

Nifty Roundup

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The good opening bids did not last long as nervous long holders took flight as soon as some weakness appeared. The market gets flooded with rumours of large scale declines as soon as things happen and people too are ready to believe the worst. Quick profit taking followed in both futures and in cash stocks and we had a retreat towards the suggested support zones around 4870-90. The revival from those levels was rather decent and led up, once again, by some spirited action in the small priced stocks in the futures this time. Interestingly, the tech counters witnessed some improvements yesterday and that could be an indication of bottom fishing appearing in the market.

During the day the nifty futures moved to a parity situation with the spot (from an earlier premium status) implying that some fresh shorts could have come in or some pending longs liquidated. However, by the end of the day the futures were back again at a premium and this is positive for further gains ahead. The market is now beginning to take on a more stock specific approach and hence we could continue to see some rotational moves. Majority of the losers yesterday were the stocks that had been heading up over the last few sessions. So no fresh selling is really coming into the market and it is only money being worked out of the ones that have moved up smartly into those that are set to move. That is the reason we see rotation every now and then. Remember always that rotation is a feature of a bullish phase.

The support zone for today is around 4900 levels and the first dip into this zone can be used to buy. Long holders can set their stops below this support. Higher targets remain at 4995 levels and as long as the prices push beyond previous day highs, the default approach should remain bullish.



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	1110.0	1132.0	1154.0	1175.0	1196.0	1153.0
BANK OF INDIA	251.6	257.0	262.4	266.8	271.2	262.0
CENTURY TEXTILE	818.4	831.6	844.9	860.4	876.0	840.3
GMR INFRA	827.8	848.7	869.5	892.7	915.8	858.2
HINDALCO	159.0	163.5	168.0	170.6	173.2	165.0
HIND LEVER	215.9	221.0	226.2	229.3	232.4	224.1
ICICI BANK	953.0	973.0	993.0	1011.0	1029.0	991.0
INDIA CEMENT	275.6	280.7	285.9	291.4	297.0	287.0
ITC	183.1	185.3	187.5	190.2	193.0	188.9
JET AIRWAYS	884.6	895.2	905.8	914.2	922.6	915.3
LARSEN	2762.3	2817.7	2873.0	2928.7	2984.3	2854.0
MARUTI	924.0	956.0	988.0	1010.0	1032.0	976.3
PUNJ LLOYD	289.1	298.1	307.2	316.3	325.5	308.2
POLARIS	109.6	111.2	112.8	115.2	117.6	114.2
RANBAXY	408.2	416.4	424.7	432.7	440.7	419.8
RELIANCE CAP	1485.6	1518.6	1551.7	1589.1	1626.5	1557.8
RELIANCE IND	2297.3	2341.7	2386.0	2418.7	2451.3	2359.0
REL.COMM	570.6	583.1	595.6	608.4	621.3	594.7
SATYAM	400.3	407.4	414.6	420.8	427.1	415.6
STATE BANK	1747.0	1779.0	1811.0	1846.0	1881.0	1817.7
SUZLON ENER	1383.8	1407.5	1431.2	1452.4	1473.6	1440.3
SAIL	188.1	194.2	200.4	206.5	212.7	199.2
STERLITE	701.9	711.8	721.8	728.3	734.9	715.3
TATA MOTORS	714.0	726.0	738.0	749.0	760.0	739.0
TISCO	716.3	730.7	745.0	762.7	780.3	748.3
VSNL	412.3	418.5	424.7	433.5	442.2	427.3
ZEE TELE	302.2	307.9	313.7	317.2	320.8	311.8
BANK NIFTY	7395.9	7509.8	7623.7	7718.8	7813.9	7604.9
CNX IT	4382.5	4475.1	4567.6	4635.1	4702.6	4552.5
NIFTY FUT	4854.7	4899.3	4944.0	4974.3	5004.7	4922.0

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 Nifty above 4950 or on declines to near 4905. Stop 30 points. Target 45-50 points.

NIFTY STOCKS

**Buy Guj Alkali around 160 stop 155.50 target 165-68.
Buy HLL around 225-228 with stop at 223 and target 233-238.**

OPTION TRADES

Buy Bajaj Hind 200 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.

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