

Technical In-Depth

14 May 2007 | 6 pages

India Technical Research Weekly

Expect a Rise Toward 4181

- **Nifty** — The index closed the week on a negative note. It traded flat toward the opening session of the week; it dipped down intra-week and posted a low of 3981. It ended the week with a loss of 40 points.
- **Moving Averages** — The index is facing price congestion from the 10 dma (4103) and 20 dma (4063). The 20 wma is at 3973. Intra-week dips should find support around the Averages. [dma = Daily Simple Moving Average, wma = Weekly Simple Moving Average]
- **Trading Range** — The index has been confined in a trading range of 4181 (higher side) and 3981 (lower side) for the past eight trading sessions. Nifty can test the higher end of the trading range during the current week; intra-week dips should find support around the 3981 level.
- **Resistance** — The index is facing resistance around 4181. A close above the 4181 level will see it moving toward 4245 (“All-Time High”)
- **Support** — The index has support around 3981 (Lower end of the trading range) and 20 wma at 3973. Intra-week dips should find support in the 3981-3973 band.
- **Conclusion** — Nifty can rise toward 4181; intra-week dips should find support around the 3981-3973 band.

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Figure 1: India Technical Research — Index Snapshot

Indices	Last Week Close	Current Week Close	WeeklyChange(Points)
Sensex	13934	13796	-138
Nifty	4117	4077	-40
Nifty Futures: Current Month	4118	4079	-39

Source: Citigroup Investment Research

See Appendix A-1 for Analyst Certification and important disclosures. See Ap

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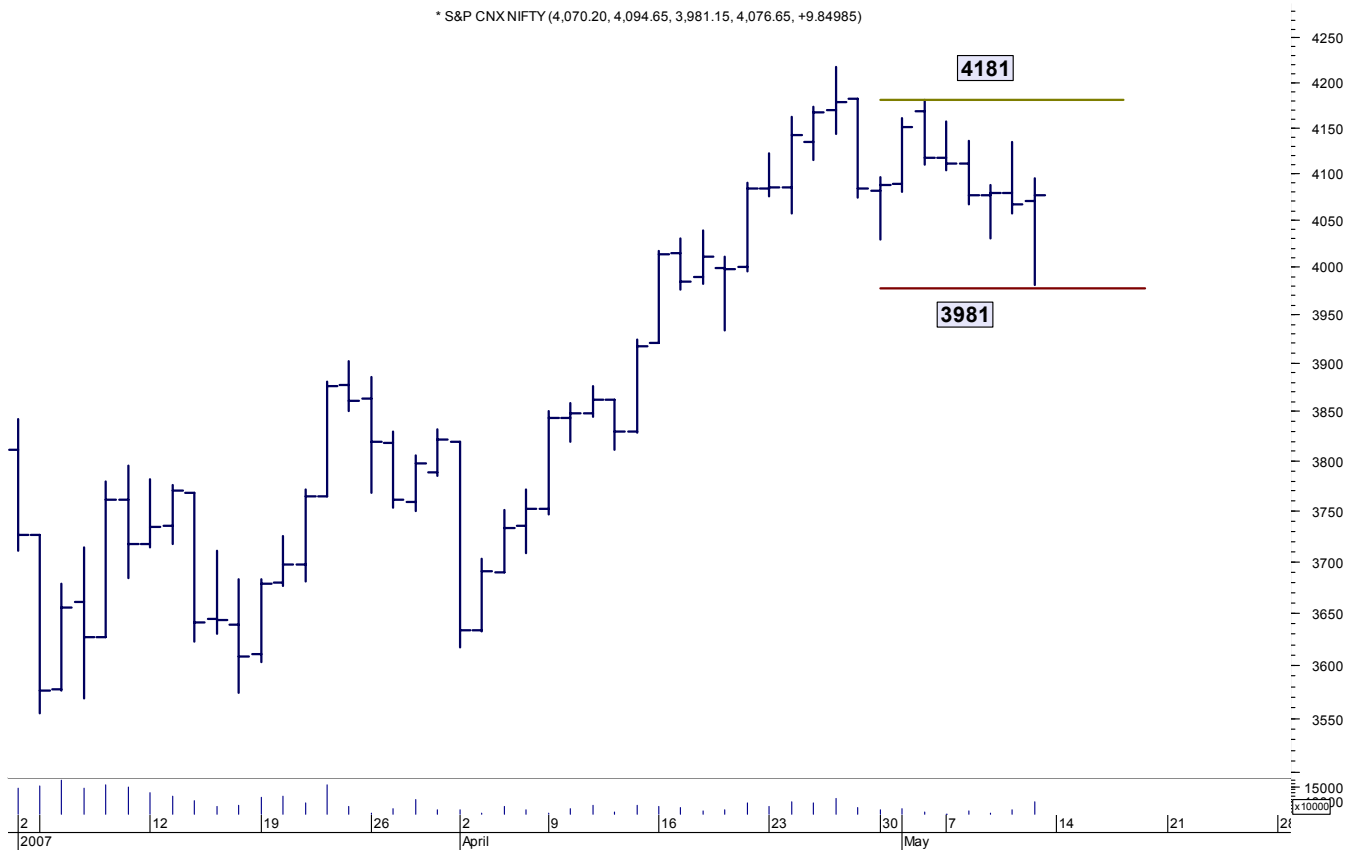
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Figure 2: India Technical Research — Support and Resistance (Weekly)

