

Nifty Futures (Front month series):(4329.65)

Nifty futures extended its losses for the second day as it opened gap down on weak global cues and was unable to cover the gap completely on intraday rallies. The news of blasts in Bangalore further weakened the markets. There was some buying seen towards the close, part of which could be attributed to short covering. It closed the day on a subdued note with a loss of 113.45 points. Most of the sectors were weak including Banking, Oil & Gas, Power and Capital goods, but FMCG displayed strength and Healthcare and Consumer durables held on. As per the provisional data, FII and DII turned sellers in the market on Friday last. There could be some nervousness in the markets today as there is apprehension of interest rate hike and CRR hike when RBI releases its quarterly monetary policy tomorrow at noon as inflation remains in double digits despite fiscal measures. Technically, Nifty future has strong resistance in the 4400 region and above that at 4440. Even if it were to cross this region and move up to the 4500, supplies may be expected in the 4500 - 4540 region which is infested with resistance. Some consolidation is likely to take place before the next move. It has a support in the 4300 region below which it may test 4250-4235. A decisive breach of 4235 at this juncture will signal more weakness and it may then slide to 4190. Markets are likely to open flat on mixed global cues though our Asian peers are mainly in the green. Oil is still below the 124 level. Volatility may remain high so make the best of it.

Resistance: 4360, 4400, 4440, 500, 4530, 4570

Support: 4300, 4250, 4235, 4200, 4190, 4130,

Bharti Airtel (796.85): Long position may be taken on dips preferably in the 785 region with a stop below a decisive breach of 770 for an initial target of 805 and above that 820. Fresh upward momentum may be expected if it can sustain decisively above 830.

Resistance: 800, 805, 820, 830, 854

Support: 785, 770, 765, 745, 730

ICICI Bank (656.75): This counter has resistance in the 674 region and short position may be taken if it continues to resist with a stop if prices move decisively above 686 for a target of 645, 640 Fresh weakness will surface if it breaks the 640 region and it may then slide to 620, 610 and 600 levels.

Resistance: 660, 674, 685, 700, 703

Support: 645 -640, 620, 610, 600, 595

HDFC (2214.8): This counter has resistance in the 2254 region and short position may be taken if it continues to resist with a stop if prices move decisively above 2302 for a target of 2170, 2150 and 2130 below that.

Resistance: 2220, 2254, 2302, 2325, 2350, 2380

Support: 2200, 2170, 2150, 2130, 2115, 2100

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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