



Punter's Call

Smart recovery from 4040

Market today: 4040 is strong support

The Nifty opened in negative territory and continued its downward journey which had started last week. But it did take strong support around 4030-4040 levels and saw a smart recovery, closing in positive territory. In today's session the Nifty saw a smart recovery in the latter part of the trading session after it took strong support around 4030-4040 levels. It finally closed above its 10-day moving average (DMA) at 4083. On any further intra-day dip, the Nifty will find strong support in this range. On the upside, the Nifty will face resistance at 4100. In the short term, support of 4040 is the reversal point for the index and as long as the Nifty is closing above 4040, the bias for the index remains up with an upside target of 4180. On break below 4040 the next strong supports for the Nifty is at 3977, which is the 38.2% retracement of its rise from 3574 to 4218. On the previous day the Nifty had a crossover, as its 20-DMA crossed its 40-day exponential moving average from the downside. This means that in the short term, on a fall below 3977 the Nifty will find strong support around these average levels. In the short term, the Nifty should not break 4040 on a closing basis for any upmove in the market to continue. As this week is truncated, the Nifty will be highly volatile within the 4140-4040 range.

On intra-day basis or on hourly charts, the Nifty has finally broken the channel and closed below the channel. Even the momentum indicators like the Relative Strength Index (RSI) and Moving Averages Convergence Divergence (MACD) were showing some negative signals which led to this sharp decline. But now due to this correction the RSI has turned oversold and Know Sure Things has turned into buy mode. This can lead to some minor bounce-backs in the market. On MACD side, it has fallen below the "0" mark, which needs to be crossed to confirm that this bounce will sustain for the rest of week.

TELCO should test Rs765 with strong support at Rs740. Amteck India may face resistance at Rs185 and support at Rs165. ONGC looks weak and can test Rs800 and resistance at Rs830.

Nifty chart: 4088



60 minute chart



Market Breadth

	BSE	NSE
Advances	1,403	787
Declines	1,071	663
Unchanged	75	36
Volume (Rs)	3,076cr	8,311cr

Short Term Trend

	Target	Trend	Reversal	Support/Resistance
Sensex	14200	↑	Down below 13700	13700 / 14100
Nifty	4180	↑	Down below 4040	4040 / 4150

Medium Term Trend

	Target	Trend	Reversal	Support/Resistance
Sensex	14400	↑	Down below 13600	13700 / 14300
Nifty	4220	↑	Down below 4000	4000 / 4200

Icon guide

 Up	 Down	 Downswing matures	 Upswing matures
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Smart Charts Portfolio

Date	Recommendation	Action	Stop Loss/ Reversal (Intra-day)	Stop Loss/ Reversal DCL	Buy/Sell Price	Closing Price (CMP)	Potential % P/L at CMP	Targets
17-04-07	Dabur	Buy		92.8	95.8	95.3	0%	105
16-04-07	Crompton Greaves	Sell		220.6	209.0	219.9	-5%	175
14-03-07	Dr Reddy	Sell		742.4	700.0	709.6	-1%	610
	Cash							
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Momentum Calls > I (Only Long calls)

For the short term—1 to 5 days

Stock	Action	Action date	Stop loss	Price	Closing price	Target
IVRCL Infra	Long	30-04-07	313.0	324.0	320.9	344
Amtek India	Long	30-04-07	164.0	170.0	170.0	182
Cummins	Long	30-04-07	Book profit	286.0	299.0	302
Kotak Bank	Long	27-04-07	Book profit	517.0	540.0	550
Punj Lloyd	Long	25-04-07	183.5	188.5	191.0	200

NOTE: Kindly note that all stop losses in Momentum Calls are on an intra-day basis.

Momentum Calls > II (F&O stocks Long / Short calls)

For the short term—1 to 5 days

Stock	Action	Action date	Stop loss	Price	Closing price	Target
BHEL	Sell	27-04-07	2,528.0	2,498.0	2,487	2,430
CESC	Sell	26-04-07	Stopped out	384.0	391	362
Cash						
Cash						
Cash						

NOTE: Kindly note that all stop losses in Momentum Calls are on an intra-day basis.

Trendy Levels

Sensex		Nifty	
Support	Resistance	Support	Resistance
13800	14050	4045	4100
13710	14100	4020	4145
13600	14280	4000	4180
20DSMA	40DEMA	20DSMA	40DEMA
13478	13484	3947	3935
BSE Sensex: 13872		Nifty: 4088	

Day Trader's HIT List

For May 03, 2007

Scrip Name	Support Levels		Close (Rs)	Resistance Levels		Action
	S1	S2		R2	R1	
NIFTY Futures	4020	4065	4091	4105	4135	Go long above R2. Go short below S2.
Bharti Airtel	790	800	812	825	840	Buy on decline to S2
Century Text	590	605	609	625	635	Go long above R2. Go short below S2.
Gujarat Ambuja	112	116	118	120	123	Go long above R2. Go short below S2
Infosys	2000	2020	2049	2065	2075	Buy above R2
ICICI Bank	840	858	866	878	895	Go long above R2. Go short below S2.
Maruti	780	790	803	820	830	Sell on rise to R2.
ONGC	890	900	912	925	935	Sell on rise to R2.
Reliance	1520	1545	1560	1585	1595	Buy on decline to S2
Reliance Capital	690	705	713	720	732	Buy above R2
SAIL	124	128	130	132	135	Go long above R2. Go short below S2.
Satyam	448	465	473	481	490	Sell on rise to R2.
Sterlite	510	518	521	525	535	Go long above R2. Go short below S2.
Zee Entertain	283	290	294	296	302	Go long above R2. Go short below S2.

*Note: Closing price of Nifty futures is last traded price of Nifty futures on NSE

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