

# Daily Nifty Observer

Issue - 664

May 21, 2012

## Nifty Outlook

.....probability to trade above 4900 levels on monday is strong with 4840 levels as intraday support.....

## Support

4870/4840/4810

## Resistance

4910/4934/4950

## Market Strength Indicators

14 days RSI - Up by 2.70 points at 32.01 levels

14 days Schotestic RSI - Up by 12.43 points at 19.33 levels

Stochastic - Up by 5.66 points at 30.77 levels

TSI - Down by 0.51 points

## Market Intensity Indicator

NFP - At discount of 2.5 from discount of 17.9 earlier

Advance - 648

Decline - 800

Volatility - Down by 0.01 points at 0.16 levels from previous

## Moving Average Indicator

20 days SMA - 5071.52

50 days SMA - 5201.26

200 days SMA - 5085.61

Bollinger Band - Around Lower Band

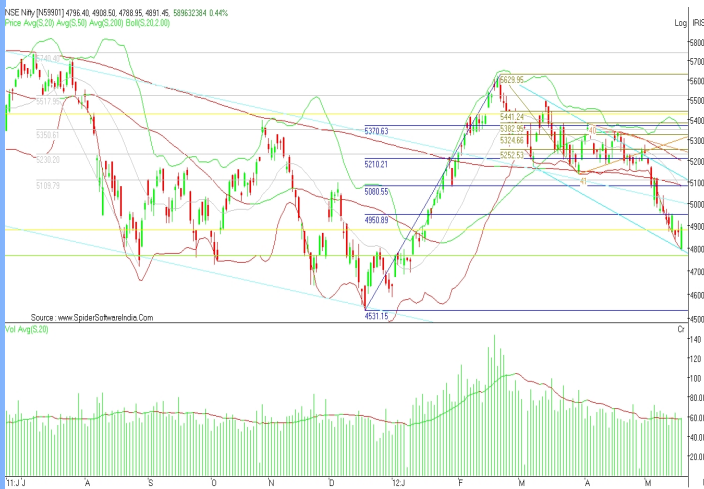
## Other Indicators

FII's Spot - Negative

DII's Spot - Positive

F&O - Positive

## Spot Nifty Daily Chart Analysis



Spot Nifty closed at 4891.45 up 0.44 % after volatile but up trading session with rise in volume which was below its 20 period SMA. It made a high of 4908.50 and low of 4788.95 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 monday, 4934/4950 levels will give some resistance, sustainability above which will increase the probability of short term trend reversal which will initiate above 4970 levels. Below 4900 levels, 4840/4777 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 100 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 across its 9 period EMA levels allowing Nifty to trade above 4840/4820 levels.

With gap down opening Nifty tested 4800 levels but in rest of trading hours, the gap was filled. On monday, above 4910 levels Nifty to face resistance at 4934/4950 zone with 4840 as intraday support. Probability of further short covering before May 12 future expiry is high due to which Nifty may move towards and above 5000 levels.

## 240 Minute Chart Analysis



Today was 27th 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 is unable to sustain above it and is closing below it today also. 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 (18/05/2012)

On Friday rise in Nifty (0.43 %) was registered with fall in Nifty May 12 futures open position (0.49 %) and rise in Nifty spot intraday volume (1.64 %).

Nifty rise with fall in OI and rise in volume suggesting that the market has a lot of traders initiating from both sides but larger traders may be liquidating into the higher prices. The market may be vulnerable to larger price swings as shorter-timeframe traders attempt to trade from both sides of the market but liquidating before end-of-day. Often signals of a market turn near-term or continued volatility. More common at significant tops (or bottoms). Current rise of 0.43 % in Nifty was due to short covering in Nifty May 12 series.

**For monday, 4840 levels will act as a crucial support levels. Sustainability above 4840 levels on intraday only will force Nifty to move towards 4950 levels or above.**

## Stocks Corner

### Fresh Long

JETAIRWAYS	SBIN	SESAGO	WELCORP	BATAINDIA
APIL	PRAJIND	GRASIM	CROMPGREAV	GESHIP
ABAN	DCB	STER	BAJAJHIND	ICICIBANK
IFCI	GMDCLTD	SYNDIBANK	JSWISPAT	NTPC
VIJAYABANK	KTKBANK	ROLTA	ADANIENT	IOB
DABUR	SUNTV	FEDERALBNK	DENABANK	BRFL
ANDHRABANK	BALRAMCHIN		GVKPIL	M&M
RAYMOND	TECHM	INFY	SUZLON	HINDUNILVR
MTNL	SOUTHBANK	ARVIND	BHARATFORG	ASHOKLEY
POWERGRID	FORTIS	PNB	BOSCHLTD	HINDOILEXPINDIANB
GSPL	ASIANPAINT	MAX	INDUSINDBK	SIEMENS

