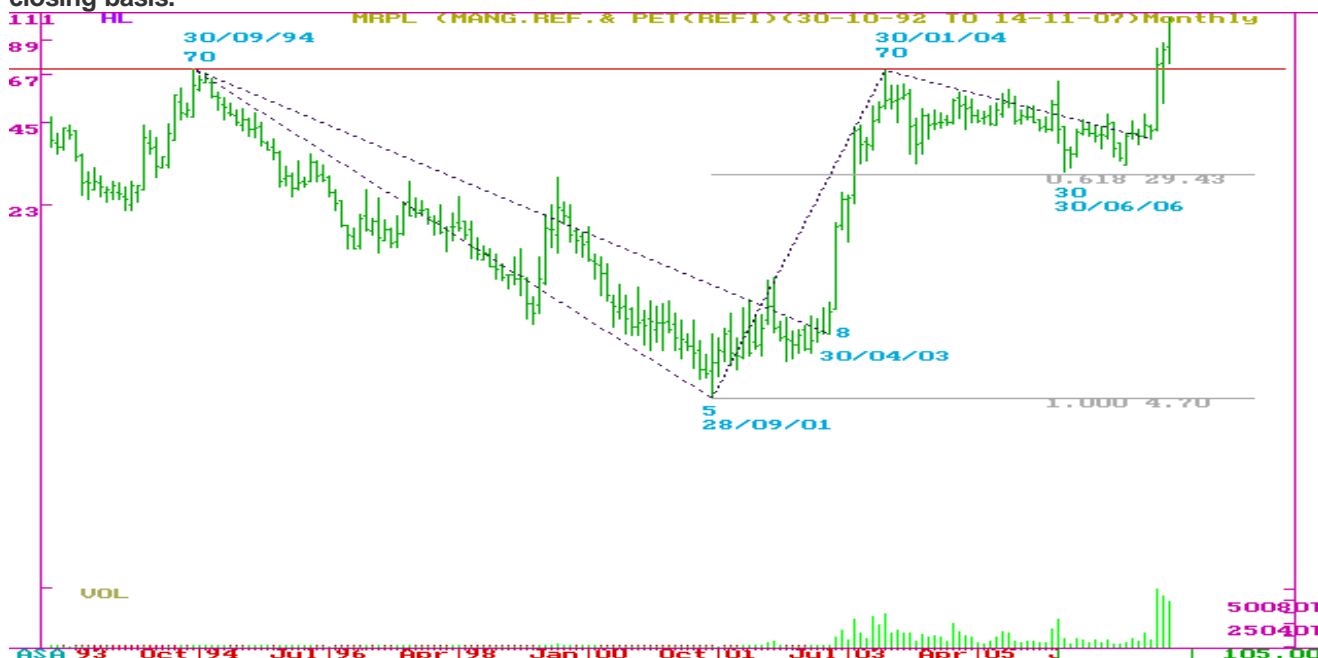


MRPL: Buy in the Rs.96 to Rs.107 band for a target of Rs.155 in 3 months. Stop Loss = Rs.89 on a daily closing basis.



Monthly Analysis:

MRPL made a high of Rs.70 in September 1994. Thereafter, the stock slid down sharply and relentlessly to Rs.5 in September 2001. This downmove took about 84 months and MRPL made a higher bottom of Rs.8 in April 2003. If this level is considered as the bottom, then the entire downmove from Rs.70 to Rs.8 took about 103 months. This entire move was retraced very briskly in 1/3rd of the time i.e. 28 months when the stock price touched Rs.70 in January 2004.

After retracing the entire downmove, MRPL made a similar top at Rs.70 and consolidated for a while. Soon after, the stock dipped to Rs.30 in June 2006 and found support at those levels 2-3 times in the subsequent months. Recently, the stock made a brisk recovery and shot up and retraced the entire downmove lasting for 44 months in a matter of 1 month. MRPL has broken out of the Rs.70 levels and is currently trading at Rs.105.



Daily Analysis:

In October 2007, MRPL made a high of Rs.82 on October 31, 2007. Subsequently, the stock dipped and found support at Rs.53-54 thrice. Thereafter, the stock started rising and hovered around Rs.82 for 5-6 sessions, which was acting as a strong resistance level. Finally, MRPL managed to breakout of the Rs.82 level, took support at those very levels and moved up sharply to make a high of Rs.107 on November 14, 2007 before closing at Rs.105. MRPL thus validated the "Change of Polarity" Principle i.e. Rs.82 which was acting as a strong resistance level became the new support for MRPL.



If we project the further upmove using 3-point Fibonacci projection, on a conservative basis, we get a target of Rs.155 over the next 3 months.

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