

# Daily Technical

April 12, 2007

INDICES	LEVELS	PTS	%
SENSEX	13,183.24	(6.3)	0.05
NIFTY	3862.65	14.5	0.38
DOW JONES	12484.62	(89.23)	0.71
NASDAQ	2459.31	(18.30)	0.74
NIKKEI STOCK	17477.25	(192.82)	1.09
FTSE 100	6413.30	(4.50)	0.07
KOSPI	1512.61	(0.81)	0.05
HANG SENG	20342.03	(107.40)	0.53
S&P 500	1438.87	(9.52)	0.66
NYSE COMP	9413.63	(55.07)	0.58

LEVELS	SENSEX	NIFTY
Support 1	13080	3835
Support 2	13000	3800
Resistance 1	13260	3880
Resistance 2	13380	3910

KEY INDEX INDICATORS		
	SENSEX	NIFTY
8-Day EMA	13014	3800
21-Day EMA	13002	3787
200-Day EMA	12637	3670
13-Week EMA	13287	3858

Daily Index Trend	Bearish
Weekly Index Trend	Bearish
Monthly Index Trend	Bearish

Alternate bouts of short covering and profit booking managed to keep the indices in a sideways trading range on Wednesday. The Sensex has ended its five day winning streak by closing marginally in the red. Metals and Capital goods counters shined despite the overall cautious sentiment while IT and Banking scrips stayed under pressure. Volumes have dried up suggesting traders abstaining from any fresh commitments prior to the Infosys results, which is the next big trigger to set market direction. The market breadth ended at 3:2, it was inclined to advances as selective buying interest continued in the broad market. Mid cap and Small cap indices gained close to a percent. BSE-Metal index was the highest gainer for the day following the steady rise in LME prices.

**SENSEX:** The Sensex traded in a narrow range of 13160-13294 levels and faced resistance at our indicated 13300 levels. It finally ended the day on a flattish note at 13183.24, a loss of 6.3 points.

Yesterday's candle denotes a red body with longer upper shadow indicating bear pressure at higher levels. This coincides with a termination of the five day winning streak. Not only are the daily indicators on a sluggish note but also the lower participation is a sign of worry for the uprend to sustain. Thus, our view of the weekly gap being filled up in the coming sessions is reaffirmed. **The index has downside supports at the 12900-12650 levels. The rising gap formation at 12899-12904 is a Common gap on the daily as well as the weekly chart, which we firmly believe will get filled up in the coming sessions.** Only an ability of the Sensex to sustain above the 13200 levels can see the index gaining further momentum to test the 13500-13700 levels. **A clear direction is likely to emerge when the index breaks from the volatile traded range of 12300-13500 levels. On a long term basis, we maintain our supports at 11700-12000 levels.** While any breach above the 13500 levels can see the index out of the negative zone and gain momentum to test the previous highs.

**NIFTY:** The Nifty witnessed see-saw trades between a narrow range of 3844-3876 levels for the day. It faced resistance at our indicated levels of 3880 which is unlikely to be surpassed as indicated by the profit booking emerging at those levels. It finally ended the day at 3862.65, a gain of 14.5 points. A flattish closing for the past two sessions, the overbought hourly indicators are suggesting a round of profit booking due at current levels. The Nifty has short term supports at the 3770-3680 levels. While any breach above the 3880 levels can see the index testing the 3950 levels in the short term, an ability to sustain above these levels can take the index out of the negative zone and gain momentum to test the previous highs. On a long term basis, we maintain our supports at 3400-3450 levels.

**FOR THE DAY:** Markets worldwide have suggested profit booking after several sessions of steady gains. Domestic indices which faced resistance at our indicated levels of 13300/3880 levels also hinted some signs of weakness yesterday. We are likely to witness a flat to negative opening and watch out for supports at the 12900-12650/3770-3720 levels. With two sessions remaining before the week concludes, we expect the Sensex gap on the weekly charts at 12899-12904 levels to be filled up. Hence, traders are advised to abstain from any fresh buying until these levels are taken out. The corresponding levels on the Nifty would be the 3770-3800 levels. We stopped out our MTNL long call in for the day. We will be issuing fresh recommendations during the course of the day.

