

Daily Nifty Observer

Issue - 685

June 20, 2012

Nifty Outlook

....on wednesday 5080 levels will give immediate support while 5120 will provide immediate resistance to Nifty

Spot Nifty Daily Chart Analysis



Spot Nifty closed at 5103.85 up 0.78 % after ranging trading session with fall in volume which was below its 20 period SMA. It made a high of 5113.60 and low of 5048.10 levels in intraday. Nifty closed above its 20 period, above its 50 periods and above its 200 periods SMA. Momentum oscillator is indicating that Nifty is trading around its over bought zone on intraday chart.

After trading in short term bear zone for almost 24 trading days Nifty since nine trading sessions is in bull zone. If next week Nifty manages to give closing above its 20 period SMA, it will be indicative for short to mid term bull phase.

On wednesday 5080 levels will act as immediate support while 5120 levels as immediate resistance. Sustainability above 5080 levels will open for 5150 levels or above on intraday.

60 Minute Chart Analysis



14 days Schotestic RSI (60 minutes chart) closed at 40.27 levels & traded across its 9 period EMA for whole of the trading session and managed to close above it. On wednesday it may try to trade above its 9 period EMA levels allowing Nifty to resist around 5150 levels.

Today Nifty consolidated between 5060 and 5100 levels for whole of trading hours. For wednesday, continuation of sustainability above 5080 levels will open for 5150 levels or above. Below 5080 levels, 5050/5020 levels will provide strong support to nifty on intraday. Above 5100 levels Nifty has immediate resistance at 5120 levels.

240 Minute Chart Analysis



After 3 day for Nifty in bear zone, since ten days it moved in bull zone and is closing above Super Trend, over 240 minutes Heikin Candle.

Today Nifty closed above 5100 levels.

Nifty today consolidated below 4th speed line and closed below it. 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 closing above 3rd speed line to move towards or above 4rd speed line (around 5150 levels). Only closing below 3rd speed line will increases probability to slide towards 2st speed line (around 4800 levels).

Note on Nifty Intraday Price,OI & Volume (19/06/2012)

On Tuesday rise in Nifty (0.78 %) was registered with fall in Nifty June 12 futures open position (1.54 %) and fall in Nifty spot intraday volume (7.84 %).

Nifty rise with fall in OI and 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 0.78 % in Nifty was due to short covering in Nifty June 12 series.

If short covering continues, in shorts build up on Tuesday, will allow Nifty to move above 5100 levels. However, if fresh short build up initiates, it will keep nifty trade below 5100 levels with 5050/5020 levels as crucial intraday support.

Support

5080/5050/5020

Resistance

5120/5137/5150

Market Strength Indicators

14 days RSI - Up by 2.89 points at 56.18 levels

14 days Schotestic RSI - Up by 11.3 points at 80.88 levels

Stochastic - Down by 0.57 points at 51.06 levels

TSI - Up by 1.1 points

Market Intensity Indicator

NFP - At premium of 6.75 from discount of 5.45 earlier

Advance - 735

Decline - 710

Volatility - Up by 0.01 points at 0.21 levels from previous

Moving Average Indicator

20 days SMA - 4992.48

50 days SMA - 5063.94

200 days SMA - 5073.22

Bollinger Band - Trading around Upper Band

Other Indicators

FII's Spot - Negative

DII's Spot - Negative

F&O - Positive

Stocks Corner

Fresh Long

HINDPETRO	GVKPIL	FINANTECH	AMBUJACEM	BOMDYEING
IOC	PANTALOONR	APIL	ABGSHIP	HINDOILEXP
DIVISLAB	CENTURYTEX	NMDC	GAIL	ITC
IDEA	GUJFLUORO	MCLEODRUSS	RAYMOND	ABB
RANBAXY	TATACOFFEE	BHARTIARTL	NAGAROIL	
EDUCOMP	BPCL	IDFC	POWERGRID	BATAINDIA
SUNTV	GRASIM	TCS	HINDZINC	OIL
WIPRO	PRAJIND	IBREALEST	SUNPHARMA	SINTEX
ABIRLANUVO		BIOCON	BOSCHLTD	PATELENG
DLF	ASIANPAINT	ZEEL	IFCI	RELINFRA
STRTECH	HEROMOTOCO		NTPC	FORTIS
DRREDDY	AXISBANK	PTC	PFC	GLAXO
PUNJLLOYD				RPOWER

Long Liquidation

MARUTI	RUCHISOYA	BEML	SCI	JSWENERGY	CNXIT
ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER
ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER
ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER
ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER
ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER
ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER
ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER
ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER
ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER	ADANIPOWER

