

Daily Nifty Observer

Issue - 717

August 06, 2012

Nifty Outlook

....on monday probability to move towards and above 5250 levels is high with 5207 levels as strong immedaite intraday support....

Support

5200/5180/5164

Resistance

5235/5255/5280

Market Strength Indicators

14 days RSI - Down by 1.33 points at 53.4 levels

14 days SchRSI - Down by 6.7 points at 86.38 levels

Stochastic - Down by 5.9 points at 88.97 levels

TSI - Up by 0.62 points

Market Intensity Indicator

NFP - At premium of 25.35 from premium of 18.95 earlier

Advance - 614

Decline - 846

Volatility - Unchanged at 0.17 levels from previous

Moving Average Indicator

20 days SMA - 5202.74

50 days SMA - 5139.55

200 days SMA - 5106.52

Bollinger Band - Trading around Middle Band

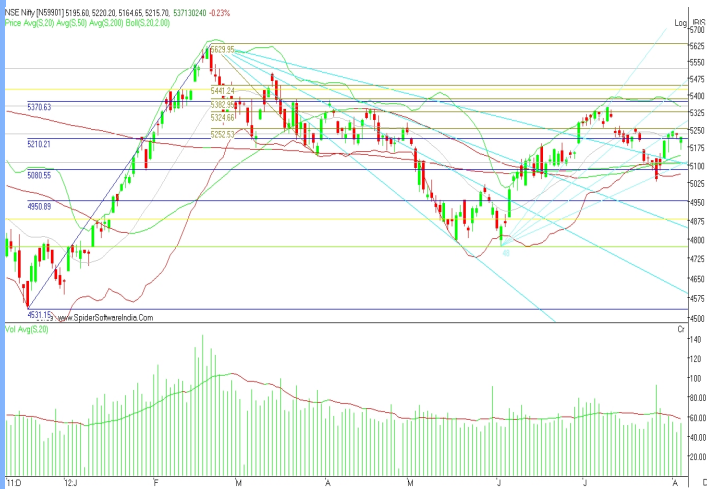
Other Indicators

FII's Spot - Positive

DII's Spot - Negative

F&O - Negative

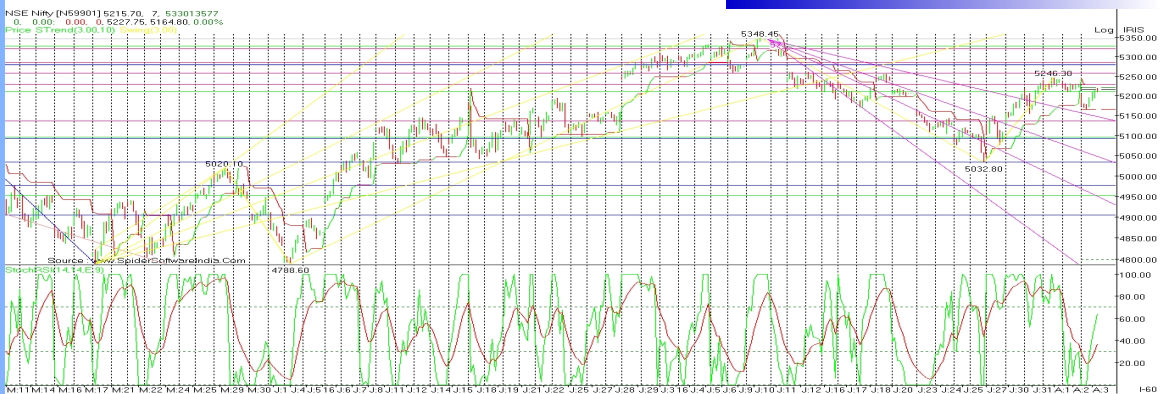
Spot Nifty Daily Chart Analysis



Spot Nifty closed at 5215.70 down 0.23 % after volatile trading session with rise in volume which was below its 20 period SMA. It made a high of 5220.20 and low of 5164.65 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 seven days closing in bear zone, Nifty since four days closed in bull zone. Continuation of trading above its 20 period SMA will be short to mid term bull phase for Nifty.
For monday also 5207 levels will be crucial levels. Continuation of trading and sustaining above it will force Nifty to breach 5250 levels on intraday. Else probability to break 5200 levels on intraday will grow. Below 5200 levels major support is at 5180/5150 levels.

