

Daily Nifty Observer

Issue - 661

May 16, 2012

Nifty Outlook

.....nifty may move towards 4995 levels on wednesday.....

Spot Nifty Daily Chart Analysis



Spot Nifty closed at 4942.80 up 0.71 % after up trending trading session with rise in volume which was above its 20 period SMA. It made a high of 4955.20 and low of 4868.55 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 wednesday, breach of 4950 levels will increase the probability of short term trend reversal which will initiate above 4995 levels. Below 4950 levels, 4890/4810 will 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 94.12 levels & traded above its 9 period EMA for whole of the trading session and managed to close above it. On Tuesday it may try to come below its 9 period EMA levels allowing Nifty to trade above 4890 levels.

Nifty tested 4890 levels but sustained above it, however closed below 4950 levels today. On wednesday, 4910/4890 levels will act as support for intraday with immediate resistance at 4950 levels. If sustained above 4950 levels, it will force Nifty towards 4990/5020 levels.

240 Minute Chart Analysis



Today was 25th 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 2 days closing below 2nd speed line Nifty today closed above 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 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 (15/05/2012)

On tuesday rise in Nifty (0.71%) was registered with rise in Nifty May 12 futures open position (13.64%) and rise in Nifty spot intraday volume (15.20%).

Nifty rise with rise in OI and in volume suggesting that the market is attracting larger numbers of trader willing to open positions from the long side and hold them. Traders are more confident that prices will continue to climb up. This scenario indicates for a bullish movement to continue. Current rise of 0.71 % in Nifty was due to fresh long build up in Nifty May 12 series.

For wednesday also, 4950 levels will act as a crucial resistance levels. Closing above 4950 levels will only ensure continuation of consolidation around 5000 levels, else Nifty will slide towards 4810/4777 levels in days to come.

Support

4910/4890/4870

Resistance

4950/4970/4995

Market Strength Indicators

14 days RSI - Up by 4.49 points at 32.31 levels

14 days SchRSI - Up by 26.67 points at 26.67 levels

Stochastic - Up by 10.19 points at 20.53 levels

TSI - Down by 1.2 points

Market Intensity Indicator

NFP - At discount of 0.55 from discount of 19.55 earlier

Advance - 795

Decline - 652

Volatility - Unchanged at 0.15 levels from previous

Moving Average Indicator

20 days SMA - 5136.69

50 days SMA - 5226.11

200 days SMA - 5095.56

Bollinger Band - Around Lower Band

Other Indicators

FII's Spot - Negative

DII's Spot - Negative

F&O - Negative

Stocks Corner

Fresh Long

INDIAINFO	HCC	MCDOWELL-N	JSWENERGY	NMDC
ROLTA	DELTACORP	SESAGOA	CENTURYTEX	NAGAROIL
WELCORP	CHAMBLFERT		HDIL	GVKPIL
CUMMINSIND	MRPL	LICHSGFIN	STRTECH	DENABANK
APOLLOTYRE	STER	INFY	SUZLON	CESC
SUNPHARMAIGL	ABAN	HEROMOTOCO		JPOWER
HINDOILEXP	GODREJIND	DLF	JSWISPAT	TATASTEEL
PUNJLLOYD	PATELENG	INDIACEM	HINDALCO	RPOWER
PTC	IDEA	TATACOFFEE	RENUKA	JPASSOCIAT
BPCL	VOLTAS	LITL	JINDALSTEL	SAIL
RELCAPITAL		VIJAYABANK		DIVISLAB
ULTRACEMCO		RELINFRA	CNXIT	BAJAJHIND
SOUTHBANK	RCOM	CNXINFRA	TECHM	SIEMENS
BAJAJ-AUTO	SINTEX	CIPLA	MCLEODRUSS	
BANKBARODA		ARVIND	FORTIS	IOC
TATAPOWER		PATNI	NFTYMCAP50	
BANKNIFTY	VIDEOIND	KOTAKBANK		SYNDIBANK
CENTRALBK	BAJAJHLDNG		MAX	SREINFRA
WIPRO	TVSMOTOR	ACC	HDFC	COREEDUTEC
TTML				

