

## **Nifty Futures (1 month series):( 4508.15)**

Despite the volatility exhibited by the markets, as apprehended, triggered by the RBI announcement, and the knee jerk reaction whereby it dropped sharply to 4392.35, Nifty futures moved up steadily in the last hour of trades as the upswing gathered momentum, aided by firm Asian and European sentiments, and closed the day with a gain of 107.9 points, taking into stride the 50 basis point CRR hike. Part of the rally seen could have been triggered by short covering and what needs to be tracked today is if the follow-up buying happens. Technically, nifty futures has come close to a strong resistance around the 4520 region and the acid test for the bulls will be around 4535 region. If this level is decisively crossed, the upswing will gain fresh momentum and a retest of the 4600 levels will be likely with some resistance at 4585. A failure to negotiate successfully with the 4520 and 4535 region is likely to push it down again and it may then seek lower levels. On the lower side, immediate support exists around the 4485 level and below that at 4445. A decisive breach of the 4445 at this juncture could be bearish. Markets are likely to open weak on negative global sentiments as the subprime woes and carry trade fears have resurfaced in a big way.

**Resistance:** 4520, 4535, 4552, 4585, 4600

**Support:** 4485, 4458, 4445, 4400, 4370, 4323, 4313

**Reliance Communications (559):** This counter exhibits a fair degree of volatility. Long positions may be taken on dips in the 552 region with a stop below a decisive breach of 546 for an initial target of 566 and above that 572 and 576. It will gain fresh momentum above 578. A breach of 542 at this juncture will signal weakness.

**Resistance:** 562, 567, 574, 578, 585

**Support:** 552, 548, 542, 531

**Mphasis (282.6):** Long positions may be taken in this counter on dips around the 275 support region with a stop below a decisive breach of the 269 level for an initial target of 288 and above that 294. The upswing is likely to gather fresh momentum above 296-300 resistance band.

**Resistance:** 286, 290, 296, 300, 306

**Support:** 275, 270, 267

**IPCL (374.7):** This counter has found buying support in the 361 level as it has rebounded from that level on two consecutive days and long positions may be taken in this counter on dips with a stop if the is level is decisively breached for an initial target of 382 and above that 386. The rally will gain fresh momentum above 390.

**Resistance:** 383, 390, 392, 400

**Support:** 372, 367, 362, 355

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

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