

Market View

The Indian markets started the first trading session of 2010 on a very strong note as huge buying was seen in metals, auto and cement shares which helped the market to close higher. The BSE Sensex closed at 17,558 up 94 points after hitting a top of 17,582. The NSE Nifty went up 0.6% or 31 points to settle at 5,232 after making a top of 5,238. The breadth was very strong and total traded turnover was at Rs 64,076 cr. The Nifty January Future ended with 10 points premium.

Nifty Technical

Trend still remains positive as nifty managed to close above the 5,230 level with strong positive breadth. The only concern was that this rally was not backed with huge volumes even after the markets opened one hour before the earlier trading time. If nifty manages to hold above 5,230 levels in the near term then we could see fresh breakout happening and markets could head towards 5,260 / 5,315 in the days to come.

For tomorrow support for nifty is at 5,195 / 5,160, if this point breaks with negative breadth then only we could see major sell-off happening and nifty could test 5,110 / 5,080 levels which are another support points.

Trend could get weak only if nifty breaks the 5,160 levels and strong upbeat continues if nifty holds above 5,230.

NSE Short-term moving averages: EMA&SMA

NSE 5-Day Simple Moving Average	5193
NSE 20-Day Simple Moving Average	5104
NSE 50-Day Simple Moving Average	5011
NSE 5-Day EMA	5183
NSE 13-Day EMA	5130
NSE 20-Day EMA	5107

Important support levels for the benchmark indices

Index	Close	Support	Resistance
Sensex	17,558	17440-17330-17250-17160	17660-17850
Nifty	5,232	5195-5160-5135-5110	5260-5315

Stock Ideas

- 1) ABAN (1332) – Buy** and hold with a stop-loss of 1,285, structure looks positive, near term resistance at 1,373 which is the long term 100-day moving average, if the stock holds above 1,380 in the coming days then we could see a target of 1,550.
- 2) ABIRLANUVO (912) – Buy** and hold with an investment perspective, after a long time consolidation the stock rallied on huge volumes, near term resistance at 940, if the stock holds above this point then look for 1,070. Strong support at 875 / 855 regions.
- 3) FINANCIAL TECH (1,414) – Buy** from an investment view, structure looks positive, strong support placed at 1,370 / 1,335, major resistance at 1,430, if the stock holds above 1,430 then look for 1,570 / 1,630.
- 4) PUNJ LLOYD (209) – Buy** with a stop-loss of 205 / 200 from a trading perspective, near term resistance at 213, if the stock holds above 213 then look for 225 / 235.

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