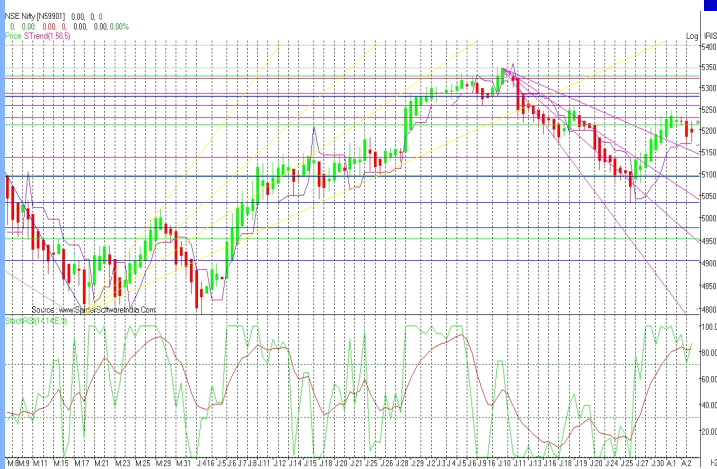
60 Minute Chart Analysis



14 days Schotestic RSI (60 minutes chart) closed at 64.16 levels & traded across its 9 period EMA for whole of the trading session and managed to close above it. On monday it may try to trade above its 9 period EMA levels allowing Nifty to continue to trade above 5200 levels.

On friday nifty after gap down opening tried to fill up the gap but failed to do so however, managed to close above 5200 levels. For monday, 5200 and 5235 levels will provide immediate support and resistance respectively to nifty sustaining below or above which will set intraday tone for nifty. Below 5200 levels probability to break 5180 levels will increase while trading above 5235 levels will open for 5280/5320 levels.

240 Minute Chart Analysis



After four days in bear zone Nifty for 6 days is closing in bull zone as it closed above Super Trend, over 240 minutes Heikin Candle. Today also Nifty closed above 5200 levels .

After 28 consecutive closing above 4th speed line on 240 minute chart for 17th consecutive day it closed below it. Speed line is drawn from the low of 4789.15 (18/05/2012) and high of 5020.10 (29/05/2012).

In 240 minute Heikin candle Nifty is trading below its 4th speed line since quite long. Only trading below 5137 levels in next few 240 minutes candle will force Nifty to breach 5020 levels to test 4950 levels. However if Nifty manages to close above 5137 levels in next few 240 minutes candle then probability to test 5420 levels will increase.

Note on Nifty Intraday Price,OI & Volume (03/08/2012)

On friday fall in Nifty (0.23 %) was registered with rise in Nifty August 12 futures open position (16.99 %) and rise in Nifty spot intraday volume (19.53 %).

Nifty fall with rise in OI and volume suggesting that the downtrend is secure and that the trend may continue for a period of time.

Current fall of 0.23 % in Nifty was due to fresh short builds up in Nifty August 12 series.

On friday long builds up in stocks future continued. Along with it, quite low levels of short covering was observed. Continuation of fresh long builds up along with short covering will force Nifty to continue to trade above 5200 levels on monday also. Very high amount of fresh short build up along with quite good amount of long liquidation was also observed today, if, continued may continue to restrict up move above 5250 levels on intraday.

