

# US Prez election results could shake up markets

<http://www.mid-day.com/articles/us-presidential-election-results-stock-markets-share-prices/17725150>

Nifty ended on 55 points lower at 8608 and Sensex closed below its physiological support level at 28,000. SGX Nifty is trading weak after our market hours can put pressure on our Indices. Sustained FII selling ahead of US Presidential election results and currency volatility can keep the market under tremendous pressure.

## Highly volatile movements

Ahead of the US Presidential election results, the S&P 500 VIX has moved up sharply and closed on Friday at 16.19, which clearly indicates highly volatile movements in the days to come. India VIX has also shot up last week at 14.65, and there are chances that further uptrend are on the anvil. It is prudent to lighten up both short and long positions in the market due to anticipated volatility.

Nifty has support at 8,550 and 8,531 and has resistance at 8,658; if Nifty moves up above this level then we can expect a level of 8,791. The rollover figures from October series to November series are comparatively at lower levels indicating uncertain market conditions. If there is a major sell-off, then Nifty may even move down below 8,500, which can give a great opportunity to the long-term investors. Investors can accumulate auto, metal and selected banking stocks for the medium term. Many of the frontline and mid-cap companies are set to come out with quarterly earnings in the next week, which would give a major direction to the market.

## Metal sector may move up

Banking Nifty last week faced higher level selling; and it has support at 19,269 and 18,972. The immediate resistances are at 19,736 and 19,924. Investors can randomly pick the private sector banking stocks for short-term gains. Like the banking sector, the metal sector is also expected to move up sharply in the near term. Nifty Metal Index has resistance at 2,750. Many of the metal prices are showing recovery in their prices internationally.

US jobless claim, initial jobless claims, manufacturing PMI and balance of trade are the key macro data that are expected next week and India's Infrastructure output, Nikkei PMI, and Nikkei service PMI are also due.

## Quarterly earnings

Prominent mid-Cap and Companies like Kitex, Century Ply, ILFS Eng, Berger Paints, EI Hotel, Geojit BNP, ICRA, TTK Prestige, Wheels, Whirlpool, ALBK, Central Bank, Gati, KajariaCermics, PFIZER, Radico, TCI, Titan, Ucal Fuel, Amaraja Bat, Dena Bank, PNB and 8K Mills will announce their quarterly earnings next week.

Dow Jones Industrial average is likely to remain in a tight range next week with resistance at 18,309 and support at 17,981. A decisive move above or below could give us a major direction in the US front. Most probably, it may give a buying signal because short-term indicators are very close to its over-sold region, which can give a firm support to the market.