

Nifty Roundup

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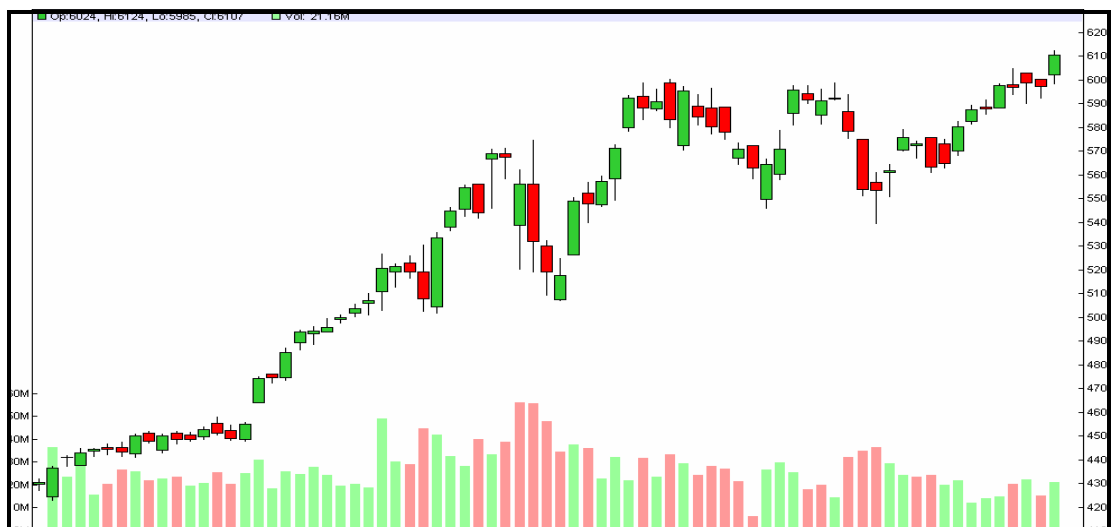
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If we had misgivings on the earlier day, then yesterday's trading managed to dispel all such emotions, opening with a gap and sustaining the move almost through the whole day to finish at the top. All indices reached new high levels and thus sentiment at the end of the day was very distinctly bullish. So, has a market gone up in anticipation of the Fed action? Is the rise due to short-covering or is it all fresh buying? Is the market going to repeat what we had seen back in the month of September after the last Fed cut? These and such other questions are what most market bulls would be wrestling with as we go into today. Note that this letter is being written prior to the actual announcement of the Fed action and therefore, we are forced to speak in a figurative manner rather than with the actual figures. By the time of readers actually read this they would be in the know of what the Fed action has been and most probably, would have already decided what course of action they should adopt based upon their own expectations as well as interpretation of the Fed action.

Note, we are not expressing bearish views here but rather of raising some questions which we feel pertinent and that the readers should ask themselves. It does seem that, to a very large extent, the market has already priced in a 50 bps rate cut will stop. If not, then it is quite probable that we may see the index retrace some of its recent upward path and the levels around 5900 could again come in for a retest. On the higher side we might look for the market to progress towards the next resistance around 6225, but frankly, we are not betting on this.

But the index has moved out past the recent congestion and that is a positive. So, going purely by the price action— as we must— we have to remain bullish as long as the prices do not drop below 6000 levels once again. Ideally, a good breakout should see some acceleration come in. If so then participate from the long side.



Source : Trend Mechanic

Day Trading Table For Futures (Near Month)

Future Contract	Stop loss	Buy Around	Last Close	Likely Target	Take Profit	Weekly Pivot
ACC	1062.3	1071.7	1081.0	1093.7	1106.3	1081.0
BANKOFIND	355.9	360.5	365.2	369.3	373.5	362.8
CENTEX	1083.3	1094.6	1105.9	1122.6	1139.3	1108.6
FINANCIAL TECH	2424.8	2469.5	2514.2	2573.5	2632.7	2511.7
GMRINFRA	236.6	240.3	244.0	248.5	253.0	242.8
HCC	210.7	214.0	217.4	221.7	226.0	217.0
HINDALCO	192.2	195.8	199.4	201.9	204.5	196.4
IDBI	168.1	170.1	172.0	174.2	176.4	171.3
IND CEMENT	291.4	297.5	303.7	310.3	317.0	304.2
ITC	186.7	187.9	189.2	190.9	192.7	189.0
JET AIR	882.2	899.3	916.4	934.2	952.0	910.4
JAI HYD	112.2	114.7	117.1	120.0	122.8	116.7
LARTOU	4239.6	4272.1	4304.7	4337.1	4369.6	4304.6
MARUTI	1035.7	1061.3	1087.0	1102.3	1117.7	1072.0
NAGARJ FERT	79.5	81.3	83.1	86.3	89.5	85.0
NEYVELLI	245.6	250.9	256.1	263.6	271.1	258.4
PFC	263.0	265.8	268.6	272.6	276.7	268.5
PUNJ LLOYD	504.5	513.3	522.2	529.5	536.8	518.7
RANLAB	404.3	405.8	407.4	409.9	412.5	407.6
RELCAP	2374.9	2404.6	2434.2	2474.3	2514.4	2431.3
RELIND	2806.7	2855.3	2904.0	2937.3	2970.7	2883.7
RCVL	720.6	732.4	744.3	752.9	761.6	739.7
RPL	224.2	226.8	229.5	233.3	237.2	229.1
SBI	2412.0	2438.0	2464.0	2491.0	2518.0	2460.0
SAIL	268.3	273.5	278.8	283.9	289.1	277.1
TELCO	750.7	760.3	770.0	776.3	782.7	763.3
TISCO	830.3	836.7	843.0	853.7	864.3	845.3
TATA TELE	56.6	57.8	59.0	60.8	62.6	58.1
ZEETEL	293.4	300.7	307.9	313.5	319.0	304.6
BANK NIFTY	9848.4	9988.8	10129.3	10215.8	10302.4	10008.8
CNX IT	4646.0	4664.0	4681.9	4700.9	4719.9	4705.3
NIFTY FUT	5933.1	6020.2	6107.3	6159.2	6211.1	6052.5

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

If bullish, then can buy between 6070-6110 or dips back to near that area. If bearish then sell if below 5990. Stop 35 points only (minimal risk exposure). Target 70-90 points.

NIFTY STOCKS

*Buy Punj Lloyd around 520-525 with stop at 517 for a target of 533/540.
Buy ONGC around 1230 with stop at 1215 for a rise to 1249 / 1260.*

OPTION TRADES

Nil

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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