

## **Nifty Futures (Front month series):(5100)**

Though Nifty Futures opened on a weak note, it moved up in a steady upswing and what was turning out to be a promising rally was truncated post noon and the market plummeted to close the day around the critical 5090 support with a loss of 196.75 points. Though US closed marginally in the green in a highly volatile day, buoyed by the Economic aid plan, Europe has closed in the red on fresh Economic worries and FTSE has closed 150 + points lower despite the 25 basis point interest rate cut. All the sectors have closed in the negative including the fertilizer and sugar which had rallied earlier. Technically, 5090 is a immediate support region for nifty futures and a decisive breach of this level will spell trouble for the bulls which may lead to a retest of the 4900 levels too if 5040 is also breached. Below 4900 it may move down to 4650 with some support at 4800. Its strong resistance is around 5345 and above that at 5395 though it will have to negotiate immediately with the 5200 level and once that is decisively crossed the bulls may be out of immediate danger. The 5040 – 5090 range is a critical support level for today which if it gives support could result in a rebound but if breached decisively could lead to fresh sell offs so caution and agility is advised around this region. Markets are likely to open subdued on weak global cues and then chart their own course subsequently. High volatility is likely to remain.

**Resistance:** 5130, 5200, 5240, 5280, 5340, 5395, 5415, 5500

**Support:** 5090, 4910, 4880, 4800, 4650, 4500, 4420

**GAIL (424.6):** Short positions may be taken in this counter on rises if it is unable to move above 435 with a stop above 445 for a target of 413 and 395 below that.

**Resistance:** 435, 445, 457

**Support:** 413, 400, 395, 350

**Cummins (331.6):** Short position may be taken in this counter on rises if it is unable to move above 343 with a stop above a decisive breach of 350 for an initial target of 324 and 305 below that. Fresh downswing will be signaled below 300.

**Resistance:** 340, 349, 362, 378

**Support:** 324, 305, 295, 270

**TTML (38.75):** Long position may be taken in this counter on dips preferably in the 36 region with a stop below a decisive breach of 34 for an initial target of 41 and 45 above that.

**Resistance:** 41, 45, 47, 50

**Support:** 36, 34, 30

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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