

## **Nifty Futures (Front month series):(4874.8)**

As feared, Nifty futures opened with a downside gap on negative global cues weakened by rising oil and inflation concerns and despite a few attempts, was unable to close the gap. It closed below the 4900 level for the first time after 5 weeks of trading above it, and had lost 67 points at the close of day, plunging deeper in the red and signaling enhanced weakness. After the initial fall, markets continued to move within a narrow band between 4890 and 4968 with spikes to 4912 and 4860. The last fifteen minute recovery happened on good volumes as markets rebounded from the low of 4860 signaling markets could open on a firm note. Most of the sectors lost though Metals, Realty and Banking were among the worst hit but IT and Healthcare performed. Cement and sugars lost substantial ground. As per the provisional figures, FII and DII continued to exhibit divergent trend. FII were sellers at 1337.33 crores and DII were net buyers to the tune of 842.05 crores. Technically, Nifty future has an immediate resistance at 4920 region and above that 5000 and 5052 are the next supply zones. It must sustain decisively above 5052 and hold on to the 4860 support to signal strength at this juncture. Till then any upswing may be considered a pull back. Its immediate support is around 4860 level and it may tumble to 4810 – 4800, 4780 once this support is broken. With no cues from US markets which were closed last day, Asian markets have opened mainly in the green and our markets are also likely in the positive and then chart its own course as the day progresses. A fresh attempt to move above 4940 could be in the offing. Volatility may remain high as the bulls and bears lock horns in the critical 4900 region again today so caution is advised.

**Resistance:** 4900, 4942, 4970, 5000, 5030, 5052

**Support:** 4860, 4810-4800, 4780, 4700.

**Gail (385.95):** Long position may be taken in this counter with a stop above a decisive breach of 380 for an initial target of 395 and 400 above that.

**Resistance:** 395, 400, 406, 416, 424

**Support:** 380, 376, 360

**BEL (1179.7):** Short positions may be taken in this counter on rises if it is unable to move above 1220 with a stop above a decisive breach of 1250 for a likely target of 1125.

**Resistance:** 1200, 1220, 1250, 1280

**Support:** 1170, 1160, 1120, 1100

**Infosys (1885.05):** Long positions may be taken in this counter only dips preferably in the 1860 region with a stop below a decisive breach of 1830 for a target of 1950.

**Resistance:** 1900, 1950, 1975, 2000

**Support:** 1860, 1830, 1800, 1785

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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