isn't the same as a level that closed beyond — wait for confirmation.
3. **Ignoring confluence:** A level with only one weak signal behind it is far less reliable than a stacked confluence zone.
4. **Using stale levels:** Levels drift as new swings and moving averages form — a chart from weeks ago can mislead you today.
5. **Forgetting old resistance can flip to support:** Missing this role-reversal pattern means missing one of the more dependable retest setups.
6. **No plan for being wrong:** Trading a level without a predefined invalidation point turns a plan into a guess.

Spotting these zones is the foundation. Combining them with indicators and risk management is what we build hands-on in our structured courses at Chart Code, offline in Boisar or live online anywhere in India.

9. Your Key Level Confirmation Checklist

Before trading around any level from this guide, run through this five-point check:

- **Zone, not a line** — Have you marked a realistic price range around the level rather than one exact number?
- **Confluence checked** — How many of the five signal types actually line up at this level?
- **Close, not just a touch** — Are you waiting for a confirmed candle close beyond the zone before acting on a breakout?
- **Level freshness** — Is this level based on recent price action, or could it already be stale?
- **Defined risk** — Do you know exactly where you'd be proven wrong if the level fails to hold?

EDUCATIONAL CONTENT ONLY

This guide is for education only. It is not investment advice or a recommendation to buy or sell any security. Support and resistance are zones built from historical price behaviour, not guarantees, and any level can fail. Trading involves risk of loss, and many retail traders lose money, so always use a predefined stop-loss and risk only what you can afford to lose.

10. Practice Exercises: Apply It on Real Charts

Reading a concept is not the same as spotting it live. Work through these on a daily Nifty chart, and treat the results as practice, not proof.

1. **Find the five signals:** Open a daily Nifty chart and mark a swing high and low, the nearest round numbers, the 20- and 50-day moving averages, an old breakout zone and any gap. Note where several overlap.
2. **Draw zones, not lines:** Mark one support and one resistance as a price range. Record how far price pierced beyond each before reacting.
3. **Score the confluence:** Pick three levels and count how many of the five signal types sit at each. Rank them from strongest to weakest, then watch what price does next.
4. **Label five touches:** Find five times price reached a resistance zone. Label each as a breakout or a rejection using the candle close, and note the next three sessions. Treat the results as practice, not proof.

11. Frequently Asked Questions

What is a support level in Nifty?

A support level is a price zone where buying pressure has historically been strong enough to slow or reverse a decline. It's identified from prior swing lows, round numbers, rising moving averages, or zones where price previously reversed higher.

What is a resistance level in Nifty?

A resistance level is a price zone where selling pressure has historically been strong enough to slow or reverse an advance. It's identified from prior swing highs, round numbers, falling moving averages, or zones where price previously reversed lower.

Why do round numbers act as support or resistance?

Round numbers like 25,000 or 24,500 attract a disproportionate number of resting orders, stop-losses and psychological decision points simply because they're easy to remember and widely watched, which can create genuine supply or demand clusters around them.

How often do Nifty's key levels change?

Key levels shift as new swing highs and lows form and as moving averages move with price, so they should be reviewed regularly rather than treated as fixed.

Should I trade the moment price touches a key level?
Most traders wait for confirmation rather than acting the instant price touches a level — a candle close beyond the zone, a retest that holds, or a clear rejection wick all provide more evidence than the touch alone.

12. Sources & Further Reading

Verify rules and data with the official sources:

- SEBI — securities regulation and investor education
- NSE India — exchange information and market data
- BSE India — exchange information and market data
- NISM — securities market education

Get in Touch

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