

## **ABSTRACT**

**SHORT TERM LOW MAY BE IN PLACE AS NIFTY RALLIES TO CLOSE NEAR 8800; BUYING IS POSSIBLE ONLY WHEN MARKETS CROSS 8850, STABILIZE; SHORT POSITIONS SHOULD BE PROTECTED WITH STOP AROUND 8800**

Bank Nifty traded narrow and choppy. Below the next support comes at 18500 and above the resistance comes at 19500. CNX IT traded choppy today. Above the resistance comes at 12750 and below the support comes at 12000. We should wait for some type of consolidation here.

We have GOLDM in METAL SECTION. Trend is down in and we should look for the short side in GOLDM. We have CEMENT in Sector Focus. Intermediate Term sideways and Short Term Trend is down in this sector. We will discuss the current scenario of CEMENT Stocks. Stock in focus includes MCLEODRUSS, GODREJIND, EXIDEIND, and AUROPHARMA. For each of these stocks, we analyse their technical picture; identify trades with stop loss and targets. At the end, we will discuss EUR INR in Currency Tracker Section.

## **MARKETS TODAY**

Nifty started a session with a large gap up of 41 points at 8740.65. Nifty touched a low of 8732.90 in early stages and remained upside for the whole day. It made a high of 8787, remained near its day high for most of the session, and finally closed at 8776 with a moderate gain of 76.05 points. The Index traded in a range of nearly 55 points today. Among the major indices, CNX FMCG (+1.59%), CNX PHARMA (1.18%), Bank Nifty were the outperformers for the market. With only 563 declining stocks to 915 advancing ones, market breadth was strongly up on the NSE.

## **TRADING**

The Nifty remain avoid for most traders. Once we perceive that markets are in a trading range, there is no need to buy. We have to be patient and wait for this range to end. It will come to an end, we just cannot say when!

## **ACTIVE INVESTING**

### **NIFTY WATCH**

After an inside day yesterday Nifty traded in a range of just 54.3 points which was its narrowest in last 32 sessions after 22<sup>nd</sup> of January. At this time in market both bulls and bears are not yet convinced enough to take the market to their side that is why there is this choppiness which we saw in trade today. But eventually one of them will win the war and traders should join that side but till then let's wait and watch.

From the trend perspective we are in a long term uptrend and this market has a long way to go higher. In the intermediate term weight of evidence is shifting to the downside as illustrated by the lower top and lower bottom formation seen on hourly charts. From the short term perspective we are in a choppy sideways range for past 3-4 sessions. In short, markets are pointing to different directions in different time frames which is a very confusing situation for the trader to be in. So it will be better to avoid the index for the time being.

There is an increased possibility that the market may continue to chop around in a range roughly between 8650 on the lower side and 8850 on the upper side and as long as Nifty is inside this range traders should trade with lower than normal volumes.

## **NARROW RANGE DAY**

The Nifty as well as the Bank Nifty has traded in a narrow range today. Such narrow ranges are often warnings of large thrusting moves. For tomorrow, traders should be alert to the possibility of a one-sided move, up or down.

## Short Term

Short-term trend for the Nifty is sideways. Our stop loss for short trade is at 8800. If we are stopped out from that trade then we will not take fresh positions until market trades

## Intermediate Term

Our bias for the intermediate term too remain bearish and traders can hold their short positions with a stop above 8850

## STORY OF A MIDCAP

Midcap stocks are showing momentum in the market. These types of stocks are currently in play for swing trading point of view. Our swing-trading list, offers regular suggestion on mid caps.

**STOCK MARKET – SPOT PRICE (NIFTY: 8771.40, SENSEX: 28,930.41)**



## TAKING A SWING TRADE

Choppiness in the Market

We had suggested four long trades in our newsletter dated 2 March 2015. Trade was to go long in DIVISLAB, ICICIBANK, HINDPETRO, and PFC.

In DIVISLAB, HINDPETRO, and PFC we were stopped out as price took an upside movement then turn back to touch our stop loss. Moreover, in ICICIBANK price seen a sharp rally on the opening of March 4, which missed our execution point therefore, price did not cross our entry price so trade did not execute.

