

Daily Nifty Observer

Issue - 569

December 19, 2011

Nifty Outlook

..... 4720 levels will be an important resistance levels to watch for intraday

Support

5610/4590/4570

Resistance

4670/4690/4720

Market Strength Indicators

14 days RSI - Down by 4.21 points at 34.85 levels

14 days SchRSI - Down by 33.32 points at 0.00 levels

Stochastic -Down by 3.75 points at 15.42 levels

TSI - Down by 2.54 points

Market Intensity Indicator

NFP - At discount of 8.45 from premium of 11.05 earlier

Advance - 334

Decline - 1150

Volatility - Down by 0.02 at 0.24 levels from previous

PC Ratio - Down by 0.05 points at 0.91 levels from previous

Moving Average Indicator

20 days SMA- 4839.17

50 days SMA - 4997.02

200 days SMA - 5316.96

Bollinger Band - Around Lower Band

Other Indicators

Gold - Positive

Crude - Positive

FII's Spot - Negative

DII's Spot - Positive

F&O - Negative

Global Indices

Asian - Down

Europe - Mixed

US - Mixed

Spot Nifty Daily Chart Analysis



Spot Nifty closed at 4752.50 down by 1.99 % after down trending trading session with rise in volume which was above its 20 period SMA. It made a high of 4818.85 and low of 4628.20 levels in intraday.

Nifty is trading below its 20 period, below its 50 periods and below its 200 periods SMA. Long term trend is bearish as Nifty is trading below its 200 days SMA.

Momentum oscillator is indicating that Nifty is in its over sold zone on intraday chart.

On daily chart 4720 is an important levels to watch, above it may find stiff resistance around 4840 levels. Sustainability below 4720 levels Nifty may move towards 4500 levels or even lower.

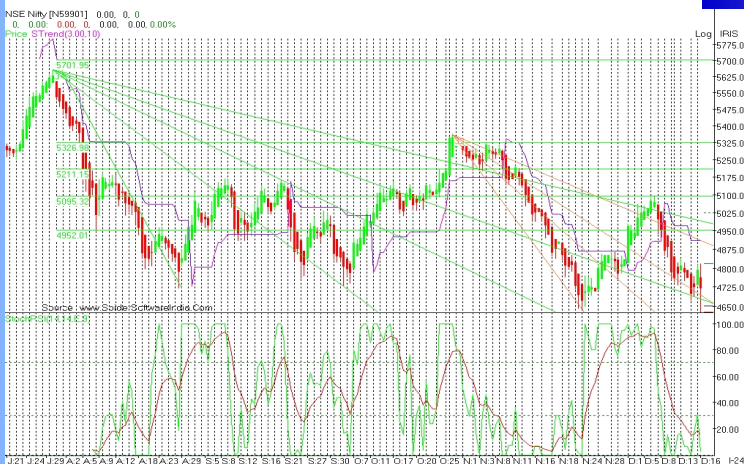
60 Minute Chart Analysis



14 days Schotestic RSI (60 minutes chart) closed at 21.41 levels & traded across its 9 period EMA for whole of the trading session and also managed to close below it. Today it may try to trade below its 9 period EMA levels allowing Nifty to trade below 4720 levels.

Sustainability below 4800 levels will allow Nifty to move towards 4500 levels or even below.

240 Minute Chart Analysis



Super Trend in 240 minute chart Nifty is moving in its bear phase. **Nifty for first time in 2011 breached the important support of 4650 levels and if next few Heikin Candles will be below these levels then 4720/4840 will act as important resistance levels in days to come.**

Today Nifty breached and sustained below 3rd speed line. Sustainability below this in next few 240 minutes candles is essential, for nifty to move towards 4500 levels or even below. Speed line was drawn from high of 5657.90 (30/60/11) and low of 4728.30 (04/10/11).

Nifty may find strong resistance around 4720/4690 levels in next few 240 minutes candle.

Sustainability below 4840/4920 levels in coming few trading sessions will be necessary and sufficient condition for Nifty to test 4500/4400 levels.

Note on intraday Price,OI & Volume

On Thursday fall in Nifty (1.99 %) was registered with rise in Nifty December 11 futures open position (5.63 %) and rise in Nifty spot intraday volume (9.69 %).

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 1.99 % in Nifty was due to fresh short build up in Nifty December 11 series.

Nifty December 11 future trade below 4720 levels on intraday. 4840 levels will act as a strong resistance levels in days to come.