Stocks Corner

Fresh Long

| | | | | |
|------------------|------------|------------|------------|----------------------|
| ONMOBILE | OFSS | TECHM | MRF | BALRAMCHIN |
| BAJAJHIND | RENUKA | TATACOFFEE | | ASIANPAINT BATAINDIA |
| WIPRO | S&P500 | INDIAINFO | DJIA | NTPC PNB |
| DRREDDY | MTNL | GAIL | MCDOWELL-N | PIRHEALTH |
| RANBAXY | JISLJALEQS | ONGC | CAIRN | YESBANK COLPAL |
| HINDPETRO | IVRCLINFRA | BIOCON | ARVIND | DIVISLAB |
| APOLLOTYRE | | JETAIRWAYS | | BHEL UCOSBANK |
| SUNPHARMAJINDALS | SAW | CNXT | UNITECH | GMDCLTD CNXPSE |
| INFY | MPHASIS | PETRONET | TTML | VIJAYABANK |

Long Liquidation

| | | | | |
|------------|------------|------------|-------------|-----------------------|
| IGL | CENTURYTEX | MAX | HAVELLS | CENTRALBK |
| ULTRACEMCO | | HEROMOTOCO | SRTRANSFIN | COREEDUTECH |
| NMDC | DLF | JSWSTEEL | OPTOCIRCUIT | MARUTI BHUSANSTL |
| HCLTECH | CUMMINSIND | EXIDEIND | VIDEOIND | GLAXO |
| ACC | GESHIP | TATAPOWER | IDEA | HINDZINC PTC |
| ITC | CHAMBLFERT | | FORTIS | BAJAJ-AUTO ADANIPOWER |
| TVSMOTOR | ANDHRABANK | | CANBK | INDUSINDBK ESSAROIL |
| HEXWARE | ASHOKLEY | ABB | RELINFRA | IRB APIL |
| KOTAKBANK | | JSWISPAT | POLARIS | JSWENERGY M&M BEL |
| SCI | TTKPRESTIG | FEDERALBNK | | BAJAJHLDNG |
| LUPIN | INDIANB | SESAGOA | LITL | VOLTAS UNIONBANK |
| BELM | DELTACORP | BHARATFORG | | JINDALSTEL SAIL |
| HCC | BRFL | PFC | RECLTD | |

Short Covering

| | | | | | |
|------------|----------|------------|------------|-----------|-----------|
| INDIACEM | JUBLFOOD | RUCHISOYA | FINANTECH | HDFCBANK | DABUR |
| AUROPHARMA | | HINDOILEXP | TATAGLOBAL | | BOSCHLTD |
| TITAN | HDFC | SIEMENS | RELIANCE | TCS | ALOKTEXT |
| TATACOMM | ABAN | ABGSHIP | CIPLA | GODREJIND | POWERGRID |
| INDHOTEL | NHPC | | | | |

Fresh Short

| | | | | | |
|------------|------------|------------|------------|------------|------------|
| ADANIPTS | | ORCHIDCHEM | | JPOWER | SUNTV |
| NIFTY | GRASIM | CESC | PUNJLLOYD | SBIN | TATACHEM |
| GSPL | DCB | SOBHA | HINDUNILVR | | CNINFRA |
| NFTYMCAP50 | | IOB | BPL | DENABANK | IDBI |
| UNIPOS | GUJFLUORO | IOC | RCOM | IFCI | BHARTIARTL |
| BFUTILITE | BANKNIFTY | LT | ALBK | BGREENERGY | AMBUJACEM |
| RAYMOND | COALINDIA | TATAMOTORS | | NAGAROIL | SOUTHBANK |
| CROMPGREAV | | ROLTA | KTKBANK | BANKBARODA | |
| BOMDYEING | HDIL | MCLEODRUSS | | PATELENG | WELCORP |
| LICHSGFIN | ABIRLANUVO | | AXISBANK | OIL | GMRINFRA |
| ORIENTBANK | | SYNDIBANK | EDUCOMP | VIPIND | SINTEX |
| ICICBANK | HINDALCO | ESCORTS | RELCAPITAL | | STRTECH |
| JPASSOCIAT | TATASTEEL | IDFC | PRAJIND | DISHTV | STER |
| NCC | BANKINDIA | SKUMARSYNF | | ZEEL | RPOWER |
| TATAMTRDVR | | GVKPIL | SUZLON | IBREALEST | MRPL |
| ADANIEMT | PANTALOONR | | SREINFRA | | |

