



Punter's Call

Retracing the previous fall

Markets on August 19: Last hour recovery

The Sensex opened lower with a negative gap of more than 50 points and in the final hour of the trading session the index managed to fill the opening gap. In spite of the last-hour smart recovery, both the Sensex and the Nifty closed in the red registering losses of 102 and 25 points respectively.

On the hourly charts, this recovery indicates that the retracement of the previous fall (from 4,650-4,316) is on the cards. 38.2% and 50% Fibonacci retracement levels, which are the probable targets of this pullback, are placed at 4,445 and 4,485 respectively. On the daily chart, Nifty has closed exactly at 40 DEMA. This is one more reason for the bears to cheer, until the Nifty closes above 40 DEMA. Further, the daily KST is still in the sell mode so this is selling-on-rise kind of market. Market breadth was in the favour of the bears with 725 declines vis-à-vis 483 advances. On the hourly chart, the momentum indicator KST has given a positive crossover, which also indicates a pull in the current down move. We are revising down our mid-term target to 4,000 with the reversal at 4,650. However, we maintain our short-term target at 4,300 with the reversal pegged at 4,500.

Of the 13 sectors represented on the BSE, only power and banking sectors posted gains today. Consumer durables, information technology, auto, and metal were the worst hit sectors. Bajaj Auto, Reliance Energy, and Hindalco, registering gains of more than 2% each, were the star stocks of the day. On the other hand ACC, Maruti Suzuki India and HDFC made loss today.

Nifty chart: 4,368



60 minute chart



Market Breadth

	BSE	NSE
Advances	1,107	483
Declines	1,514	725
Unchanged	90	40
Volume (Rs)	3,941cr	8,910cr

Short Term Trend

	Target	Trend	Reversal	Support/Resistance
Sensex	14000	↓	Up above 15000	14000 / 15000
Nifty	4300	↓	Up above 4500	4300 / 4550

Medium Term Trend

	Target	Trend	Reversal	Support/Resistance
Sensex	13000	↓	Up above 15580	13500 / 15100
Nifty	4000	↓	Up above 4650	4050 / 4520

Icon guide

 Up	 Down	 Downswing matures	 Upswing matures
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Trendy Levels

Sensex		Nifty	
Support	Resistance	Support	Resistance
14400	14700	4320	4420
14350	14925	4270	4460
14200	15125	4230	4500
20DSMA	40DEMA	20DSMA	40DEMA
14710	14622	4421	4386
BSE Sensex: 14,544		Nifty: 4,368	

Smart Charts

Date	Recommendation	Action	Stop Loss/ Reversal (Intra-day)	Stop Loss/ Reversal DCL	Buy/Sell Price	Closing Price (CMP)	Potential % P/L at CMP	Targets
14-08-08	Punj Lloyd	Sell	-	291.6	277.0	281.5	-2%	261-246
14-08-08	RIL	Sell	-	2,286.0	2,316.0	2,221.3	4%	2,221-2,126
07-08-08	Bharat Forge	Buy	-	Exit	262.0	262.9	0%	290-320
06-08-08	IFCI	Sell	-	TPB	51.3	48.2	6%	46-41
06-08-08	SBI	Sell	-	1,506.0	1,560.0	1,443.8	8%	1,450-1,366
05-08-08	DLF	Sell	-	Book Profit	551.0	499.6	10%	506-461
05-08-08	Suzlon Energy	Sell	-	256.0	241.0	238.0	1%	216-190

NOTE: Kindly note that all stop losses in Smart Charts Calls are on closing basis unless specified.

TPB: Trailing profit booked

Momentum Calls

For the short term—1 to 5 days

Stock	Action	Action date	Stop loss	Price	Closing price	Target1	Target2
Reliance Capital	Buy	19-08-08	1,247.0	1,266.0	1,274.2	1,290.0	1,310.0
Axis Bank	Buy	19-08-08	666.0	678.0	679.7	693.0	705.0
Aban Offshore	Buy	19-08-08	2,319.0	2,360.0	2,349.1	2,410.0	2,460.0
Sesa Goa	Sell	18-08-08	Book Profits	172.0	168.0	168.0	165.0
Hind Oil	Buy	18-08-08	Exit	131.0	131.8	134.0	136.5
Unitech	Buy	18-08-08	Stopped out	171.0	167.0	174.0	177.0
Parsvanath Dev	Buy	18-08-08	Stopped out	119.0	116.0	122.0	125.0
Infosys	Sell	18-08-08	1,738.0	1,700.0	1,693.5	1,662.0	1,625.0
HDFC	Sell	18-08-08	Book Profits	2,358.0	2,250.0	2,300.0	2,250.0
Tata Steel	Sell	18-08-08	TPB	608.0	601.0	590.0	575.0
DLF	Buy	18-08-08	Stopped out	504.0	495.0	512.0	518.0
Satyam Computer	Buy	18-08-08	Stopped out	421.0	414.0	430.0	440.0

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

TPB: Trailing profit booked

NOTE : Action taken after market hours will be highlighted in blue colour.

For August 20, 2008

Scrip Name	Support Levels		Close (Rs)	Resistance Levels		Action
	S1	S2		R2	R1	
NIFTY Futures	4341	4389	4410	4441	4490	Go long above R2.
Adlabs Film	500	512	519	527	539	Go long above R2.
Century Text	472	479	485	491	498	Go long above R2.
DLF	486	494	500	508	519	Go long above R2.
HUL	236	240	243	245	249	Go long above R2, Go short below S2.
ICICI Bank	660	669	678	686	699	Go long above R2.
Infosys	1660	1679	1694	1706	1735	Go long above R2.
J P Associates	163	166	169	171	175	Go long above R2.
Maruti	600	609	616	623	630	Go long above R2.
Reliance	2170	2199	2221	2236	2265	Go long above R2.
Reliance Capital	1240	1259	1274	1290	1315	Go long above R2.
Reliance Comm	391	396	400	406	412	Go long above R2.
SAIL	135	138	140	142	145	Go long above R2.
Satyam	393	399	406	411	416	Go long above R2.
SBI	1401	1429	1444	1465	1490	Go long above R2.
Tata Motors	413	419	423	426	432	Go long above R2.
Tata Steel	581	589	599	605	614	Go long above R2.

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

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