Stocks Corner

Fresh Long

BRFL	INDIAINFO	DIVISLAB	VIDEOIND	DRREDDY	SOBHA
RUCHISOYA	BAJAJHLDNG		NEYVELIGIRB		CIPLA
JSWISPAT	TTKPRESTIGS&P500		INFY	PATNI	ADANIEMT

Long Liquidation

MARUTI	TATAMOTORS		OIL	NHPC	ONGC
ABGSHIP	RANBAXY	EXIDEIND	OFSS	PETRONET	INDIANB
HINDUNILVR		IOC	HOTELEELA	FORTIS	SRTRANSFIN
WIPRO	KSOILS	ABIRLANUVO		ULTRACEMCO	
MPHASIS	LUPIN	BHARATFORG		TITAN	IGL
CAIRN	TULIP	POWERGRID	SESAGOA	HEXAWARE	RPOWER
HEROMOTOCO		HDFC	BEL	SUNPHARMACOLPAL	
GITANJALI	INDHOTEL	TECHM	ITC	NATIONALUM	
PANTALOONR		GMDCLTD	TATAPOWER		ROLTA
AUROPHARMA		TATACHEM	RELINFRA	ASIANPAINT	TATASTEEL
SIEMENS	ESCORTS	BATAINDIA	IFCI	INDIACEM	PUNJLLOYD
PATELENG	JINDALSWHL		SUNTV	COALINDIA	NMDC
JUBLFOOD	CROMPGREAV		AREVAT&D	RELIANCE	DISHTV
RCOM	MRPL	STRTECH	GUJFLUORO	WELCORP	GODREJIND
KFA	IBREALEST	PTC	CHAMBLFERT		BFUTILITIE
JISLJALEQS	ORCHIDCHEM		SUZLON	BIOCON	3INFOTECH

Short Covering

GAIL	ABAN	UNIPHOS	BALRAMCHIN	GSPL
MCLEODRUSS		GRASIM		

Fresh Short

DJIA	BHARTIARTL		HINDZINC	BAJAJ-AUTO	BHUSANSTL
FINANTECH	HCLTECH	FEDERALBNK		CANBK	MUNDRAPORT
BPCL	AMBUJACEM		KOTAKBANK		CUMMINSIND
MRF	M&M	TATAMTRDVR		CNXIT	ONMOBILE
OPTOCIRCUIT	TATACOMM	ACC	HINDALCO	JPOWER	ZEEL
GMRINFRA	POLARIS	LICHSGFIN	INDUSINDBK	PIRHEALTH	IDEA
VIJAYABANK		TTML	HDIL	ORIENTBANK	
GLAXO	CESC	JINDALSTEL	DHANBANK	NIFTY	MAX
HAVELLS	APIL	BANKBARODA		DABUR	ABB
MTNL	CENTRALBK	BOSCHLTD	COREEDUTEC		NFTYMCAP50
BEML	BANKINDIA	JSWENERGY	RECLTD	ANDHRABANK	
JINDALSAW	SYNDIBANK	IDBI	ALOKTEXT	TCS	DENABANK
SAIL	IDFC	ASHOKLEY	PRAJIND	ALBK	BANKNIFTY
ICICIBANK	NTPC	CENTURYTEX		SBIN	RAYMOND
BHEL	ADANIPOWER		SOUTHBANK	SCI	TVSMOTOR
HDFCBANK	TATAGLOBAL		JPASSOCIAT	DLF	VOLTAS
APOLLOTYRE		SREINFRA	NCC	YESBANK	BOMDYEING
GVKPHL	STER	MCDOWELL-N		PNB	UCOBANK
AXISBANK	BAJAJHIND	DCB	UNIONBANK	JSWSTEEL	HCC
EKC	VIPIND	RELCAPITAL		KTKBANK	GESHIP
MLL	HINDOILEXP	PSL	JETAIRWAYS		HINDPETRO
UNITECH	TRIVENI	SINTEX	RENUKA	EDUCOMP	DCHL
DELTACORP	GTOFFSHORE		SKUMARSYNF		ARVIND
BGREENERGY	MOSERBAER	IVRCLINFRA	LITL	ESSAROIL	

Performance Corner

Daily Calls Monitor

Buy Reliance @ 757/759 sl 751 tgt 767/774; sl triggered in reliance intraday buy call

Buy Nifty Dec 11 future @ 4795/4805 (spot) sl 4774 tgt 4830/4845; sl triggered in Nifty intraday buy call

Short Rel Cap Dec 11 future @ 259 (spot) sl 262 tgt 257/256; 2nd tgt achieved in rel cap intraday short call

Short SBI Dec 11 future @ 1729 (spot) sl 1741 tgt 1717; tgt achieved

Short Bhushan Steel Dec 11 future @ 305 (spot) sl 309 tgt 301; book full profit in bhushan steel intraday short call

(CMP - 304)

Short ICICI Bank Dec 11 future @ 693/695 (spot) sl 705 tgt 683; tgt achieved in ICICI intraday short call

Short Tata Motors Dec 11 future @ 176.50 (spot) sl 178.50 tgt 173.50; tgt achieved in Tata Motors intraday short call

Short M&M Dec 11 future @ 675 (spot) sl 682 tgt 667; tgt achieved in M&M intraday short call

Buy Silver March 12 future @ 53300/53400 sl 52700 tgt 53900/54200

Buy Copper Feb 12 future @ 392.00/392.50 sl 389.00 tgt 394.50/395.70; may exit from copper intraday call (CMP- 392.50)

Buy Feb 12 Gold @ 27490/27520 sl 27420 tgt 27610/27670

Buy Crude Dec 11 future @ 4970/4977 sl 4955 tgt 4997/5007

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.