

## **Nifty Futures (Front month series):(4218.2)**

After some range bound movement in which distribution seems to have taken place, Nifty futures gave a breakout on the lower side of the band and moved down sharply to 4208.1. It closed the day near the low with a loss of 72.7 points and again ours was the worst performing market in percentage terms compared to our Asian peers. Nearly all the sectors closed in the red including Banking, Realty and Capital goods, Metals which lost more ground and were the worst hit. As per the provisional data, FII were sellers and DII were buyers on the bourses. US markets have closed positive on stronger GDP, better jobless data and receding oil. Europe too closed in the green. The Asian markets have opened on a buoyant note. Back home, the inflation numbers were a surprising 12.4, lower than last week and WPI has fallen for the first time in 28 weeks. Given this scenario our markets are likely to open on a strong note despite the gloom of yesterday's close. Technically, Nifty future has immediate support in the 4200 region and if that were to break the 4150-4160 is a strong support. Its immediate resistance is now around 4270 and 4300 above which 4350 and 4370 are the supply zones. It needs to sustain decisively above 4400 to signal stemming of the downswing and above 4455 to signal strength. Markets are likely to open on a positive note on strong global and domestic cues and then chart their own course as the day progresses. Since the threat of hike in interest rates have receded for the time, rate sensitive sectors like Capital goods, Banks, Auto and Realty may be good gainers. Volatility may remain high and some buying may be seen on the first day of the front month series contracts so make the best of it.

**Resistance:** 4270, 4300, 4340, 4370, 4400, 4455

**Support:** 4200, 4160, 4100

**Bank Of Baroda (273.9):** This counter moved up on the last day on enhanced volumes and closed in the positive. Long position may be taken with a stop below a decisive breach of 267 for a target of 280, 285 and 290

**Resistance:** 275, 279-280, 285, 290, 300

**Support:** 270, 267, 264, 260

**Maruti (629.35):** Long position may be taken in this counter with a stop below a decisive breach of 617 for a target of 645 and 650.

**Resistance:** 632, 640, 645, 650

**Support:** 623, 620, 614, 610, 600

**Satyam com (406.35):** Long position may be taken in this counter with a stop above 603 for a target of 398 for a target of 411, 416, 420.

**Resistance:** 410, 416, 420, 424

**Support:** 402, 400, 398, 390

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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