



Punter's Call

"2008" low

Markets on July 1: Selling across the sectors

Markets opened on a flat note, and after an initial jerk made a high of 4,075. However, the markets were unable to sustain there and a massive sell off was witnessed across the sectors. No sign of recovery was seen thereafter and the indices all through the day made lower tops and lower bottoms and finally closed near the day's low, showing the dominance of bears over bulls. Massive sell off led the Sensex down by 500 points and Nifty by 144 points. Nifty currently is in the process of completing the flag pattern target, which is around 3,800 as shown on the daily charts. Nifty made a low of 3,878, which is the lowest level it has made since January 2008. Hence as per the Dow theory, we have been in the downtrend as we are making lower tops and lower bottoms. The momentum indicator KST continue to ride negatively, which indicates towards more downside. The market breadth was in the absolute grip of bears. As against 560 advances, there were 3,360 declines on both the exchanges. The crucial levels to watch are 3,860-3,825 on the downside and 3,940-3,980 on upside.

On the hourly chart, the momentum indicator KST continued to ride negatively after breaching the zero line. The increasing gap between KST and the moving average is expanding, which indicates that more downside is still on the cards in the coming trading sessions. Our short term bias is down for the target of 3,800 with reversal pegged at 4,100.

No single sector on the street was able to post gain. Among those which bled the most were BSE Realty (-7.2%), Bankex (-5.62%), Metal (-5.40), Auto (-4.91) and Power (4.24%).

Nifty chart: 3,897



60 minute chart



Market Breadth

	BSE	NSE
Advances	406	129
Declines	2,272	1,102
Unchanged	46	12
Volume (Rs)	5,051cr	12,059cr

Short Term Trend

	Target	Trend	Reversal	Support/Resistance
Sensex	12800	↓	Up above 13750	12800 / 13750
Nifty	3800	↓	Up above 4100	3800 / 4100

Medium Term Trend

	Target	Trend	Reversal	Support/Resistance
Sensex	16000	↑	Down below 12700	12800 / 16000
Nifty	4800	↑	Down below 3780	3800 / 4800

Icon guide

 Up	 Down	 Downswing matures	 Upswing matures
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Trendy Levels

Sensex		Nifty	
Support	Resistance	Support	Resistance
12900	13100	3860	3940
12780	13240	3825	3980
12657	13350	3800	4015
20DSMA	40DEMA	20DSMA	40DEMA
14791	15362	4409	4579
BSE Sensex: 12,962		Nifty: 3,897	

Smart Charts

Date	Recommendation	Action	Stop Loss/ Reversal (Intra-day)	Stop Loss/ Reversal DCL	Buy/Sell Price	Closing Price (CMP)	Potential % P/L at CMP	Targets
30-06-08	TCS	Buy	-	839.0	877.0	846.7	-3%	930-1020
26-06-08	HDFC Bank	Buy	-	Stopped out	1057.0	979.0	-7%	1130-1200
26-06-08	Alstom Power	Buy	-	Stopped out	361.5	338.0	-7%	400-450
25-06-08	SAIL	Buy	135.0	-	147.5	137.9	-7%	163-177
25-06-08	Orchid Chemicals	Buy	-	215.0	230.0	237.1	3%	250-270

NOTE: Kindly note that all stop losses in Smart Charts Calls are on closing basis unless specified.

TPB: Trailing profit booked

Momentum Calls

For the short term—1 to 5 days

Stock	Action	Action date	Stop loss	Price	Closing price	Target1	Target2
Grasim	Buy	01-07-08	Stopped out	1,870.0	1,829.0	1,910.0	1,950.0

NOTE: Kindly note that all stop losses in Momentum Calls are on an intra-day basis.

TPB: Trailing profit booked

NOTE : Action taken after market hours will be highlighted in blue colour.

Day Trader's HIT List

For July 02, 2008

Scrip Name	Support Levels		Close (Rs)	Resistance Levels		Action
	S1	S2		R2	R1	
NIFTY Futures	3740	3800	3815.0	3860	3900	Sell on rise to R2/Sell below S2.
Adlabs Film	350	365	370.0	377	394	Sell below S2.
Century Text	445	456	460.0	465	479	Sell below S2.
DLF	345	356	361.0	367	375	Sell on rise at R2.
HUL	192	195	197.0	200	203	Buy above R2/Sell below S2.
ICICI Bank	560	575	581.0	593	600	Sell on rise to R2/Sell below S2.
Infosys	1660	1695	1707.0	1730	1765	Sell below S2.
J P Associates	127	132	135.0	139	144	Sell on rise at R2.
Maruti	542	560	565.0	570	582	Sell on rise to R2.
Reliance	1955	2000	2025.0	2041	2067	Sell below S2/Sell on rise at R2.
Reliance Capital	840	870	878.0	893	920	Sell on rise to R2/Sell below S2.
Reliance Comm	375	390	397.0	400	416	Sell below S2.
SAIL	133	136	137.5	140	143	Sell on rise to R2/Sell below S2.
Satyam	410	422	432.0	440	455	Buy on decline at S2/Buy above R2.
SBI	960	1000	1012.5	1040	1070	Sell on rise to R2/Sell below S2.
Tata Motors	385	400	405.0	415	425	Sell on rise to R2/Sell below S2.
Tata Steel	678	690	692.0	700	718	Sell on rise to R2/Sell below S2.

*Note: Closing price of Nifty futures is last traded price of Nifty futures on NSE

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