

Daily Nifty Observer

Issue - 663

May 18, 2012

Nifty Outlook

.....nifty to resist around 4920/4950 levels on friday and may continue to trade below 4900 levels on intraday.....

Support

4840/4810/4790

Resistance

4890/4920/4950

Market Strength Indicators

14 days RSI - Up by 1.15 points at 29.31 levels

14 days SchRSI - Up by 6.9 points at 6.9 levels

Stochastic - Up by 4.29 points at 25.11 levels

TSI - Down by 1.58 points

Market Intensity Indicator

NFP - At discount of 17.9 from discount of 1.35 earlier

Advance - 751

Decline - 695

Volatility - Up by 0.01 points at 0.17 levels from previous

Moving Average Indicator

20 days SMA - 5091.49

50 days SMA - 5207.88

200 days SMA - 5088.59

Bollinger Band - Around Lower Band

Other Indicators

FII's Spot - Negative

DII's Spot - Positive

F&O - Positive

Spot Nifty Daily Chart Analysis



Spot Nifty closed at 4870.20 up 0.25 % after ranging trading session with fall in volume which was below its 20 period SMA. It made a high of 5922.25 and low of 4850.20 levels in intraday.
Nifty closed below its 20 period, below its 50 periods and even below its 200 periods SMA. SHORT TERM TREND WILL REMAIN BEARISH AS NIFTY CLOSED BELOW ITS 200 DAYS SMA ON MONDAY (07/05/2012).
Momentum oscillator is indicating that Nifty is trading in its over sold zone on intraday chart.
On friday, 4920/4950 levels will act as an important resistance levels, sustainability above which will increase the probability of short term trend reversal which will initiate above 4990 levels. Below 4950 levels, 4890/4810 will continue to act as short term support zone for Nifty in days to come.

60 Minute Chart Analysis



14 days Schotestic RSI (60 minutes chart) closed at 60.50 levels & traded across its 9 period EMA for whole of the trading session and managed to close around it. On friday it may try to trade across its 9 period EMA levels allowing Nifty to trade below 4950/4920 levels.

Nifty today failed to sustain 4900 levels and closed below it. On friday, 4920/4950 levels will act as resistance for intraday. If sustained below 4890 levels, it will force Nifty towards 4810/4777 levels.

240 Minute Chart Analysis



Today was 26th day for Nifty in bear zone after 4th day in bull zone for Super Trend, over 240 minutes Heikin Candle.

Today also Nifty sustained and closed below 4950 levels.

After 1 days closing below 2nd speed line Nifty failed to sustain above it and closed below it today. Speed line is drawn from the high of 5629.95 (22/02/12) and low of 5136.10 (29/03/12).

In next few 240 minute Heikin candle Nifty have to give close above 2nd speed line to move towards 3rd speed line (around 5100 levels). If it continues closing below 3rd speed line then it will increase probability to slide towards 1st speed line (around 4500 levels).

Note on Nifty Intraday Price,OI & Volume (17/05/2012)

On thursday rise in Nifty (0.25 %) was registered with fall in Nifty May 12 futures open position (10.32 %) and fall in Nifty spot intraday volume (5.01 %).

Nifty rise with fall in OI and in volume suggesting that the market is running out of traders willing to open or hold an open long. Trades are liquidating both losing short position and closing winning long positions. A higher probability the market is set to retrace in price lower at some point forward.

Current rise of 0.25 % in Nifty was due to short covering in Nifty May 12 series.

For friday, 4920/4950 levels will act as a crucial resistance zone. Sustainability above 4840 levels on intraday only will force Nifty to move towards 4950 levels or above. However, fresh short build up at higher levels will weaken the probability of sustainability above 4910 levels and may continue to trade below 4900 levels.