Short Covering

NCC	POLARIS	PIRHEALTH	RELIANCE	JSWSPAT	SIEMENS
SKUMARSYNF		IRB	IVRCLINFRA	ONGC	MAX
DCB	HDIL	CIPLA	DENABANK	ANDHRABANK	
INDIAINFO	IOB	HCC	ALBK	INDUSINDBK	COALINDIA
BFUTILITIE	CNPSE	ICICIBANK	LUPIN	BGREENERGY	JSWSTEEL
IDBI	JPASSOCIAT	CESC	BEL	SYNDIBANK	SOUTHBANK
KTKBANK	FEDERALBNK		VIJAYABANK		JINDALSAW
LICHSGFIN	UCOBANK	DABUR	NIFTY	LT	TTML
RELCAPITAL		GMDCLTD	HINDUNILVR		DISHTV
SBIN	CNXINFRA	IDFC	BAJAJHIND	CROMPGREAV	
DELTACORP	ESCORTS	MTNL	HCLTECH	ADANIENT	MPHASIS
BANKNIFTY	RENUKA	M&M	HINDALCO	ULTRACEMCO	
ALOKTEXT	SREINFRA	NFTYMCAP50		ACC	ESSAROIL
RECLTD	TATASTEEL	GSPL	TATAMOTORS		
ORIENTBANK		BHUSANSTL	TITAN	TECHM	LITL

Fresh Short

SOBHA	JUBLFOOD	BRFL	JETAIRWAYS	TTKPRESTIG
YESBANK	JINDALSTEL	BAJAJHLDNG	COREEDUTEC	
TATAGLOBAL		OPTOCIRCUIT	UNIONBANK	MRPL
SAIL	BHEL	MRF	BANKBARODA	TATACHEM
CAIRN	TATAMTRDVR		VIPIND	JISLJALEQS
TATAPOWER		PNB	GESHIP	STER
BANKINDIA	VOLTAS	ORCHIDCHEM		PETRONET
HEXAWARE	APOLLOTYRE		SESAGOA	TATACOMM
ONMOBILE				GODREJIND

Performance Corner

Daily Calls Monitor

[Buy Tata Steel @ 414/416 sl 411 tgt 420/424; 2nd tgt](#)
[Buy SBI @ 2107/2115 sl 2087 tgt 2137/2154](#)
[Buy IT @ 1308/1312 sl 1297 tgt 1324; tgt](#)
[Buy Nifty June 12 future @ 5082/5090 \(spot\) sl 5064 tgt 5117/5137](#)
[Buy Jindalsteel @ 434/436 sl 431 tgt 441/446](#)
[Buy IT again @ 1323/1327 sl 1315 tgt 1344/1355; tgt of earlier intraday buy call in IT achieved; SL](#)
[Buy Chambal Fert @ 72.70/73.10 sl 71.50 tgt 74.60/75.70](#)
[Buy MMTC @ 755/769 sl 749 tgt 767/779](#)

[Buy Copper June 12 future @ 418.50/419.00 sl 416.90 tgt 421.00/423.40](#)
[Buy Crude June 12 future @ 4710/4720 sl 4689 tgt 4757](#)

Analyst Certificate & Disclaimer

DISCLAIMER: The document is not for public distribution and has been furnished solely for information and must not be reproduced or redistributed to others. Opinion expressed is the current opinion as of the date appearing on the material only. Further, the information in the document has been printed on the basis of publicly available information; internal data and other reliable sources believed to be true and are for general guidance only but which may not be verified independently. While every effort is made to ensure the accuracy and completeness of information contained, the company takes no guarantee and assumes no liability for any errors or omissions of the information. No one can use the information as the basis for any claim, demand or cause of action. All investment information and opinion are subject to change without notice. Recipients of this material should rely on their own investigations and take their own professional advice. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult their own advisors to determine the merits and risks of such an investment. This material is for personal information and none is responsible for any loss incurred based upon it. The investments discussed or recommended in this report may not be suitable for all investors. It should not be considered to be or taken as an offer to sell or a solicitation to buy/sell any security. Price and value of the investments referred to in this material may go up or down. Past performance is not a guide for future performance. Certain transactions - futures, options and other derivatives as well as non-investment grade securities - involve substantial risks and are not suitable for all investors. Reports based on technical analysis centers on studying charts of a stock's price movement and trading volume, as opposed to focusing on a company's fundamentals and as such, may not match with a report on a company's fundamentals. Analyst who has issued this report, may, on the date of this report, and from time to time, have long or short positions in, and buy or sell the securities of the companies mentioned herein or engage in any other transaction involving such securities and earn brokerage or compensation or act as advisor or have other potential conflict of interest with respect to company/ies mentioned herein or inconsistent with any recommendation and related information and opinions.