

Nifty Roundup

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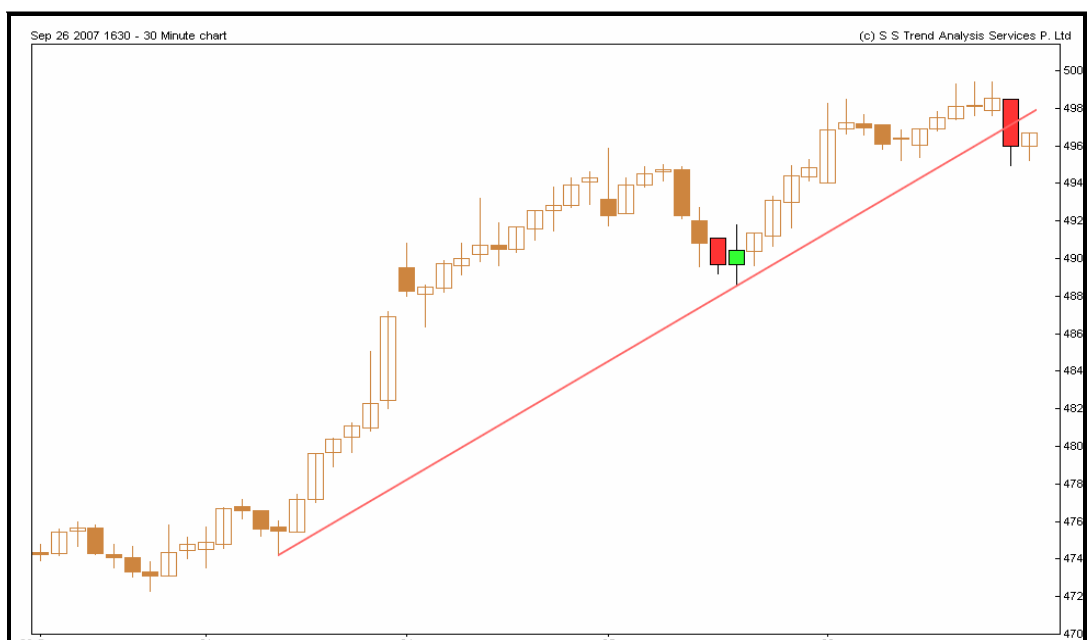
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Market hit the suggested targets at 4995 and then have slid slightly. There was no ostensible reasons for the slide except for some profit taking action. Looking at the stock charts it seems evident that there has been a good amount of profit taking across the board. Most of the stock futures are showing upper shadow candles indicating that there has been some selling at the higher levels.

It is not unusual to see such a price move especially near the top of the market. Though the sensx has topped the 17000 mark yesterday the traders are still quite a nervous lot. Even though their outlook on the market remains bullish (according to a Cnbc poll) their trading action is a bit hesitant. One has to understand that there is a world of difference between thinking bullish and acting bullish. If you are bullish on the market but are booking profits then your action is actually bearish! Your bullish bias may prevent you from shorting but it will also make you a buyer at lower levels thereby preventing any big declines. That is what is currently happening in the market. After the spate of short covering buying, traders have chosen to book profits rather than carry on from where we are.

Nearest swing change point is still away at 4918 but a nearer stop for long holders is 4944. It may be worth taking some profits if those lows are broken as it will be an indication of some short-term pullback. One can then look for 4852 levels to offer the next support and consider buying there. In case there are no dips down into those areas, we shall reassess later.



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	1128.0	1144.0	1160.0	1177.0	1194.0	1156.3
BANK OF INDIA	254.3	258.7	263.2	268.0	272.8	262.5
CENTURY TEXTILE	818.2	826.4	834.5	847.8	861.1	836.8
GMR INFRA	788.1	808.0	828.0	861.0	894.1	844.3
HINDALCO	161.0	163.1	165.2	168.5	171.8	164.4
HIND LEVER	220.2	223.2	226.1	228.9	231.7	224.6
ICICI BANK	972.7	999.3	1026.0	1045.3	1064.7	1011.7
INDIA CEMENT	279.5	282.4	285.4	290.2	295.0	286.8
ITC	180.7	183.2	185.6	189.0	192.4	187.8
JET AIRWAYS	878.3	885.6	892.9	902.6	912.3	909.3
LARSEN	2811.7	2831.3	2851.0	2881.3	2911.7	2846.7
MARUTI	943.3	954.7	966.0	982.7	999.3	969.0
PUNJ LLOYD	293.9	297.7	301.6	307.7	313.8	306.4
POLARIS	110.6	113.9	117.2	119.7	122.2	116.0
RANBAXY	415.9	419.5	423.0	428.3	433.6	419.3
RELIANCE CAP	1452.2	1478.3	1504.5	1547.3	1590.2	1532.8
RELIANCE IND	2271.7	2302.3	2333.0	2386.3	2439.7	2342.0
REL.COMM	572.0	581.5	591.1	607.1	623.2	594.9
SATYAM	410.2	421.4	432.6	439.4	446.2	424.7
STATE BANK	1751.3	1801.7	1852.0	1891.7	1931.3	1838.3
SUZLON ENER	1408.9	1423.5	1438.0	1462.2	1486.4	1442.6
SAIL	195.2	198.2	201.2	205.0	208.8	199.5
STERLITE	704.6	711.4	718.2	723.9	729.6	714.1
TATA MOTORS	713.3	725.7	738.0	746.7	755.3	738.0
TISCO	736.0	745.0	754.0	764.0	774.0	751.3
VSNL	328.6	383.0	437.5	467.7	497.9	413.3
ZEE TELE	305.3	309.4	313.4	316.7	320.0	311.7
BANK NIFTY	7492.5	7644.9	7797.4	7904.9	8012.5	7716.1
CNX IT	4522.5	4624.7	4726.9	4795.3	4863.8	4646.2
NIFTY FUT	4909.7	4933.9	4958.0	4988.3	5018.6	4938.2

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

Buy on dips to near 4880-70 with stop at 4859 for rise to 4930-35.

NIFTY STOCKS

Buy Air Deccan Oct around 150 with a stop of 148 for target 154-57.

Buy Patni Oct around 479 with stop at 475 and target 485-489.

OPTION TRADES

Buy Idea Oct 140 calls.

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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