

Daily Nifty Observer

Issue - 706

July 23, 2012

Nifty Outlook

....5238 levels will be closely watched on monday, continuation of trading below it will increase probability for sustaining below 5200 levels

Support

5189/5173/5148

Resistance

5214/5230/5255

Market Strength Indicators

14 days RSI - Down by 4.5 points at 50.8 levels

14 days SchRSI - Down by 21.96 at 3.74 levels

Stochastic - Up by 17.46 points at 55.09 levels

TSI - Down by 1.9 points

Market Intensity Indicator

NFP - At premium of 11.5 from premium of 14.3 earlier

Advance - 542

Decline - 914

Volatility - Up by 0.01 points at 0.13 levels from previous

Moving Average Indicator

20 days SMA - 5238.11

50 days SMA - 5085.61

200 days SMA - 5099.45

Bollinger Band - Trading around Middle Band

Other Indicators

FII's Spot - Positive

DII's Spot - Negative

F&O - Positive

Spot Nifty Daily Chart Analysis



Spot Nifty closed at 5205.10 down 0.72 % after down trending trading session with fall in volume which was below its 20 period SMA. It made a high of 5238.70 and low of 5197.50 levels in intraday. Nifty closed below its 20 period, above its 50 periods and above its 200 periods SMA. Momentum oscillator is indicating that Nifty is trading around its over sold zone on intraday chart. **Nifty failed to sustain bull zone and again closed in bear zone today. Continuation of trading below its 20 period SMA will be short to mid term bear phase for Nifty.**

For monday, 5238 levels will give immediate resistance to Nifty, trading above it will only ensure for above 5257 levels else probability to breach 5200 levels again on intraday will increase. Closing above 5238 levels will only ensure for movement towards 5370 levels or above in days to come.

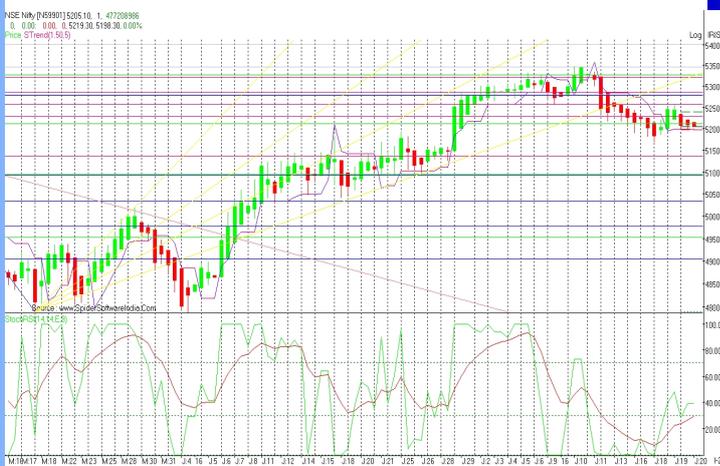
60 Minute Chart Analysis



14 days Schotestic RSI (60 minutes chart) closed at 0.00 levels & traded below its 9 period EMA for whole of the trading session and managed to close below it. On monday it may try to come above its 9 period EMA levels allowing Nifty to continue to consolidate above 5200 levels.

On friday nifty opened with gap on downside and consolidated around 5200 levels. However Nifty sustained above 5200 levels. For monday sustaining above 5200 levels will open for 5238 levels and above. Below 5200 levels 5190/5170 will give intraday support to nifty.

240 Minute Chart Analysis



After five days in bear zone Nifty since last two 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 7th 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 next few 240 minute Heikin candle if Nifty manages to close above 4th speed line then only probability to move towards 3rd speed line around 5450 levels will grow stronger with 5280/5320 levels as strong resistance zone. Else if Nifty breaks 4th speed line then it may move towards 5150 levels or below it in coming few 240 minutes candle whose probability seems to be low.

Note on Nifty Intraday Price,OI & Volume (20/07/2012)

On friday fall in Nifty (0.71 %) was registered with fall in Nifty July 12 futures open position (14.55 %) and fall in Nifty spot intraday volume (9.50 %).

Nifty fall with fall in OI and fall in volume suggesting that the market is making its bottom and the higher probability is that the price will rise at some point forward.

Current fall of 0.71 % in Nifty was due to long liquidation in Nifty July12 series.

On friday heavy long liquidation in stocks future was seen. Along with it, both little amount of fresh short and fresh long build up initiated. Continuation of this trend will force Nifty to trade below 5230 levels on monday with 5255 levels next resistance to it. Further, continuation of trading below 5230 levels will force nifty towards 5150 levels or below. However if fresh long build up initiates, may allow Nifty to consolidate above 5200 levels.