### Long Liquidation

CNXIT	HDIL	CANBK	BGREENERGYLT	CNXINFRA	SCI
ULTRACEMCO	RANBAXY	JPASSOCIAT	CAIRN	NFTYMCAP50	
HCLTECH	TTML	ESSAROIL	INDIAINFO	TITAN	PFC
GUJFLUORO	RELCAPITAL		JSWSTEEL	BIOCON	BANKBARODA
ABB	TVSMOTOR	COLPAL	TTKPRESTIGBHARTIARTL		
HINDALCO	TCS	ACC	VIDEOIND	ESCORTS	IGL
ZEEL	COALINDIA	IDEA	JPOWER	DISHTV	HAVELLS
PATELENG	EDUCOMP	CENTURYTEX		OIL	CHAMBLFERT
BPCL	HEROMOTOCO		TATACHEM	TATAGLOBAL	
TATACOMM	RECLTD	NCC	ADANIPORTS		MCLEODRUSS
SRTRANSFIN	SOBHA	IVRCLINFRA	UNIPHOS	BAJAJ-AUTO	MARUTI
BAJAJHLTD		TATAMOTORS			

### Short Covering

PANTALOONR	YESBANK	JINDALSAW	IDFC	MRPL
SKUMARSYNF	SAIL	NMDC	BANKINDIA	ITC
DELTACORP	MCDOWELL-N		DIVISLAB	JINDALSTEL
AUROPHARMA	IDBI	VIPIND	SINTEX	KOTAKBANK
OPTOCIRCUIT	ORIENTBANK		ADANIPOWER	
ABIRLANUVO	ORCHIDCHEM		UNIONBANK	INDHOTEL
ONGC	IOC	APOLLOTYRE	PTC	FINANTECH
CIPLA	JUBLFOOD	NHPC	DLF	JSWENERGY
RELIANCE	MRF	HINDPETRO	NIFTY	GODREJIND
CUMMINSIND		HEXAWARE	POLARIS	ALBK
IRB	SUNPHARMA	AABGSHIP	ALOKTEXT	UNITECH
BOMDYEING	WIPRO	BFUTILITE	PUNJLLOYD	HDFC

### Fresh Short

TATAPOWER	CENTRALBK	LICHSGFIN	CESC	PATNI
HINDZINC	RELINFRA	DRREDDY	AXISBANK	BHUSANSTL
HCC	COREEDUTECH		TATACOFFEE	RCOM
RPOWER	GLAXO	LITL	EXIDEIND	SREINFRA
IBREALEST	MPHASIS	TATASTEEL	GMRINFRA	LUPIN
OFSS	BHEL	ONMOBILE	INDIACEM	NAGAROIL
TATAMTRDVR		JISLJALEQS	AMBUJACEM	STRTECH
PIRHEALTH	BEL	BEML		

## Performance Corner

### Daily Calls Monitor

Buy Nifty May 12 future @ 4810/4820 sl 4784 tgt 4844/4870  
Buy SBI @ 1865/1872 sl 1840 tgt 1890/1920  
Buy HeroMotoco @ 1870/1860 sl 1840 tgt 1910/1940  
Buy M&M @ 630 sl 624 tgt 637  
Buy Bank Nifty May 12 future @ 9000/9010 sl 8890 tgt 9170/9250  
Buy ICICI Bank @ 780 sl 762 tgt 790/799 - correction - sl for ICICI Bank is 772 and not 462  
Buy Reliance @ 683/685 sl 677 tgt 692/697  
Buy Jublfood @ 1120/1128 sl 1105 tgt 1155/1177  
May Buy SBI again @ 1880/1890 sl 1850 tgt 1935/1954; 2nd tgt of earlier intraday buy call achieved  
Buy DLF @ 186.50 sl 183.90 tgt 189/192  
Buy Tata Steel @ 391 sl 387 tgt 397/405  
Buy LT @ 1150 sl 1135 tgt 1180/1190  
Buy Nifty may 12 future again @ 4870/4880 sl 4845 tgt 4920/4955; 2nd tgt of earlier intraday buy call achieved  
Buy JSW Steel @ 605/608 sl 597 tgt 615/622

Buy Copper June 12 future @ 422.30/422.70 sl 420.70 tgt 424.40/427.10  
Buy Gold 28640/28660 sl 28570 tgt 28770  
Buy Silver July 12 future @ 53550/52640 sl 52900 tgt 54100/54450; risky trader may hold intraday silver for 54790 levels  
Buy Gold June 12 future again @ 28850/28810 sl 28720 tgt 29110; tgt of earlier intraday buy call achieved  
Buy Crude May 12 future @ 5015/5021 sl 4997 tgt 5050/5070  
Buy Natural Gas May 12 future @ 146.00/146.50 sl 144.80 tgt 149

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