It is important to stay focused on the big picture when trading. A losing trade should not surprise us – it is a part of trading. Likewise, a winning trade is just one-step along the path to profitable trading. The cumulative profits make a difference. Once a trader accepts wins and losses as part of the business, emotions will have less of an effect on trading performance. That is not to say that we cannot be excited about a particularly fruitful trade, but we must keep in mind that a losing trade is not far off.

Trading, by its nature, consists of losing more than winning. A successful trader knows that they will lose small on more than half their trades, but that the profit on their winning trades will more than make up for their losses.

**METALS [GOLDMINI (Future Price): 25774]**

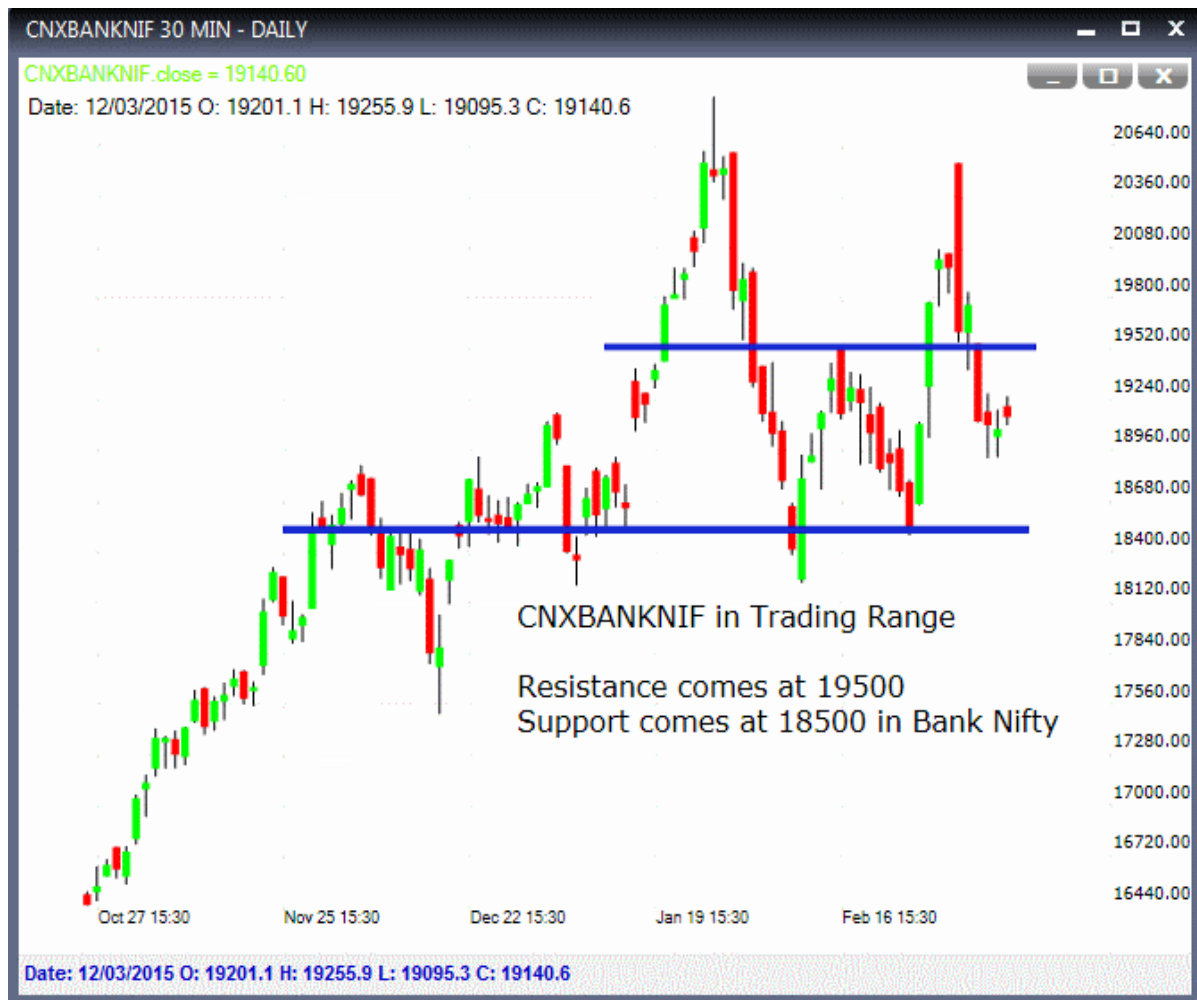
***Industrial:***

Short and intermediate trend is now down in GOLD MINI. Prices had seen a sharp decline and found support near 26000. Moreover, that decline does not seem over. Price has built a narrow trading range there and breaks on downside. Above the first resistance comes at 27500. The instrument is trading very choppy. We should either avoid or look to short sell only with small volume on any intraday rally.



**IT IS ABOUT BANKS! [Bank Nifty (Spot Price): 19140.60]**

Bank Nifty traded very choppy and narrow today. The range was almost 160 points and closed higher. Short-term trend is now sideways in Bank Nifty. Prices have seen a decline and trading narrow and choppy. The sector has nothing to offer right now. Wait for some pattern to develop and then trade in the side of the trend. Above the first resistance comes near 19500. A breakout above 19500 will give us buying opportunity.



IT WATCH [CNX IT (Future Price): 12465.30]

Short Term Trend is now sideways in CNX IT. Prices have traded very choppy today and closed higher. View is not very clear in this sector. We should wait for some kind of pattern to develop here and then trade accordingly. Below the support comes at 12000 whereas above the first resistance comes at 12750. A breakout above 12750 will give us first warning prices have resumed its uptrend.



