

Nifty Futures (Front month series):(4432.85)

Though Nifty futures opened on a subdued note in the last trading session, it closed the day with a gain of 100.8 points. Markets extended its gains for yet another day and closed the week positive, shrugging off higher inflation numbers and hawkish stance of RBI, the serial blasts and mixed corporate numbers on positive signs from the IAEA nuclear deal meet on Friday. Most of the sectors gained though the better performers were Metals, IT, Banks and Capital goods but Autos were clearly weak. Oil has turned choppy and moved up from the lows. US markets moved down on concerns of unemployment, Housing and turbulent energy prices. European markets too have dipped on the same concerns. The pessimism has percolated to the Asian markets which are moving down after a flat opening and currently trading in the red. As per the provisional data, FII were sellers and DII were buyers on the bourses on Friday. Technically, Nifty future has now reached a zone infested with resistance in the 4440-4500 region above which it is likely to move up to 4500 and 4550. On a weekly basis, though the markets have closed the day in the positive, it was an inside week, i.e. the range of the last week was encompassed with the range of the previous week. This signals volatility and range bound movement before the breakout which is likely to set the trend in the direction of the breakout. It must close above the 4500 region on closing basis to signal fresh momentum. Though its immediate support is around the 4400 region, the strong support which is expected to hold on dips is at 4340 region below which it may again slide to 4300, 4250 region. A decisive breach of 4160 will signal bearishness at this juncture. Markets are likely to open on a weak note on bearish global cues and then chart their own course as the day progresses. Volatility may remain high as markets seek fresh trend so make the best of it.

Resistance: 4440, 4500, 4550, 4600

Support: 4400, 4340, 4300, 4250-4230, 4200, 4190, 4150, 4100

Siemens (575.15): Long positions may be taken in this counter on dips preferably around 550 if it gives support, with a stop below a decisive breach of 537 for a target of 585, 596, 600, 610

Resistance: 585, 596, 600, 605, 610, 624

Support: 565, 555, 545, 540, 530

Maruti Udyog (562.15): This counter has a strong resistance in the 580-590 region. Short positions may be taken in this zone on rallies with a stop above if prices move decisively above 600 for a downside target of 545-540 and a pessimistic target of 520 if 540 is broken decisively.

Resistance: 575, 590, 590, 600, 607, 615

Support: 560, 550, 545, 540, 526, 520

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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