

## **Nifty Futures (Front month series):(5182.1)**

Nifty futures moved flat before plunging to a low of 5081 but recovered in the last hour of the session to close the day with a gain of 58.1 points in a volatile session and the range was similar to that of the earlier session. Though Auto, metals and IT performed, Capital goods and Banking sectors were weak. The US markets have retreated again on fresh economic concerns and Asia has opened weak. Given this scenario markets are likely to open flat or negative today. 5220 is a strong resistance and nifty futures must close decisively above this level to signal strength. On downswings the 200 ema posited at 5090 is likely to give initial support and a decisive breach of this level will be a cause of concern to the bulls. Technically, 5000 - 4950 is the critical support level and as long as it holds on declines further weakness will not be indicated. A decisive breach of this level is likely to signal fresh weakness and it may then move down to 4800 region again. Below 4800 the trend will turn weaker and may lead to a retest of the 4650 but it seems less likely at this juncture. On the higher side, above 5220 it is likely to move up to 5340 with some resistance at 5280. The rangebound movement of markets here and the weak international cues suggest that volatility is likely to remain high so caution is advised.

**Resistance:** 5200, 5240, 5280, 5340, 5395

**Support:** 5090, 5080, 5000, 4950, 4880, 4800, 4745, 4650.

**GMR Infra (184.05):** Long position may be taken in this counter on dips if the 175 region continues to give support with a stop below a decisive breach of 169 for a target of 190. It is likely to move up to 205 if it can sustain decisively above 205.

**Resistance:** 185, 190, 194, 200, 205

**Support:** 175, 172, 170, 165, 160

**Canara Bank (275.2):** Short position may be taken in this counter on rises if it is unable to move above 282 with a stop above a decisive breach of 291 for a target of 263 and 255 below that. The downswing is likely to gain fresh momentum below 249.

**Resistance:** 282, 290, 300

**Support:** 263, 249, 228, 220

**Tech Mahindra (698.45):** Long position may be taken in this counter on dips preferably in the 685 region if it continues to give support with a stop below a decisive breach of 665 for a target of 730 and 780 above that.

**Resistance:** 700, 730, 780, 800, 815

**Support:** 685, 670, 665, 650

Note: All prices relate to NSE spot prices unless otherwise stated. Stop loss is a risk control mechanism and should always be there since it is a level which breached signals that the call has gone wrong and steps must be taken to put a stop to further loss. It also quantifies the risk.

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