## SECTOR FOCUS [CEMENT]

Short term trend is down in CEMENT Sector. After a breakout from trading range, price is now coming down back in that trading range. However prices seen an upward move today after a big recent decline. We may see some choppiness within this instrument now. ACC, AMBUJACEM and ULTRACEMCO are the out performer in this sector. These stocks have seen a sharp upside move and then a correction. Prices are now finding support at lower levels in these three stocks. Look for a buying opportunity in these stocks. INDIACEM and GRASIM are consolidating. We should avoid trading in these stocks.



## SWING TRADES

*"Trades which last from few days to a week or more"*

Charts and levels discussed are for equity instruments. If you trade the corresponding futures, please track the levels on the equity and take appropriate positions on futures.

### AUROPHARMA – [Close (Spot Price): 1152.85] – BUY

Short Trend is up in AUROPHARMA. The stock has seen a sharp upside. Prices were in the trading range from 1007 to 1137 and broken upside. Look for the buy this stock above 1160. If this trade executes then place your stop just below 1135 with a target near 1210.



**EXIDEIND – [Close (Spot Price): 192.55] – BUY**

Short Term Trend is up in EXIDEIND. Prices are trading inside a range and broken upside from its trading range. Buy this stock above 195. If this trade executes then place your stop just below 187 and a target near 210.





**GODREJIND – [Close (Spot Price): 340.05] – BUY**

Trend is up in GODREJIND. The stock has seen a sharp upside rally from a strong support zone at 329. We may see more up move from current prices. Buy this stock above 342. If this trade executes then place your stop just below 330 with a target near 366.



**MCLEODRUSS – [Close (Spot Price): 253] – BUY**

Short term and intermediate trend is up in MCLEODRUSS. The Stock has seen a sharp upside move from its small trading range. Look for the long side in this stock. Buy this stock above 254. If this trade executes then place your stop just below 242 and a target near 278.



**CURRENCY TRACKER: [EUR INR (Future Price): 66.75]**

Trend is down in EURINR. Prices have broken down from its previous support at 69. Prices had seen a sharp decline in last few days. Look for shorting opportunity in this instrument below 66.5 with a stop loss of 67. Target for the trade comes at 65.5. Follow your stop loss properly.



### Final Words

Short-term trend for the Nifty is sideways. Our stop loss for short trade is at 8800. If we are stopped out from that trade then we will not take fresh positions until market trades

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