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**FOR PRIVATE CIRCULATION**
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## Weekly Technical Update

### Equities

#### The week past and expected

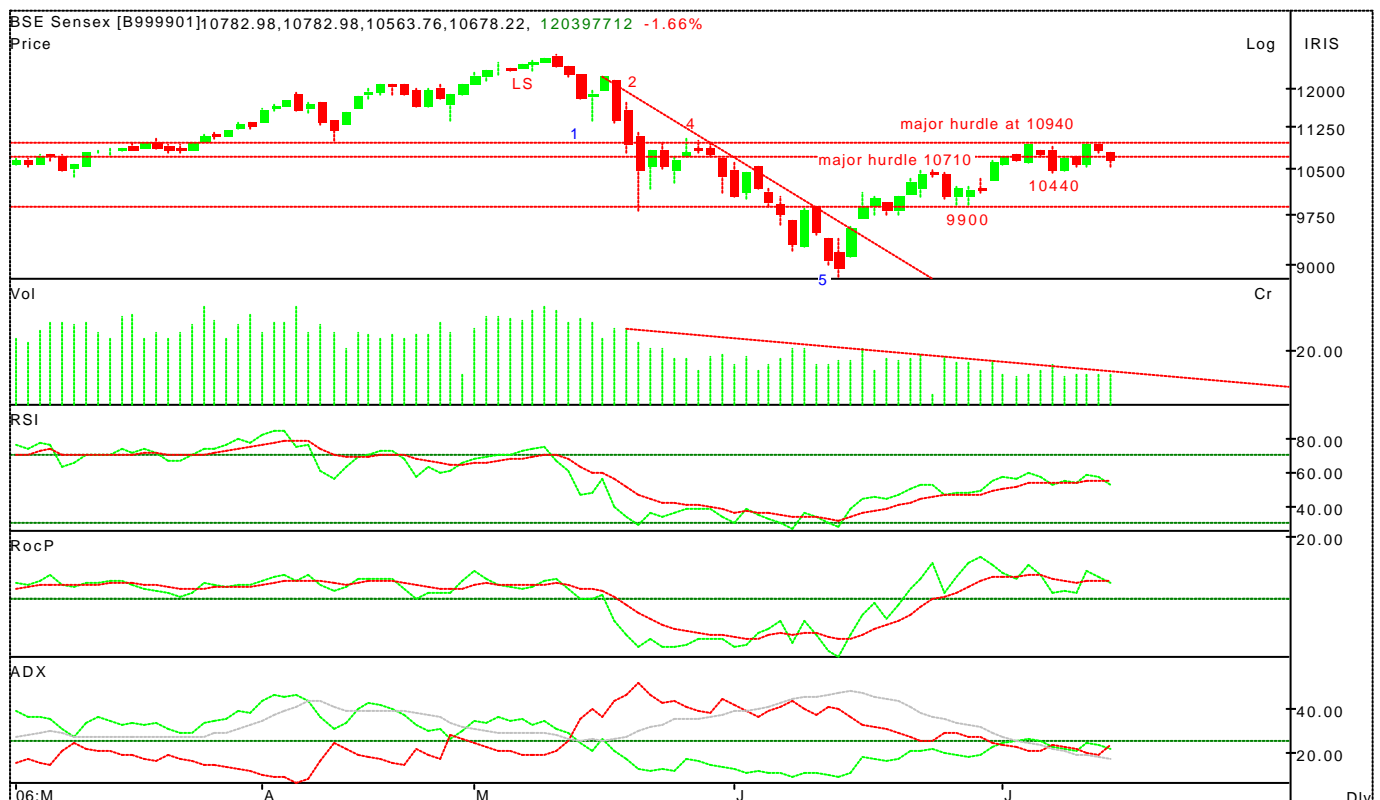
During the last week, the market remained range bound between the two trend decider points of 10440 and 10950. It went up during the first half of the week due to fantastic quarterly result of Infosys but in the second half the Japanese central bank's interest meet has eaten out all the gains of the week.

#### Technical Perspective

The market has neither broken the level of 10440/3050 on the downside nor breached the level of 10950/3205. According to the weekly chart, since the last two weeks the market was in an undecided/unpredictable zone but in the coming weeks we might see the result of current consolidation, as the break of range is imminent. After the break of range, one-sided activity is not ruled out.

Even though the levels of 9900/2900 are the trend decider points for the market the levels of 10440/3050 are also very much crucial in the short-term. Sustenance below these levels might knock the levels of 9900/2900 with minor resistance at 10150/2965. Hence, be careful and reduce long positions as soon as the market starts trading below 10440/3050. However, in any case, if the market holds these levels 10440/3050 in the first half of the week then we might call it as a bullish rectangle consolidation that might lift the indices to the levels of 11300/11400 (3300/3320 for the Nifty).

#### BSE SENSEX DAILY CHART



Major oscillators (RSI, ROC, ADX and MACD) are all displaying sideways to neutral movement. The volume indicator was in the southward (downward) mode due to uncertainty of global markets ahead of BOJ's meet. We might now see improvements in it as the major worries are over. "Coming to any conclusion based on these parameters would be imprudent for the coming week. Therefore, we will focus more on major levels of the market to decide the trading strategy for coming week.

Strategy for positional traders: Enter few long positions only if the market is able to close above 10710/3140 with the medium-term target of 11300/3300.

### Strategy for aggressive traders

1. Enter long positions around 10500/10550 levels with the strict stop loss below the level of 10440/3050. Or
2. Enter short positions if the indices sustenance below the level of 10440/3050 with the stop loss of 100 points on Sensex (35 points for the Nifty) with the short-term target of 10000/2930.

### Stock Specific

Concentrate on index heavyweight stocks and trade in them according to the trend of the market as the break of 'market range' may display one-sided action.

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