



EQUITY STRATEGISTS™

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MARKET COMMENTARY

Markets opened with a huge gap and witnessed the largest turnover of recent times which led to a fall of 490 points on the Sensex and 154 points on Nifty. Shares from interest rate sensitive sectors - banking, realty and auto pack dominated the slide. Today's sell-off was wide-based with stocks across sectors being hammered brutally. IT and metal stocks were not spared either. Global cues have been on the negative side for the past few days and this has played a key role in the Indian market's decline. With tomorrow being the last day of F&O expiry and credit policy due on Friday, we do not expect the markets to recover in any big way. The market has now changed from a buy on dips to a sell on rallies. Nifty can easily fall by another 100-125 points from the current level. After that one will have to again reassess the situation.

We are very clear that one should not try to catch a falling knife and wait on sidelines for the decline to be completed. Bottoming out is a process and not an event and hence would not happen in a day or two. It would take a lot more time for the bottom to be decisively formed.

Nifty will now face strong resistance around 4925-4950 levels and all rallies should be sold into. Strong support now lies only around 4725-4740 levels.

A terrible market or a terrible economy is your friend. It's a terrible mistake to look at what's going on in the economy today and decide whether to buy or sell stocks. - Warren Buffett

EQUI QUICKPICK

LOW RISK / LOW RETURN

NOTE : IN CASES WHERE CASH LEVELS ARE GIVEN, BUY/SELL FUTURES WHEN THE CASH PRICE CROSSES THE BUY ABOVE/SELL BELOW LEVEL IN CASH

SCRIP	STRATEGY	STOP LOSS	TARGET	HOLDING PERIOD
DLF CASH	SELL BELOW Rs.316	331	307/299/289	3-4 DAYS
AXIS BANK CASH	SELL BELOW Rs.963	976	952/944/933	2-3 DAYS

DERIVATIVE PICK

LOW RISK / LOW RETURN

NOTE : IN CASES WHERE CASH LEVELS ARE GIVEN, BUY/SELL FUTURES WHEN THE CASH PRICE CROSSES THE BUY ABOVE/SELL BELOW LEVEL IN CASH

JSW STEEL (CASH- Rs.960) : Steel stocks were extremely weak and JSW was the weakest among the lot. Selling is advised below Rs.947 for a target of Rs.935 and Rs.921. Lower target of Rs.898-902 is also possible. Stop Loss of Rs.964 should be kept.

Note: In case of any problem in receiving NEWSLETTER, kindly contact Mr Devesh Chauhan at 9350171231

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