

Industry Trends Report

FOR PRIVATE CIRCULATION ONLY

04 June 2007



A Technical Perspective - Ready Reckoner

Indices have defied the laws of gravity and continued to scale higher levels in the last week too. The waning margin of resistance levels and galloping margin of support levels, however, depict much different picture. **Trading range, of almost all the indices, is at its recent low level.** Negative divergence in the upward momentum will make the indices much more vulnerable to the abrupt changes in the perception of the professional market players. Investment buying, at the drop of hat, cannot be taken for granted at this point of time. In spite of the **B5** status of almost all the indices, crucial support levels, for the week ahead, are at the distance of a stone/s throw. **Expect the unexpected to unfold with highly explosive trading sessions in immediate future.**

Index	Close	Code	Stop Loss	Range	Comment
S&P Nifty	4297	B5	4167	240	CR 4355, CS 4282, Be cautious
Nifty Junior	8133	B5	7815	390	CR 8280, CS 8120, Be cautious
CNX Midcap	5688	B5	5470	240	CR 5795
CNX 500	3575	B5	3470	185	CR 3655, CS 3565
BSE SENSEX	14570	B5	14150	760	CR 14985, CS 14487, Be cautious
BSE 500	5671	B5	5476	255	CR 5780
BSE Auto	5030	B5	4901	235	CR 5145, better follow up support
BSE Bankex	7682	B5	7137	680	CR 7765, CS 7610, Be cautious
BSE CDS	4151	B5	3841	155	CR 4390
BSE CGS	11241	B5	10242	465	CR 11890, Be cautious
BSE FMCG	1890	B5	1847	95	CR 2005,
BSE Health	3852	B4	3736	185	CR 3980
BSE IT	4908	B4	4755	335	CR 5095, Can improve further
BSE Metal	10468	B5	10238	530	CR 10720, Be cautious
BSE Oil& Gas	7779	B5	7480	390	CR 7975, Be cautious
BSE PSU	6773	B5	6600	360	CR 6935, Be cautious
BSE Teck	3729	S1	3810	180	CR 3855,

Glossary

B1-Bottoming out situation of BEAR PHASE

B2- Rally in BEAR PHASE

B3- Change in direction from BEAR to BULL PHASE

B4- End of reaction in BULL PHASE

B5- Continuation of BULL PHASE

S1-Top out situation in BULL PHASE

S2-Reaction in BULL PHASE

S3- Change in direction from BULL to BEAR PHASE

S4-End of recovery in BEAR PHASE

S5 Continuation of BEAR PHASE

DISCLAIMER: This document has been prepared by Religare Securities Limited [Technical Research] (Religare). This is not an offer to buy or sell or the solicitation of an offer to buy or sell any security or to participate in any particular trading strategy or as an official confirmation of any transaction. The views expressed are those of analyst. The information contained herein is from publicly available data or other sources believed to be reliable or developed through analysis. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. Religare accepts no obligation to correct or update the information or opinions in it. Religare may discontinue research coverage of a subject company or change the opinion(s) without notice. The investment discussed or views expressed may not be suitable for all investors and certain investors may not be eligible to purchase or participate in some or all of them. Religare recommends that investors independently evaluate particular investments and strategies. The user assumes the entire risk of any use made of this information. Neither Religare nor any of its affiliates, directors, employees, agents or representatives shall be liable for any damages whether direct, indirect, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. Religare and its affiliates, officers, directors, and employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or act as advisor or lender / borrower to such company (ies) or have other potential conflict or interest with respect to any recommendation and related information and opinions. The recipient should take this into account before interpreting the document. This report is not directed or intended for distribution, publication, availability or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication availability or use would be contrary to law regulation or which would subject Religare and affiliates to any registration or licensing requirements within such jurisdiction, persons in whose possession this document comes, should inform themselves about and observe, any such restrictions. **Copy right in this document vests exclusively with Religare.** This information should not be reproduced or redistributed or passed on directly or indirectly in any form to any other person or published, copied, in whole or in part, for any purpose, without prior written permission from Religare. We do not guarantee the integrity of any e-mails or attached files and are not responsible for any changes made to them by any other person.

Religare Securities Ltd. – Shop 13-14, Koteswar Ashish, Dr.J.N.Rd, and Mulund (West), Mumbai 400080.

Tel: 022-25614906-09, 022-25900993, Nehru Place, New Delhi-110019.

Tel: 91-11-55562200, E-mail: vasant.joshi@religare.in