Stocks Corner

Fresh Long

DISHTV	DELTACORP	AMBUJACEM	MCLEODRUSS
UNIPHOS	HEXAWARE	CESC	ITC
JINDALSTEL	ADANIPORTS	SCI	GMDCLTD
GLAXO	DLF	RENUKA	EDUCOMP
STRTECH	BEML	BAJAJHIND	RELIANCE
DIVISLAB	OIL	APOLLOTYRE	CAMBK
COLPAL	RUCHISOYA	IDEA	ABGSHIP
JSWSPAT	CENTURYTEX		BHARTIARTL
WELCORP	SKUMARSYNF		CENTRALBK
BANKINDIA			HINDPETRO
			WIPRO

Long Liquidation

CNXPSE	DRREDDY	CNXIT	STER	BANKNIFTY	ACC
ESCORTS	GESHIP	SESAGOA	EXIDEIND	MRPL	LICHSGFIN
TTKPRESTIG	GMRINFRA	ADANIEN	COREDUTEC		HCC
UNITECH	NFTYMCAP50		RCOM	CHAMBLFERT	
ICICIBANK	ORCHIDCHEM		MPHASIS	HINDZINC	GRASIM
DCB	CNXINFRA	OFSS	VIPIND	SREINFRA	BEL
BHEL	NCC	BGREENERGY	TITAN	LITL	FORTIS
ASHOKLEY	IFCI	KOTAKBANK		HINDOILEXP	PAPIL
BPCL	PRAJIND	BHARATFORG		SINTEX	FEDERALBNK
SIEMENS	ABIRLANUVO		IRB	JISLJALEQS	IVRCLINFRA
ADANIPOWER		JSWSTEEL	M&M	LT	PETRONET
VOLTAS					

Short Covering

SRTRANSFIN	PFC	SAIL	SUZLON	VIDEOIND	JPASSOCIAT
ABB	BALRAMCHIN		MAX	GUJFLUORO	HDFC
BIOCON	CROMPGREAV		ABAN	INDUSINDBK	INDIACEM
RECLTD	PNB	ESSAROIL	INDIAINFO	TATASTEEL	SOUTHBANK
SBIN	MARUTI	GSPL	JSWENERGY	RPOWER	BATAINDIA
HAVELLS	CAIRN	TATAMOTORS	NTPC	GODREJIND	
BRFL	LUPIN	ULTRACEMCO	HEROMOTOCO		
PTC	KTKBANK	IDFC	HDFCBANK	PATNI	INDHOTEL
TATAMTRDVR	ZEEL	PIRHEALTH	IOC		
BANKBARODA	BOSCHLTD	IOB	NIFTY	INDIANB	
DABUR	MTNL	GAIL	POWERGRID	JETAIRWAYS	
ANDHIRABANK	UNIONBANK	INFY	UCOBANK	BHUSANSTL	
TATACOFFEE	GVKPIL	NAGAROIL			

Fresh Short

TATACHEM	TCS	DENABANK	HCLTECH	RAYMOND	BAJAJHLDNG
SUNPHARMATML	YESBANK	AUROPHARMA	TATAGLOBAL		
HDIL	ORIENTBANK	ALBK	COALINDIA	SOBHA	
ONGC	SYNDIBANK	RANBAXY	OPTOCIRCUIT	FUTILITIE	JPOWER
HINDALCO	VIJAYABANK	NHPC	MRF	ICDOWELL-N	
FINANTECH	ASIANPAINT	BOMDYEING	TATAPOWER	IGL	
TVSMOTOR	PATELENG	AXISBANK	CIPLA	BAJAJ-AUTO	POLARIS
IDBI	JINDALSAW	RELINFRA	ARVIND	SUNTV	JUBLFOOD
TECHM	CUMMINSIND		PANTALOONR		

Performance Corner

Daily Calls Monitor

Buy Heromotors @ 1900/1907 sl 1885 tgt 1935/1950; sl triggered in heromotoco intraday buy call
Buy Jindalstel @ 465 sl 461 sl 470; sl triggered in jindalstel intraday buy call
Buy LT @ 1192/1197 sl 1180 tgt 1211/1224
Buy Nifty May 12 future @ 4894/4902 (spot) sl 4877 tgt 4927/4942; sl triggered in Nifty intraday buy call
Buy Reliance @ 687/689 sl 681 tgt 699

BUY CRUDE MAY 12 FUTURE @ 5070/5077 SL 5055 TGT 5097/5112
Buy Copper June 12 future @ 423.20/423.70 sl 421.90 tgt 427/429
Buy Silver July 12 future @ 52550/52650 sl 52100 tgt 53300/53400
Buy Gold June 12 future @ 28390/28420 sl 28310 tgt 28520
May buy copper again June 12 future again @ 418.50/419.00 sl 417.00 tgt 422.70/424.20; sl of earlier intraday buy call in copper triggered

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