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FOR PRIVATE CIRCULATION

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Index view

The markets on 13 Mar: Volatility at its peak.

LOOKING AHEAD: We felt that the market may break the downward levels of 12840/3710 on Tuesday. However, surprisingly, the Nifty and Nifty futures have not fallen further (where the major sentiment/emotion is lying) even though the Sensex traded well below 12840.

This has formed a bear trap formation and those who have taken an Open call of short selling Nifty futures got stuck badly due to an unexpected bounceback from Tuesday's lows. (Make effective use of put options strategy to chase such type of trends)

Sharp reversal from lower levels took the market towards Tuesday's high of 3772 on the Nifty and turned everyone bullish for Wednesday. The important missing factor of the day was the trading of indices above Monday's high of 13050/3785. The breach of the above levels has to decide the next course of action for indices.

Now we will look for aggressive buying opportunities above 13160/3800 instead of 13060/3785, as they have lost importance in two days of trading.

On the downward side, the levels of 12800/3700 may act as major supports for the market and trading below it may attract unwinding of pending long positions. The next major support is in the range of 12550-12650 (3650-3610 for the Nifty)

The zigzag moves of the market exemplify the impatient behavior of both parties of the market (bulls and bears). Therefore, trading should be done on the 'breach of specific' levels on either side instead of trading on anticipatory moves.

Investing a part of the funds in a few major index heavyweights on major dips, is advisable.

Index range

NIFTY : 3770

Range : 3700-3800

Resistance : 3780-3800-3840-3910

Support : 3740-3700-3675-3650

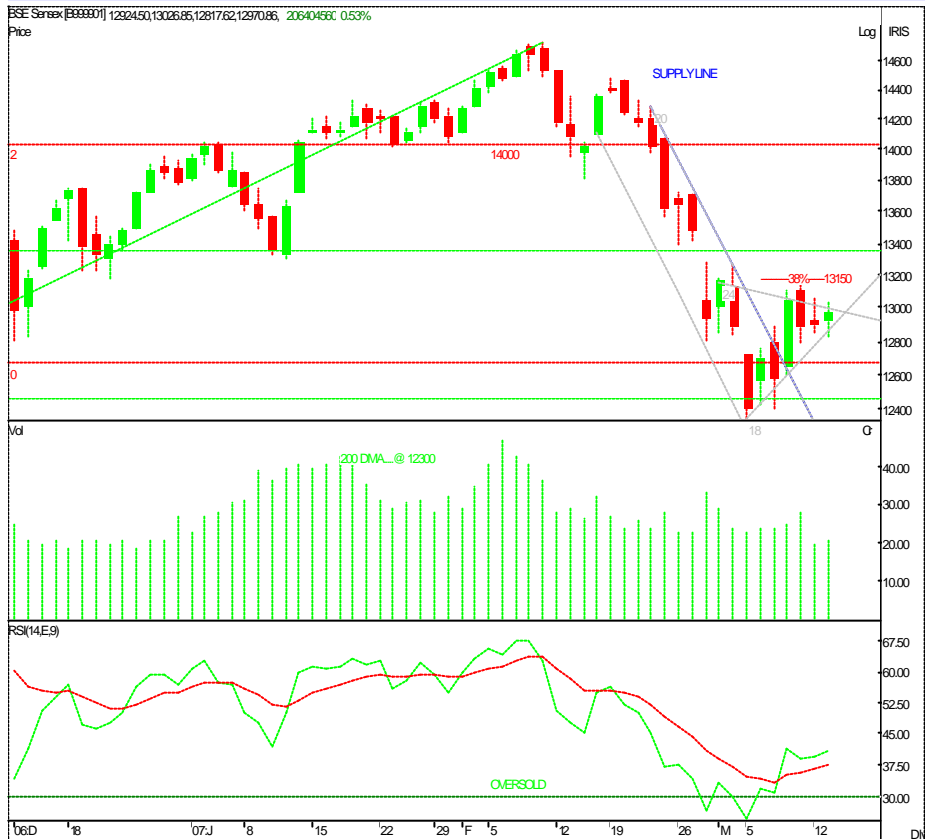
Sensex : 12980

Range : 12800-13150

Resistance : 13060-13150-13300-13400

Support : 12800-12720-12650-12550

BSE daily chart



Trading calls

Stock	Recommendation
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NIL

These trading calls are based on cash but clients can trade in futures also with the support of the above mentioned prices.

Trading Tool

Stock	Extreme	Probable	Achievable	Closings	Achievable	Probable	Extreme	Final Stop Loss
NIFTY (MAR-F)	3707	3721	3732	3755	3778	3789	3807	3695
RELIANCE	1276	1292	1311	1327	1343	1362	1378	1300
SAIL	100.4	102.6	103.6	105.65	107.7	108.7	110.9	101
TISCO	428	433	439	445	451	457	462	430
HDFC	1544	1565	1585	1605	1625	1645	1666	1550
ONGC	776	786	797	807	817	828	838	770
HERO HONDA	670	679	688	697	706	715	724	670
BAJAJ AUTO	2424	2454	2489	2520	2551	2586	2616	2450
M&M	731	740	751	760	769	780	789	720
MARUTI	771	781	792	802	812	823	833	780
TELCO	743	753	763	773	783	793	803	745
REL CAPITAL	606	617	622	630	638	654	669	620
TECH MAHIND	1412	1437	1464	1494	1512	1551	1599	1320
TITAN	795	804	815	828	838	860	886	775
VSNL	362	366	371	376	381	386	402	368
PUNJ LLOYD	751	760	780	800	820	830	849	770
L&T	1437	1492	1513	1532	1551	1572	1627	1490
SBIN	931	954	968	980	992	1006	1029	970
PNB	399	417	426	439	452	461	479	420
HCL TECH	617	628	633	641	649	654	665	610
INFOSYS	2025	2063	2079	2105	2131	2147	2185	2080
SATYAM	438	446	449	455	461	464	472	430
TCS	1217	1240	1249	1265	1281	1290	1313	1235
WIPRO	562	572	577	584	591	596	606	560
ACC	720	734	740	749	758	764	778	725
GACL	99.4	100.7	103.4	106	108.7	110.0	112.6	102
GRASIM	1976	2013	2029	2054	2079	2095	2132	1980
BHEL	448	457	460	466	472	475	484	2070
REL	448	457	460	466	472	475	484	465
NTPC	135.4	138.4	139.8	142.5	145.2	146.6	149.6	135
TATAPOWER	498	508	512	518	524	528	538	495

- Achievable** = which is achievable if the stock trades above or below the closing price. (Trade as per the trend of the market)
- Probable** = which is probably achievable if the stock trades above or below the closing price.
(If the prevailing trend of the market is in force)
- Extreme** = Here traders can go short (higher side) or long (lower side) with minimal stop loss.

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