Stocks Corner

Fresh Long

TATACOMM	ORCHDCHEM	JUBLFOOD	OPTOCIRCU
ABIRLANUVO	BAJAJ-AUTO	ASIANPAINT	PANTALOONR
DABUR	ZEEL	SOBHA	KTKBANK
CROMPGREAV	TCS	POLARIS	IDEA
MCDOWELL-N	GODREJIND	JPASSOCIAT	HAVELLS
BOMDYEING	UNIIPHOS	JSWSPAT	OIL
TTML	ALOKTEXT	HEXAWARE	INDIANB
BHUSANSTL	STRTECH		

Long Liquidation

BAJAJHLDNG	BOSCHLTD	CHAMBLFERT	ADANIEMT
HINDUNILVR	ROLTA	CNXIT	SUNPHARMABEML
NFTYMCAP50	BALRAMCHIN		BRFL
HINDALCO	FORTIS	SOUTHBANK	YESBANK
ACC	RCOM	NMDC	EDUCOMP
COLPAL	SCI	GLAXO	CANBK
ULTRACEMCO	TTKPRESTIGLUPIN	IGL	ITC
PIRHEALTH	JINDALSAW	PNB	SESAGOA
GAIL	UNIONBANK	RUCHISOYA	INDHOTEL
BHARTIARTL	MRF	TATAMOTORS	AMBUJACEM
GRASIM	VIJAYABANK	RELIANCE	IOB
WELCORP	NTPC	CNXINFRA	GESHIP
SUZLON	CNXPSE	VIPIND	INDIAINFO
M&M	IFCI	ABB	GVKPIL
ESCORTS	BAJAJHIND	BEL	DLF
INFY	IOC	SIEMENS	TATAPOWER
HDFC	BANKNIFTY	SREINFRA	BPCL
HINDOILEXP	LICHSGFIN	IVRCLINFRA	AXISBANK
SRTRANSFIN	PATELENG	DCB	RENUKA
ORIENTBANK		IDFC	DISHTV
FINANTECH	TATAGLOBAL		SINTEX
NAGAROIL	FEDERALBNK		PFC
KOTAKBANK		PTC	

Short Covering

MARUTI	JSWSTEEL	ADANIPTS	TVSMOTOR	CAIRN
OFSS	JISLJALEQS	TITAN	DIVISLAB	GSPL
TATAMTRDVR		BATAINDIA	COALINDIA	JETAIRWAYS
JINDALSTEL	RECLTD	APOLLOTYRE		BHARATFORG
BANKBARODA		CUMMINSIND		TATACHEM

Fresh Short

RELCAPITAL	CESC	PETRONET	SAIL	RAYMOND
RPOWER	ARVIND	RELIINFRA	ANDHIRABANK	HCC
TECHM	BIOCON	LITL	VIDEOIND	JPOWER
DELTAACORP	ONMOBILE	NHPC	ALBK	UNITECH
SBIN	INDUSINDBK	MRPL	IDBI	CENTRALBK
MAX	NCC	RANBAXY	ASHOKLEY	BGREENERGY
UCOBANK	INDIACEM	CENTURYTEX		SKUMARSYNF
DRREDDY	PRAJIND			GUJFLUORO

Performance Corner

Daily Calls Monitor

[Buy Jubfood @ 1230/1234 sl 1210 tgt 1250; book full profit in jubfood @ 1250](#)
[Buy Bataindia @ 912/914 sl 903 tgt 921; exit from bata india intraday buy call CMP - 911.00](#)
[Buy MCDowell @ 822/825 sl 814 tgt 837; exit at 819](#)
[Buy JSW Steel @ 699/695 sl 688 tgt 710; book full profit in jswsteel in the range of 708/710](#)
[Buy Tata Steel @ 415/416 sl 412 tgt 421; exit from tata steel intraday buy call CMP - 416](#)
[Buy Hindalco @ 123.50/124.00 sl 122.50 tgt 126; sl triggered in hindalco intraday buy call](#)
[Buy Bajaj Auto @ 1581/1585 sl 1567 tgt 1610; may book full profit in bajaj auto intraday buy call @ 1595](#)
[Buy BhartiAirtel @ 317/319 sl 315 tgt 323](#)
[Buy Bomdyjeng @ 531/533 sl 525 tgt 540; exit from bomdyjeng intraday buy call \(CMP- 531\)](#)
[Buy CMC @ 1015/1022 sl 1001 tgt 1050](#)
[Buy FinanTech @ 737 sl 727 tgt 750](#)
[Buy Maruti @ 1137/1132 sl 1117 tgt 1150/1160; book full profit in maruti intraday buy call @ 1145](#)

[Short USDINR July 12 future @ 55.2750/55.2950 strict sl 55.4150 tgt 55.1250/54.9925](#)

[Buy Nifty July 12 future @ 5207/5213 \(spot\) strict sl 5290 tgt 5235/5247](#)

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