Performance Corner

Daily Calls Monitor

Buy BankNifty Aug 12 future @ 10270/10290 sl 10210 tgt 10370/10450; book full profit in bank nifty intra buy @ 10410/10420
Buy Nifty Aug 12 future @ 5190/5196 sl 5177 tgt 5210/5227; revise tgt of nifty to 5244 with trailing sl to cost; book full profit in nifty intra buy @ 5245/5250 (future)

Buy Sun TV @ 277 sl 275 tgt 281; sl triggered in suntv intra buy call
Buy Jublfood @ 1120/1125 sl 1110 tgt 1140/1150; book full profit in jublfood intra buy @ 1135/1139
Buy TechM @ 756/758 sl 751 tgt 765/769; 2nd tgt achieved
Buy Jet Airways @ 377/379 sl 374 tgt 385/389; sl triggered in jet intra buy call
Buy Cox&King @ 138/139 sl 136.70 tgt 141/142.70; 2nd tgt
Buy MCDowell @ 840/845 sl 832 tgt 854/867; book full profit in Mcdowell intra buy @ 866/870
Buy DrReddy @ 1666/1672 sl 1653 tgt 1687/1699
Buy Maruti @ 1111/1114 sl 1102 tgt 1125/1132
Buy SBI @ 1977/1983 sl 1967 tgt 1995/2010; revise tgt of sbi to 2027 with trailing sl to cost; book full profit in sbi intra buy @ 2007/2013
Buy Reliance @ 733/736 sl 729 tgt 743/747; book full profit in reliance intra buy @ 745/748
Buy Axis Bank @ 1040 sl 1030 tgt 1055
Buy BajajAuto @ 1610/1615 sl 1599 tgt 1530/1645
Buy PNB @ 734/737 sl 726 tgt 750/762; book full profit in PNB intra buy @ 742/745
Buy DLF @ 207/206 sl 204 tgt 209/211
Buy JSWSteel @ 690 sl 684 tgt 697/704; book full profit in JSWsteel intra buy @ 700
exit from intra buy in Axis bank (1040); DLF (207); BajajAuto (1612); DrReddy (1677); Maruti (1122)

Buy USDINR Aug 12 future @ 56.4350/56.4550 sl 56.3450 tgt 55.5950/56.6450; sl triggered in USDINR intra buy call
Buy EURINR Aug 12 68.6850/68.7050 sl 68.5700 tgt 68.8250/68.9000; exit from EURINR intra buy call @ 68.6250
Short USDINR Aug 12 future @ 56.3100/56.3300 sl 56.4150 tgt 56.1750/56.0950; revise tgt to 55.9950 with trailing sl to cost in USDINR intra short call; may trail sl to 56.1150 in USDINR intra short for next tgt of 55.9175;
Short GBPINR Aug 12 future @ 87.3350/87.3550 sl 87.4450 tgt 87.2150/87.1450
Short JPYINR Aug 12 future @ 71.8750/71.9050 sl 72.0550 tgt 71.7150/71.5950; book full profit in JPYINR intra short @ 68.6150/68.5950
Short EURINR Aug 12 future @ 68.5950/68.6150 sl 68.7150 tgt 68.4950/68.3950; sl triggered in EURINR intra short call

Buy Crude Aug 12 future @ 4950/4957 sl 4934 tgt 4984/4997; revise sl to cost for next tgt of 5020/5045 in crude intra buy
Buy Copper Aug 12 future @ 411.00/411.50 sl 409.50 tgt 413.50/416.70; trail sl to cost in copper intra buy for next tgt of 416.70/418.50
Buy Natural Gas Aug 12 future @ 163/163.50 sl 161.50 tgt 165/167
Buy Silver Sep 12 future @ 52900/52800 sl 52400 tgt 53500/53750

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