

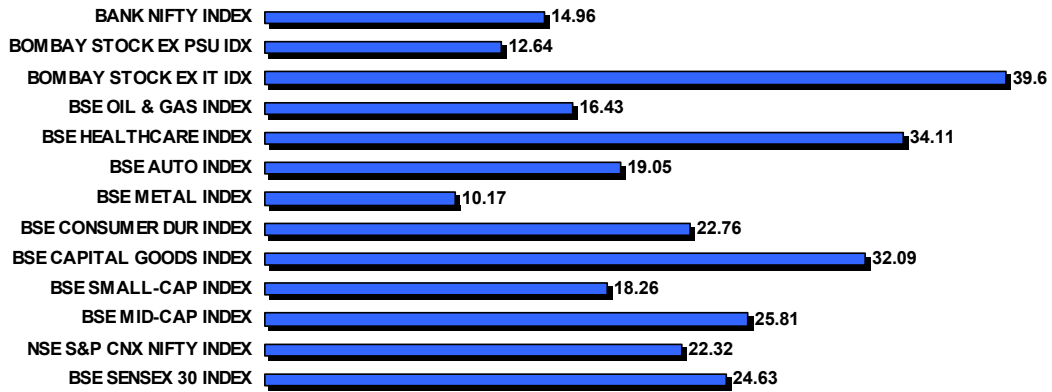
**MACRO ECONOMIC FACTORS**

- ❑ Inflation figures stood at 5.32% at the end of this week compared with 5.16% last week. In spite of RBI's intervention in increasing the Cash Reserve Ratio (CRR) by 50 basis points, Inflation continues to hover around 5.32% which is very near to the upper band of the RBI comfort zone of 4.5 - 5.5% .
- ❑ The yield on the 10 year G - Sec is edging northwards to 7.5% after RBI's decision of hiking CRR.
- ❑ Crude oil price stood at 62.41 US\$ per barrel by the end of the week. Over the week Crude oil prices continued to trade range bound between 62 and 65 US\$ per barrel.
- ❑ Exchange rate Rs/US\$ closed at 44.56 by the end of the week. Exchange rate Rs/US\$ continued to trade range bound between 44.5 - 45. Dollar was strong against the rupees.

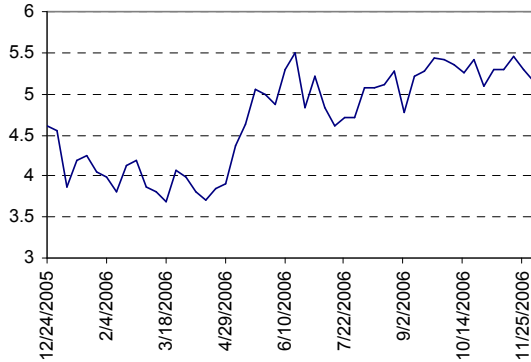
CAPITAL MARKET SENTIMENT INDICATORS

- ❑ Indian markets continued to experience high volatility. Sensex and Nifty oscillated between 500 & 140 points respectively. Sensex managed to close at 13471 levels at the end of this week compared with 13614 levels last week. Sensex and Nifty has continued to give negative returns in the past week. Sensex and Nifty was down by 1% and 0.5% respectively.
- ❑ On the Sectorial space, Oil & Gas was the major gainer and given a return of over 2.6%. Auto and Health Care followed there after in the order of precedence over the returns. On the other hand Capital Goods were the major loser followed by Banking and Tech Sectors. Banking continued to experience weakness due to increase in CRR by 50 basis points by RBI last week.
- ❑ The put call ratio stood at 1.27. The puts amounted to about 56% of the open interest in the markets. Keeping in view the volatility experienced in market, put options could be used as hedging tools.
- ❑ The markets opened on last Monday at a weak note with an advance to decline ratio which is less than 1. The markets gained strength on continued buying by the mutual funds and the advance to decline ratio stood 1.4 during weekend.
- ❑ Foreign Institutional Investors (FII's) were net sellers this week to the tune of nearly Rs 100 crores. Domestic mutual funds, on the other hand, turned out to be net buyers to the tune of Rs 80 crores.

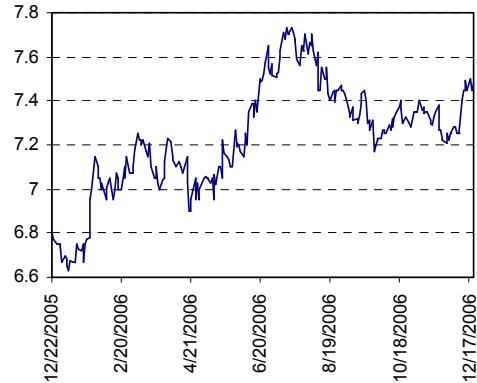
INDICES P/E



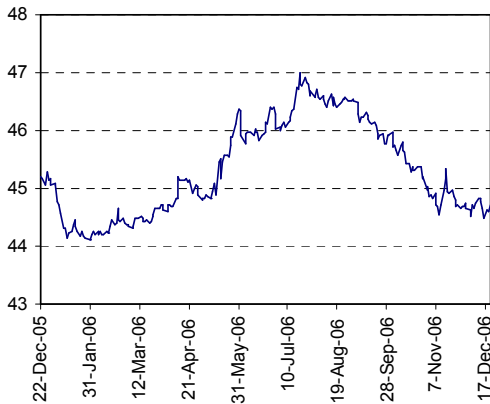
INFLATION



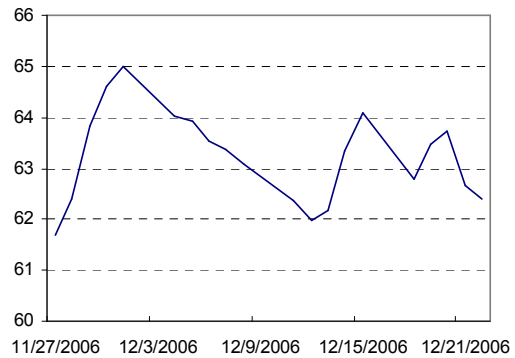
10-yr G-SEC YIELD



Exchange Rate (Rs/USD)



CRUDE OIL PRICE MOVEMENT(US\$/Barrel)



MARKET OUTLOOK

We maintain cautious optimism on the markets taking into consideration the buying statistics of mutual funds. Since the markets have exhibited a peanut formation on the daily charts, we exercise caution and feel that markets might continue to trade with high levels of volatility. We suggest investors to be patient in the volatile market conditions and trade the trend in the direction of the breakout with a strict tailing stop loss.

SENSEX

Trend : Volatile
 Support : 13050/12450
 Resistance : 13770/14035



NIFTY

Trend : Volatile
 Support : 3771/3600
 Resistance : 3940/4046



GATEWAY DISTRI PARKS LTD.

LTP : 195
 OUTLOOK : BULLISH BREAKOUT
 STRATEGY : Buy
 STOP LOSS : 184
 TARGET : 205/225



VOLTAS LTD.

LTP : 117
 OUTLOOK : BULLISH BREAKOUT
 STRATEGY : Buy
 STOPLOSS : 110
 TARGET : 132/140



UNITED BREWERIES LTD.

LTP : 173
 OUTLOOK : BULLISH
 STRATEGY : Buy
 STOP LOSS : 168/154
 TARGET : 187/208



Disclaimer: The information contained in this report is based on the art of technical analysis. While utmost care has been taken to create this report, the author or the organization does not take any responsibility for the consequences of this report. Investors who invest on the basis of recommendations mentioned in this report do so at their own risk.