

Nifty Roundup

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Despite the continued feelings of many a trader, the market refused to show any reactions. A day ahead of the Fed meet most of the traders appear to have squared up their transactions in fear of some unfavorable outcome. However, we got some extremely favorable price moves after the Fed meet and everyone was quite taken by surprise at the extent of the response. The indices posted their largest ever single day gains as they sped upward on some consistent short covering. When Thursday showed modest changes there were enough people to look for the downward side and short the market near what they perceived as "highs". Our letter for Friday was bullish but we had not anticipated the kind of upward rush that occurred in the later part of the day. Our targets for 4815-4835 appear modest in the light of what happened. But the key element is that all thru the week we maintained a bullish outlook and never really wavered from it.

That remains the case even as we go into the new week too. With the gapped up-move on Wednesday, the prices have set up a nice little support zone at 15645-15940 and 4557-4650 (futures). Any decline that we may get in the days ahead have to first negotiate this level of support and break it be of any reckoning. It is quite typical for the market to take some rest after a strong surge. So readers should not rush for the sell button as soon as they see some hesitation anytime in the next week.

Important support levels for the week are at the gap area as mentioned earlier. On the higher side, we can project a target zone around 4900-4945 on the futures where some resistance should develop. Trade long, using intra day and intra week dips to buy rather than shorting anything right now.



Source : Advanced GET

Day Trading Table For Futures (Near Month)

Future Contract	Stop loss	Buy Around	Last Close	Likely Target	Take Profit	Weekly Pivot
ACC	1112.7	1125.3	1138.0	1157.3	1176.7	1142.0
BANK OF INDIA	254.7	258.2	261.7	264.5	267.4	256.1
CENTURY TEXTILE	802.6	815.1	827.7	842.1	856.6	818.0
GMR INFRA	778.9	790.3	801.8	817.9	834.0	798.3
HINDALCO	157.6	159.2	160.8	163.1	165.4	159.5
HIND LEVER	211.0	215.9	220.9	224.2	227.5	217.9
ICICI BANK	952.0	961.0	970.0	978.0	986.0	946.7
INDIA CEMENT	282.2	285.8	289.4	292.7	296.0	284.3
ITC	185.2	188.6	192.0	194.8	197.6	188.4
JET AIRWAYS	885.3	890.2	895.1	899.7	904.3	890.0
LARSEN	2710.7	2750.3	2790.0	2823.3	2856.7	2730.0
MARUTI	891.3	914.7	938.0	951.7	965.3	915.0
PUNJ LLOYD	301.9	307.6	313.4	319.5	325.7	307.9
POLARIS	109.0	112.7	116.4	118.8	121.2	116.1
RANBAXY	393.9	400.6	407.2	411.4	415.6	408.7
RELIANCE CAP	1478.8	1512.8	1546.8	1581.3	1615.8	1502.5
RELIANCE IND	2141.0	2206.0	2271.0	2311.0	2351.0	2193.0
REL.COMM	554.4	568.6	582.9	593.0	603.2	566.6
SATYAM	397.8	409.4	421.1	428.3	435.6	421.1
STATE BANK	1716.0	1766.0	1816.0	1855.0	1894.0	1767.7
SUZLON ENER	1409.1	1437.2	1465.4	1501.7	1538.1	1450.8
SAIL	182.6	188.2	193.9	198.2	202.6	186.8
STERLITE	675.3	688.2	701.2	710.0	718.9	681.8
TATA MOTORS	722.3	729.7	737.0	742.7	748.3	721.0
TISCO	729.0	736.0	743.0	752.0	761.0	734.0
VSNL	414.6	420.2	425.7	430.1	434.4	417.3
ZEE TELE	304.5	308.5	312.6	318.7	324.8	313.7
BANK NIFTY	7258.8	7383.5	7508.3	7591.5	7674.8	7309.4
CNX IT	4414.0	4522.5	4631.0	4701.2	4771.5	4605.1
NIFTY FUT	4683.1	4767.8	4852.6	4904.5	4956.5	4734.4

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 with stop at 4815 for a rise for 4886-4916.

NIFTY STOCKS

Buy Petronet LNG around 73 with stop short-term 71 for a rise to 76-78

Buy Tata Motors around 737 stop at 730 for rise to 747-751.

OPTION TRADES

Nil

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.

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