

Daily Nifty Observer

Issue - 668

May 25, 2012

Nifty Outlook

.....continuation of short covering expected to keep afloat Nifty above 4900 levels on friday.....

Support

4905/4880/4850

Resistance

4934/4950/4970

Market Strength Indicators

14 days RSI - Up by 10.54 points at 40.09 levels

14 days SchRSI - Up by 85.16 points at 100.00 levels

Stochastic - Up by 2.95 points at 49.92 levels

TSI - Up by 2.34 points

Market Intensity Indicator

NFP - At discount of 8.3 from discount of 21.1 earlier

Advance - 895

Decline - 527

Volatility - Up by 0.04 points at 0.16 levels from previous

Moving Average Indicator

20 days SMA - 5006.99

50 days SMA - 5164.88

200 days SMA - 5073.93

Bollinger Band - Moving towards Middle Band from Below

Other Indicators

FII's Spot - Negative

DII's Spot - Positive

F&O - Positive

Spot Nifty Daily Chart Analysis



Spot Nifty closed at 4921.40 up 1.77 % after up trending trading session with rise in volume which was below its 20 period SMA. It made a high of 4931.90 and low of 4830.15 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 4840/4050 levels will provide strong support to Nifty below immediate support of 4905 levels. Above 4900 levels Nifty will find resistance at 4934/4950 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 100.00 levels & traded above its 9 period EMA for whole of the trading session and managed to close above it. On friday it may try to trade above its 9 period EMA levels allowing Nifty to trade above 4840/4850 levels.

Short Covering along with fresh long build up provided support to Nifty in the range of 4840/4810 zone on intraday and forced to close above 4900 levels. For friday Nifty likely to get strong support at 4840/4850 levels below 4905 levels. Further fresh long build up with ongoing short covering will only keep Nifty afloat above 4900 levels on intraday.

240 Minute Chart Analysis



Today was 31st 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.

Nifty closed above its 3rd speed line 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 (24/05/2012)

On thursday rise in Nifty (1.77 %) was registered with rise in Nifty May 12 futures open position (4.91%) and rise in Nifty spot intraday volume (5.63%).

Nifty rise with rise in OI and 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 1.77 % in Nifty was due to fresh long build in Nifty May 12 series.

For friday, 4840 levels will give strong support to Nifty. With short covering and subsequent fresh long build up in May 12 future will only keep afloat nifty above 4900 levels, else it may move towards 4800 levels again.

Stocks Corner

Fresh Long

TECHM	PANTALOONR	AUROPHARMA	POLARIS
ONGC	GUJFLUORO	APOLLOTYRE	RANBAXY
WELCORP	IDFC	BANKBARODA	SREINFRA
STRTECH	RELINFRA	RPOWER	SKUMARSYNF
FORTIS	ICICIBANK	CHAMBLFERT	SINTEX
MTNL	JINDALSTEL	HINDALCO	BOMDYEING MRF
PETRONET	BANKNIFTY	BGREENERGYKOTAKBANK	YESBANK
KTKBANK	ACC	RCOM	MRPL
TATAMOTORS	TATACOMM	ASIANPAINT	DRREDDY
WIPRO	CNXINFRA	NIFTY	PUNJLLOYD
DENABANK	CNXNSE	ESSAROIL	HDIL
UNITECH	INFY	BHUSANSTL	DELTA CORP
ARVIND	M&M	IDBI	RELIANCE
BAJAJHLDNG		SCI	BATAINDIA
MPHASIS	ASHOKLEY	PTC	NFTYMCAP50
CNXIT	VIPIND	LITL	HCC
SESAGOA	PATELENG	TATASTEEL	BPCL
MCDOWELL-N		RAYMOND	TATACOFFEE
ULTRACEMCO		ESCORTS	BOSCHLTD
COREEDUTEC		INDHOTEL	TATACHEM

Long Liquidation

GAIL	CIPLA	SUZLON	SUNPHARMADIVISLAB	CESC
BHEL	TTKPRESTIGHEROMOTOCO		JETAIRWAYS	
HINDUNILVR	OFSS	GMRINFRA	MARUTI	INDIACEM
LUPIN	NMDC	SOBHA	OPTOCIRCUI	

Short Covering

BHARTIARTL	IDEA	IDFC	JSWISPAT
CENTURYTEX	HEXAWARE	IOB	ANDHRABANK
ORCHIDCHEM	BALRAMCHIN		EXIDEIND
HDFCBANK	CENTRALBK	MCLEODRUSS	SYNDIBANK
VIJAYABANK		IVRCLINFRA	APIL
TTML	LICHSGFIN	DCB	JSWENERGY
ADANIPOWER		IRB	POWERGRID
TATAGLOBAL		TATAMTRDVR	
VIDEOIND	BEL	HAVELLS	STER
BRFL	RECLTD	TITAN	CANBK
IBREALEST	ROLTA	JPPOWER	GLAXO
IIT	BIOCON	GESHIP	SBIN
INDUSINDBK	NHPC	HINDZINC	SAIL
ZEEL	JUBLFOOD	COALINDIA	INDIAINFO
DABUR	ABGSHIP	ABB	GMDCLTD

Fresh Short

COLPAL	JINDALSAW	SUNTV	JISLJALEQS	TCS	BEML
VOLTAS	CAIRN	INDIANB	JPASSOCIAT	IOC	HINDPETRO
UNIPIHOS	NCC	RENUKA	BHARATFORG		EDUCOMP
ALBK	CROMPGREAV				IGL

Performance Corner

Daily Calls Monitor

[Buy Coal India @ 306/307 sl 304 tgt 311/313](#)
[Buy Nifty May 12 future @ 4857/4864 \(spot\) sl 4829 tgt 4890/4910](#)
[Buy Axis Bank @ 978/982 sl 973 tgt 990/999](#)
[Buy JSWSteel @ 583/585 sl 578 tgt 590/597](#)
[Buy Tata Steel @ 399/401 sl 394 tgt 407/412](#)
[Buy ICICI Bank @ 807/810 sl 797 tgt 817/827](#)
[Buy HDFC Bank @ 497/500 sl 493 tgt 510](#)
[Buy Tata Motors 260/261 sl 258.50 tgt 263/265](#)
[Buy Kotak Bank @ 537/539 sl 533 tgt 545/549](#)

[Buy Copper June 12 future @ 425.50/426.00 sl 424.70 tgt 427.70/429.00](#)

[Buy Crude June 12 future 5090/5097 sl 5079 tgt 5120/5139](#)

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