Long Liquidation

RUCHISOYA	GSPL	ADANIPOORTS	BATAINDIA	CROMPGREAV
BHEL	JISLJALEQS	ORIENTBANK	POLARIS	COALINDIA
LUPIN	ABB	BHARATFORG	GMDCLTD	OFSS
GAIL	HINDZINC	PIRHEALTH	ADANIEMT	JINDALSAW
DABUR	MPHASIS	NTPC		BEL

Short Covering

BOMDYEING	LT	FINANTECH	JSWSTEEL	IFCI	PRAJIND
CAIRN	ONMOBILE	IVRCLINFRA	PFC	IRB	
AUROPHARMA		GMRINFRA	SKUMARSYNF		TTKPRESTIG
MRF	TATAMTRDVR		ADANIPOWER		INDIANB
BELM	UCOBANK	IDBI	EDUCOMP	SCI	ICICIBANK
ALOKTEXT	SOBHA	TATAGLOBAL			ANDHRABANK
POWERGRID	INDHOTEL	MTNL	IOB		OPTOCIRCUESCORTS
BANKINDIA	GRASIM	SBIN	COLPAL	PNB	ALBK
RANBAXY	FEDERALBNK		HCLTECH	ESSAROIL	APIL
BHUSANSTL	NIIPC	BALRAMCHIN			AMBUJACEM
RELIANCE	TCS	JUBLFOOD			

Fresh Short

TATAMOTORS	CNPXSE	BOSCHLTD	SUNTV	RECLTD
HDFCBANK	BFUTILITIE	M&M	HINDUNILVR	AXISBANK
SRTRANSFIN	DISHTY	YESBANK	HINDPETRO	DRREDDY
GESHIP	TATACHEM	ASHOKLEY	ONGC	ZEEL
PETRONET	CANBK	BHARTIARTL		GLAXO
UNITECH	ABGSHIP	KTKBANK	ITC	IDFC
INDUSINDBK	BIOCON	BRFL	HAVELLS	EXIDEIND
PANTALOONR		MARUTI	ABIRLANUVO	
UNIPIOS	ORCHIDCHEM			JETAIRWAYS

Performance Corner

Daily Calls Monitor

Buy BPCL @ 717/719 sl 7111 tgt 727; tgt achieved
Buy Heromotoco @ 1850/1858 sl 1830 tgt 1897; tgt achieved
Buy LT 1203/1207 sl 1187 tgt 1227/1240
Buy Nifty May 12 future @ 4897/4905 (spot) sl 4877 tgt 4934/4949
Buy DLF @ 182/183 sl 179 tgt 186/189
Buy Orchidchem @ 125 sl 123 tgt 129/134; sl triggered in orchid intraday buy call
Buy SBI @ 1855/1860 sl 1840 tgt 1897
Buy Jubilantfood @ 1132/1138 sl 1119 tgt 1164/1187
Buy Tata Steel @ 410/412 sl 407 tgt 415/419
Buy Nifty may 12 future again @ 4930/4937 (spot) sl 4915 tgt 4949/4959; 2nd tgt of earlier intraday buy call in nifty achieved

Swing Call :- Buy on dips Gold Bees (CMP - 2690) till 2670 strict sl 2639 tgt 2744/2790 (time frame 7-12 weeks)

BTST - Maruti (CMP - 1224) sl 1202 tgt 1257/1270

Buy Silver July 12 future @ 52850/52950 sl 52490 tgt 53700/54100
Buy Copper June 12 future @ 423 sl 421 tgt 427; sl triggered in copper intraday buy call
Buy Crude May 12 future @ 5090/5084 sl 5069 tgt 5121/5134; 2nd tgt Alert - Trade with strict sl on every intraday trading calls
May Buy Crude May 12 future again @ 5115/5120 sl 5097 tgt 5145/5167; 2nd tgt of earlier intraday buy call achieved
May buy copper June 12 future again @ 421.50/422.00 sl 420.50 tgt 423.50/425.20; sl of earlier intraday buy call triggered in copper

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 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.