**BSE-30 –SENSEX SUPPORTS AT THE 12900-12650 LEVELS. RESISTANCES AT THE 13200-13500 LEVELS.**



**NSE-50 –NIFTY SUPPORTS AT THE 3770-3720 LEVELS. RESISTANCES AT THE 3850 -3880 LEVELS.**



SECTORAL INDICES	LAST CLOSING	CHANGE (Points)	CHANGE (%)
BSE-AUTO	4,700.34	6.07	0.13
BSE-BANKEX	6,552.92	(45.67)	(0.69)
BSE-CD	3,742.69	27.00	0.73
BSE-CG	9,342.38	102.41	1.11
BSE-FMCG	1,811.58	(1.14)	(0.06)
BSE-HC	3,677.38	(24.08)	(0.65)
BSE-IT	4,808.08	(20.25)	(0.42)
BSE-METAL	9,330.87	330.86	3.68
BSE-OIL & GAS	6,540.71	25.74	0.40
BSE-PSU	6,103.26	36.29	0.60
BSE-MIDCAP	5,517.00	55.00	1.01
BSE-SMLCAP	6,712.00	55.00	0.83

	BSE	NSE	
Advances	1532	636	
Declines	1038	411	
Unchanged	63	30	
Turnover (in Crs.)	3,953.71	7,984.10	
5 Day - SA- Turnover	3,532.29	7,325.97	
3 Day - SA- Turnover	3,749.48	7,570.68	
No of Trades	1,531,467	3,397,928	
Top Gainers		Top Losers	
SUZLON ENERGY	7.10	UTI BANK	4.41
NALCO.	6.43	UNITECH LTD.	3.63
PUNJ LLOYD	6.39	RANBAXY LABS.	3.49
STERLITE INDS	5.70	ZEE ENTERTAIN	3.13
RIL NAT RES.	5.10	DR. REDDY LABS.	2.59
HINDALCO IN.	4.40	BPCL	2.54

TRADING CALLS CARRIED FORWARD								
Date	Scrip	Suggested Action	Trade Price	CMP	RVS Stop Loss	Net Gain/ (Loss)	Target	
							BPP	BFP
09-Apr-07	Reliance Energy	Buy	512	510.55	508	(0.28)	-	530
09-Apr-07	ABB Ltd.	Buy	3644	3672	3650	0.77	-	3750
10-Apr-07	Ceat Limited	Buy	108	111	108	2.78	-	115
10-Apr-07	Sun Pharma	Buy	1087	1089.75	1075	0.25	-	1120
11-Apr-07	Rel. Petro	Buy	72.65	74.15	72.6	2.06	-	76
11-Apr-07	Orchid Chem	Buy	277.5	278.95	272	0.52	-	295

TRADING CALLS MATURED YESTERDAY						
DATE	SCRIP	RECO.	TRADE PRICE	EXIT PRICE	% GAIN/(LOSS)	NO. OF DAYS
11-Apr-07	MTNL	Buy	156	154.5	(0.96)	1