Indices	Support	Resistance
Sensex	13554-13421-13290	13976-14190-14384
Nifty	3981-3973-3936	4134-4180-4245
Nifty Futures: Current Month	3990-3964-3903	4134-4187-4242

Source: Citigroup Investment Research
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Figure 3. India Technical Research Weekly: Nifty Daily Chart.



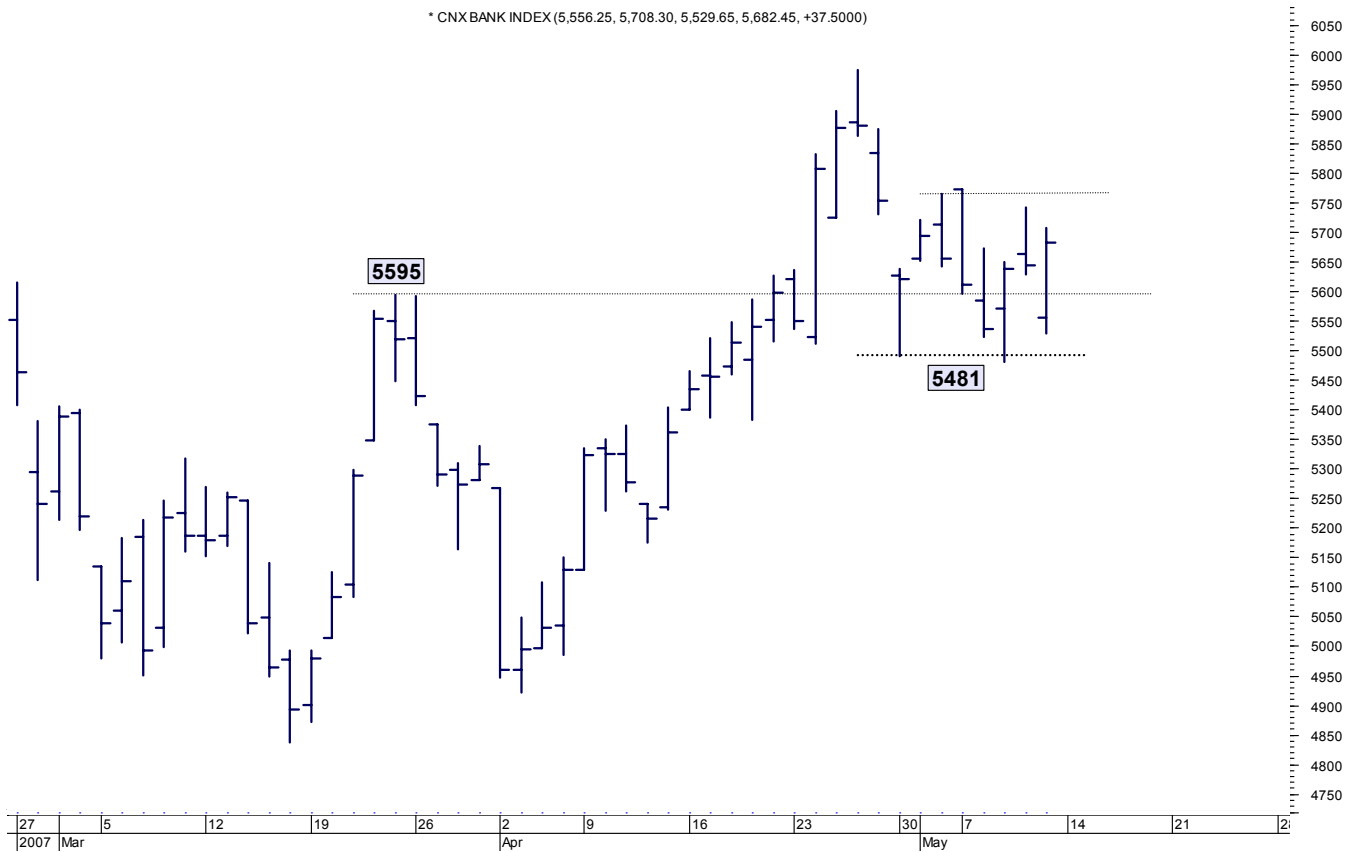
Source: Reuters Metastock

CNX BANK INDEX:(5682).

