

Nifty Futures (Front month series):(5152.3)

A firm opening and range bound movement with a drop to the 5100 levels intraday in late response to the inflation figures which were higher than the previous week, a sharp pull back to 5168 in the last hour of trade were the hall marks of the movement of Nifty futures on the last day which closed with a gain of 39.5 points in a highly volatile session. Most of the sectors moved up but Healthcare and Metals outperformed. IT, Realty and Capital goods sectors were subdued and closed in the negative. The tea sector has been slowly gaining for the past few months. As per the provisional figures, FII and DII both remained buyers in the market to the tune of 475.87 crore and 392.1 crores respectively. Technically, Nifty future has a strong resistance in the 5190 region and it must sustain above that level decisively on closing basis to negate any bearishness. Its immediate support is around 5100, 5052 and below that around 5030 where the 200 ema and 50 ema are posited. A decisive breach of 5030 region will signal weakness and below 4920 the downswing is likely to gain momentum but this seems less likely at this juncture. Chart formation suggests that the test of 5190 is more probable, and if it can sustain above this resistance it may then move up to 5200 and 5235 levels. Given the mixed international cues, markets are likely to open flat and then chart its own course as the day progresses. Volatility may remain high so caution is advised.

Resistance: 5190, 5235, 5300, 5385

Support: 5150, 5100, 5052, 5030, 5000, 4990, 4920

Tata communication (510.8): Long positions may be taken in this counter on dips preferably in the 505 region with a stop below a decisive breach of 499 for an initial target of 517 and 524 above that. It is likely to gain fresh momentum above 525 and may then move up to 550.

Resistance: 517, 524, 550, 565

Support: 505, 500, 499, 494

Matrix labs (200.15): Long positions may be taken in this counter on dips with a stop below a decisive breach of 190 for a target of 225.

Resistance: 205, 225, 230, 245

Support: 200, 195, 191, 184

Suzlon Energy (307.95): Long positions maybe taken in this counter on dips with a stop below a decisive breach of 297 for an initial target of 340. It is likely to gain fresh momentum above 317.

Resistance: 313, 318, 331, 340, 350

Support: 305, 300, 297, 290

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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