PIVOT POINT				April 12,2007		
SCRIP	LTP	S2	S1	Pivot Point	R1	R2
SENSEX	13183.24	13079.43	13131.33	13213.12	13265.02	13346.81
NIFTY	3862.65	3829.65	3846.15	3861.25	3877.75	3892.85
A.C.C.	732.45	694.75	713.6	730.35	749.2	765.95
ABB LTD.	3674.05	3586.02	3630.03	3675.02	3719.03	3764.02
BAJAJ AUTO	2278.35	2244.12	2261.23	2288.12	2305.23	2332.12
BHARAT PETRO	319.05	308.48	313.77	322.38	327.67	336.28
BHARTIARTL	774.1	755.4	764.75	772.35	781.7	789.3
BHEL	2496.1	2362.7	2429.4	2489.7	2556.4	2616.7
CIPLA	236.1	228.87	232.48	235.72	239.33	242.57
DABUR INDIA	93.3	80.3	86.8	90.4	96.9	100.5
DR.REDDY	699.55	680.52	690.03	705.52	715.03	730.52
GAIL	294.5	278.23	286.37	292.18	300.32	306.13
GLAXO SMITHK	1139.2	1124.8	1132	1139.5	1146.7	1154.2
GRASIM IND.	2225.6	2177.2	2201.4	2219.2	2243.4	2261.2
GUJ AMB CEME	107.85	105.32	106.58	108.27	109.53	111.22
HCL TECHNOLO	287.05	277.42	282.23	286.12	290.93	294.82
HDFC BANK	979.35	961.78	970.57	983.78	992.57	1005.78
HERO HONDA	640.1	629.43	634.77	640.38	645.72	651.33
HIND.LEVER	205.65	199.48	202.57	205.78	208.87	212.08
HIND.PETROL	252.75	245.65	249.2	255.6	259.15	265.55
HINDALCO	142.15	134.02	138.08	140.67	144.73	147.32
HOUS DEV FIN	1581.85	1540.62	1561.23	1587.62	1608.23	1634.62
ICICI BANK	859.5	841.6	850.55	861.2	870.15	880.8
INFOSYS TECH	1996.25	1956.42	1976.33	2007.67	2027.58	2058.92
IPCL	274.7	269.47	272.08	274.77	277.38	280.07
ITC	160.5	157	158.75	160.75	162.5	164.5
JETAIRWAYSEQ	609.4	544.23	576.82	625.63	658.22	707.03
LT EQ	1584.8	1551.27	1568.03	1589.02	1605.78	1626.77
MAH & MAH	725.2	712.67	718.93	726.82	733.08	740.97
MAHANGR TELE	153.2	147.43	150.32	155.13	158.02	162.83
MARUTI	781.95	770.45	776.2	783.1	788.85	795.75
NATION ALUMI	247.65	223.22	235.43	242.22	254.43	261.22
ONGC CORP.	880.55	862.98	871.77	880.28	889.07	897.58
ORIENT.BANK	187.75	183.95	185.85	188.6	190.5	193.25
PNB	446.55	436.25	441.4	450.15	455.3	464.05
RANBAXY LAB.	345.7	330.67	338.18	350.22	357.73	369.77
RCOM	412.25	402.45	407.35	415.4	420.3	428.35
REL EQ	511.1	499.97	505.53	511.77	517.33	523.57
RELIANCE	1386.6	1366	1376.3	1387.35	1397.65	1408.7
SATYAM COMP	441.15	430.25	435.7	444.6	450.05	458.95
SIEMENS	1113.5	1089.7	1101.6	1119	1130.9	1148.3
STATE BANK	981.4	961.4	971.4	987.15	997.15	1012.9
STEEL AUTHOR	122.75	115.42	119.08	121.67	125.33	127.92
SUN PHARMA.	1089.75	1063.22	1076.48	1094.27	1107.53	1125.32
SUZLON	1055.85	953.28	1004.57	1036.28	1087.57	1119.28
TATA POWER	533.2	505.8	519.5	528.7	542.4	551.6
TATAMOTORSEQ	722.8	705.13	713.97	722.48	731.32	739.83
TATASTEEL	511.5	490.43	500.97	510.18	520.72	529.93
TCS EQ	1190.55	1173.22	1181.88	1195.67	1204.33	1218.12
VIDESH SANCH	420.25	409.18	414.72	421.53	427.07	433.88
WIPRO	547.25	528.55	537.9	551.45	560.8	574.35
ZEE TELEFILM	264.5	253.9	259.2	266.55	271.85	279.2

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**Pivot Point: Intra- Day trading tool applying stop loss based on NSE prices.**

**Pivot Point:** This is trigger point for Intra Day buy/sell based on the price range of the previous day based on NSE prices.

**R1:** Resistance one: 1st Resistance over PP. **R2:** Resistance two: 2nd Resistance over R1.

**S1:** Support one: 1st support after PP. **S2:** Support two: 2nd support after S1.

As per the tool, the trader should take BUY position just above Pivot Point and keep the stop loss of Pivot Point and the first target would be R1. If R1 is crossed then R2 becomes the next target with the stop loss at R1.

Similarly if price goes below Pivot Point the trader should SELL and keep the Pivot Point as Stop loss and the first target would be S1.

If S1 is crossed then S2 becomes the next target with the stop loss at S1.

**Legends:** BPP: Book part profits, BFP: Book full profits, AP: Average profits, EMA: Exponential moving averages, SA: Simple Average, RVS: Revised Stop loss level.

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