The index closed with weekly gain of 26 points. The index is consolidating around the breakout level at 5595. It has support base around 5481. Resistance is at 5765; close above 5765 will see the index rise toward 6040 level.

Conclusion: The index will exhibit strength on close above 5765.

Figure 4. India Technical Research Weekly:Cnx Bank Index. Daily Chart.



Source: Reuters Metastock

CNX IT INDEX:(5286).

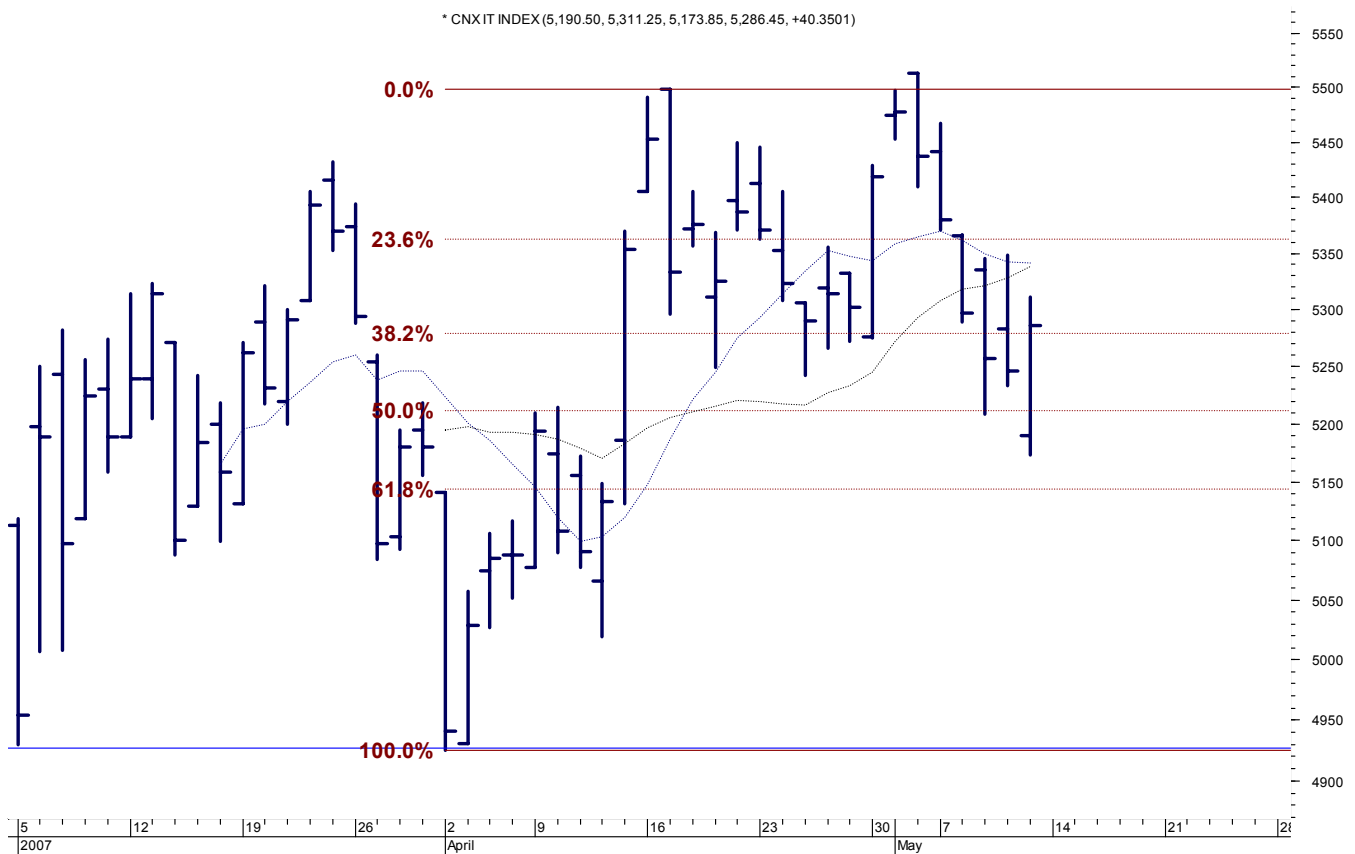
The index closed with weekly loss of 151 points.

Support: The index has support at 5145 (62% retracement level of the rise from low of 4925 (2 April 2007) to the high of 5497 (3 May 2007)).

Resistance: The index faces resistance around the 10 dma (5342) and 20 dma (5338). Close above the averages will see it move toward the recent high at 5497.

Conclusion: Strength can be expected on close above 5345 level.

Figure 5. India Technical Research Weekly: Cnx IT Index. Daily Chart.



Source: Reuters Metastock

Appendix A-1

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