

Nifty Roundup

Inside this issue:

Day Trading Table **2**

Trading Pointers **3**

The big downside gap suggested that we may have more downside later as there was no immediate recovery. But the second low around the old value support zone of 5485 occurred on bad news (weak IIP data) and from here the market recovered. It can be seen on the attached chat that the second low was a nice bottom formation based on the signals of the Bollinger Band. Once the recovery moved beyond the gap high of the day the bulls reentered the game and with very few short sellers being around, the prices headed out higher right into the close. The futures closed with a gain while the spot indices remained negative. This was owing to the fact that the futures moved from a discount to a premium status. This action of yesterday would be indicative of some addition of fresh long positions by traders.

There is a continued consensus that the market may have seen off or will see off the declining attempts and the earlier highs would still be seen very shortly. However, we would caution against such complacency as the option positions indicate some heavy resistances around the 5800/5900 levels. Also the several gaps left by the index during the recent decline would all function as resistances to upward moves. This starts from 5730-50 levels today. So at higher levels we would recommend that readers choose to book profits if longs have been created at lower levels.

Refinery stocks and other lower priced popular trading counters were big gainers yesterday and this betrays small trader action. Not the best of signals to build large positions on as there may be too many weak holders around. On the lower side 5600 is the nearest support and no longs should be held below 5485.



Source : Reuters

Day Trading Table For Futures (Near Month)

Future Contract	Stop loss	Buy Around	Last Close	Likely Target	Take Profit	Weekly Pivot
ACC	981.3	1004.7	1028.0	1042.7	1057.3	1019.3
BANKOFIND	335.5	341.5	347.5	354.5	361.5	348.5
CENTEX	927.2	1003.9	1080.5	1128.5	1176.5	1051.9
FINANCIAL TECH	2225.0	2295.6	2366.1	2408.1	2450.0	2337.5
GMRINFRA	191.3	198.0	204.7	210.4	216.1	203.7
HCC	182.5	186.1	189.8	192.1	194.4	188.4
HINDALCO	183.2	195.9	208.7	217.5	226.4	204.8
IDBI	140.9	147.5	154.2	157.9	161.7	151.3
IND CEMENT	255.3	259.2	263.1	265.9	268.7	262.0
ITC	160.0	168.9	177.9	182.9	188.0	174.0
JET AIR	778.4	785.7	793.0	805.2	817.3	797.9
JAI HYD	80.7	87.1	93.5	97.3	101.2	90.9
LARTOU	3877.3	4044.6	4211.9	4314.6	4417.3	4147.3
MARUTI	939.0	971.0	1003.0	1022.0	1041.0	990.0
NAGARJ FERT	54.5	57.5	60.5	62.3	64.2	59.4
NEYVELLI	137.7	167.2	196.7	215.5	234.3	186.0
PFC	239.4	251.3	263.1	270.5	277.8	258.6
PUNJ LLOYD	462.7	484.2	505.6	517.0	528.4	495.6
RANLAB	419.6	425.0	430.5	433.9	437.4	428.5
RELCAP	1824.6	1928.4	2032.1	2092.8	2153.4	1989.0
RELIND	2577.7	2642.3	2707.0	2750.3	2793.7	2685.7
RCVL	657.8	680.1	702.4	718.7	735.0	696.4
RPL	186.5	198.3	210.1	218.7	227.3	206.9
SBI	2017.3	2139.7	2262.0	2329.7	2397.3	2207.3
SAIL	217.0	231.8	246.6	255.2	263.7	240.4
TELCO	660.0	675.0	690.0	701.0	712.0	686.0
TISCO	785.3	803.7	822.0	833.7	845.3	815.3
TATA TELE	40.2	40.9	41.7	42.3	43.0	41.6
ZEETEL	291.5	296.8	302.0	305.9	309.8	300.7
BANK NIFTY	8309.5	8569.0	8828.5	8994.0	9159.6	8734.5
CNX IT	4237.3	4288.7	4340.0	4375.7	4411.3	4324.3
NIFTY FUT	5384.7	5515.3	5646.0	5721.3	5796.7	5590.7

How to use this Table

- The **Closing price** is given in the center of the table.
- The two levels to the left of the closing price are the **support zones**. One should **buy dips down into those two levels** with the stop loss placed below the second support as shown.
- The two levels to the right of the closing price are the **target prices**. The first column is the immediate targets during a rise while a rise to the second price target given should be **used to take profits on positions**.
- Sometimes, prices will quickly break the stoploss levels or the take profit levels. In such cases, it should be concluded that some bigger and more forceful trend is in progress and one should avoid trading against the trend at such times.
- The last column is the Weekly Pivot. This can be used as a **Trend Indicator for the stock**. If prices are above the weekly pivot then consider the stock to be in a strong position. Vice versa, if the prices remain below the weekly pivot, then the stock should be considered to be in a weaker position.
- All levels given above are indicative and readers should use their judgment while taking trades.

Trading Pointers For Today

NIFTY FUTURES

Buy above 5645 or on dips to 5600 with stop of 40 points and target of 70 points

NIFTY STOCKS

Buy GTL around 272 with stop at 269 for a rise to 280/284/288.

Sell Jet Airways around 795 with stop at 803 for a fall to 771-758

OPTION TRADES

Buy Balrampur Chini 105 calls

Note:

- >> Stock is to be BOUGHT only if the prices remain HIGHER than the last close.
- >> If stop is triggered and prices climb above the buy trigger, then buy again.
- >> Take some profits at Target 1 and hold balance for Target 2 (if any).
- >> If prices gap past the last close, then adjust the stops accordingly by similar amount
- >> Take the trades only when risk to reward ratio is at least 1:1 (minimum). else skip.

Disclaimer

This document has been sent by IDBI Capital Market Services Ltd (IDBI Capital) and is meant for the recipient for use as intended and not for circulation. This document should not be reported or copied or made available to others. The information contained herein is from the public domain or sources believed to be reliable. While reasonable care has been taken to ensure that information given is at the time believed to be fair and correct and opinions based thereupon are reasonable, due to the very nature of research it cannot be warranted or represented that it is accurate or complete and it should not be relied upon as such. IDBI Capital, its directors and employees, will not in any way be responsible for the contents of this report. This is not an offer to sell or a solicitation to buy any securities. The securities discussed in this report may not be suitable for all investors. Investors must make their own investment decision based on their own investment objectives, goals and financial position and based on their own analysis. IDBI Capital, its directors or employees, may from time to time, have positions in, or options on, and buy and sell securities referred to herein. IDBI Capital, during the normal course of business, from time to time, may solicit from or perform investment banking or other services for any company mentioned in this document.