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FOR PRIVATE CIRCULATION

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## Index view

**The markets on 10 May:** Bears play spoilsport in bull party.

**LOOKING AHEAD:** The market opened higher on Thursday on the positive closings of Wednesday and gains in US markets. However, it failed to hold on to its initial gains in the later part of the day and closed just above the crucial support of 13600/4025.

First, we need to examine the technical parameters. According to the daily chart, the market is poised quite delicately and is faced with the possibility of breaking the major levels of 4025/13600. As these are trend decider levels in the short-term to medium term, traders must be cautious around these levels and try to exit long trading positions if it sustains below these levels.

The reason behind exiting these trading long positions is that below these major levels we cannot rely on any other levels unless and until market forces decides any specific levels.

For traders, exiting trading long positions does not mean exiting from markets. It is just a temporary exit from non-favorable positions and we have to readjust ourselves to the next course of action. As we are very close to a major support and an event risk is unpredictable one must hold light positions below major levels.

For long-term investors, any major meltdown would be an opportunity to invest in selective stocks. Our top picks to invest on declines gradually are Reliance Petroleum, Indian Bank, Bhel and Siemens.

Events for the day are inflation numbers (survey 5.73% v/s 5.77), UP Assembly election results and Indian industrial output data.

### Index range

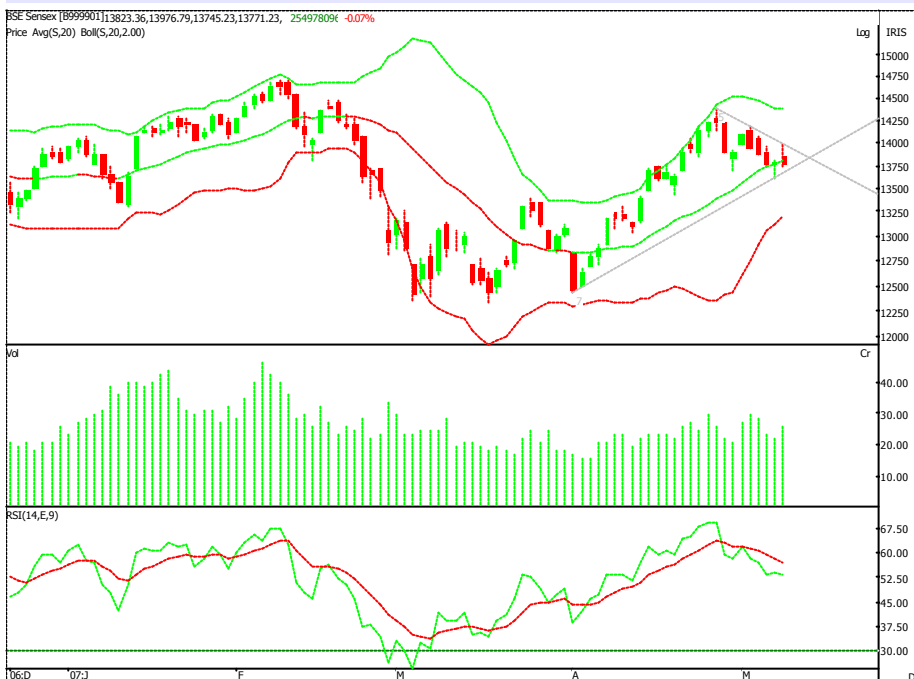
**NIFTY : 4066**

Range : 4025-4105  
Resistance : 4090-4105-4125-4145  
Support : 4040-4025-3980-3950

**Sensex : 13770**

Range : 13600-13900  
Resistance : 13810-13900-13980-14050  
Support : 13600-13500-13420-13200

### BSE daily chart



### Nifty Directional Trade (This particular strategy is for Nifty Futures only)

As global cues are terribly weak and a lot of events are taking place today it may be advisable to stay away from taking a view on any side of the market as the intra-day volatility may harm traders very badly. The continuously declining put call signals the squaring up of short positions that may not be good for the bull market.

### Trading calls

Stock	Recommendation
RELIANCE	Buy between Rs.75 and Rs.77. Target Rs.100.
PETROLEUM	Stop loss below Rs.70 is a must. CIs: Rs.80.50 (Buying is advisable in specified levels)

*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 (MAY-F)	3992	4008	4019	4044	4069	4080	4100	4020
RELIANCE	1521	1540	1561	1581	1601	1622	1641	1575
SAIL	127.7	130.6	131.9	134.45	137.0	138.3	141.2	132
TISCO	1619	1639	1662	1683	1704	1727	1747	550
HDFC	855	867	878	889	900	911	923	1565
ONGC	680	689	698	707	716	725	734	890
HERO HONDA	680	689	698	707	716	725	734	670
BAJAJ AUTO	2509	2541	2577	2609	2641	2677	2709	2480
M&M	715	724	734	743	752	762	771	745
MARUTI	765	774	785	795	805	816	825	790
TELCO	688	696	706	715	724	734	742	713
REL CAPITAL	750	764	770	780	790	810	828	765
TECH MAHIND	1436	1462	1490	1520	1539	1578	1626	1535
TITAN	958	970	982	998	1010	1036	1068	960
VSNL	437	442	448	454	460	466	486	452
PUNJ LLOYD	168	170	175	179	183	186	190	442
L&T	1586	1646	1669	1690	1711	1734	1794	1675
SBIN	1067	1094	1109	1123	1137	1152	1179	1065
PNB	461	482	492	507	522	532	553	178
HCL TECH	313	319	321	325	329	332	337	318
INFOSYS	1899	1935	1950	1974	1998	2013	2049	1975
SATYAM	439	447	450	456	462	465	473	448
TCS	1183	1205	1215	1230	1245	1255	1277	1225
WIPRO	532	542	546	553	560	564	574	540
ACC	842	858	864	875	886	893	908	870
GACL	113.3	114.8	117.8	120.8	123.8	125.4	128.3	117
GRASIM	2391	2436	2455	2486	2517	2536	2581	2450
BHEL	2336	2380	2399	2429	2459	2478	2522	2425
REL	495	505	509	515	521	525	535	500
NTPC	143.5	146.8	148.2	151.1	154.0	155.4	158.7	153
TATAPOWER	552	563	567	574	581	585	596	583

- 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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