

Technical View

Profit booking expected

BIAS FOR THE SHORT TERM

(1 to 3 weeks)

DOWN ↓

BIAS FOR THE MEDIUM TERM

(1 to 3 months)

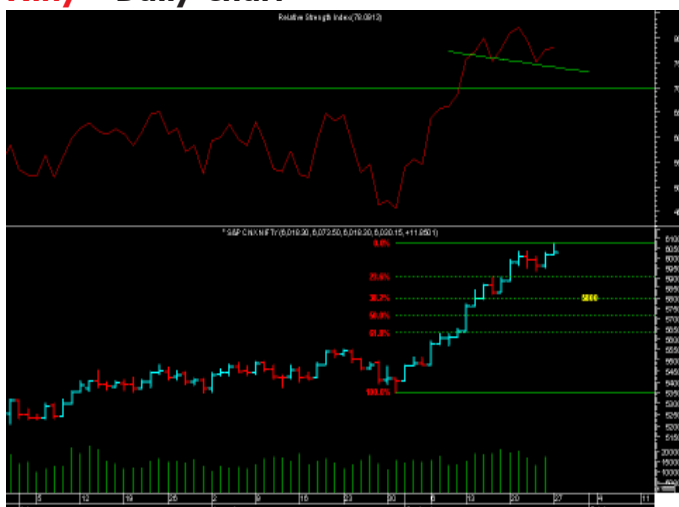
DOWN ↓

India	closing	Targets	Reversal
Nifty	6036	5800	6080
Sensex	20117	19400	20300

Averages (Nifty)	
10DMA	5936
20DMA	5740
40DMA	5656
200DMA	5240

Levels For The Day			
Nifty		Sensex	
Supp.	Resi.	Supp.	Resi.
5940	6040	19950	20150
5880	6050	19830	20200
5850	6080	19750	20300

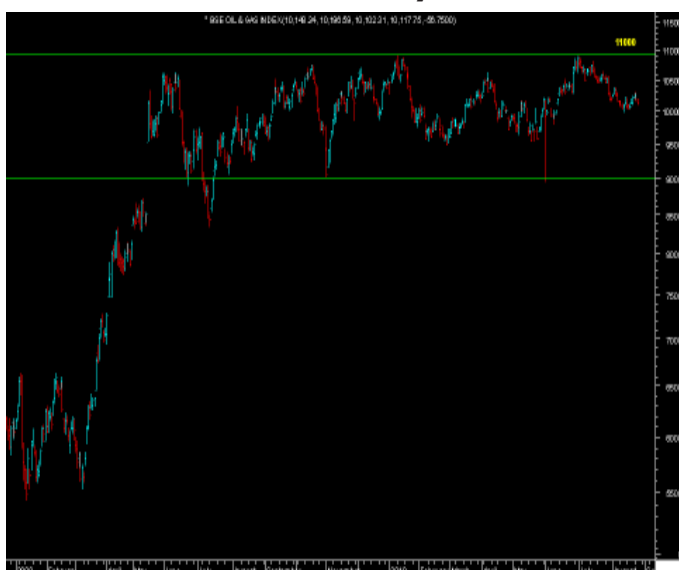
Nifty - Daily Chart



- Nifty made a new 2010 high but closed the day below 6040 in today's session.
- The index is now trading at the upper end of the consolidation band of 6040 to 5800.
- We expect the index to witness profit booking in the coming days.
- The correction could drag the index till 5800 where it would find some Buying support.
- The daily, weekly and hourly charts are in overbought zone and therefore we expect consolidation in 6040-5800 range in the Nifty.
- The technical charts are not favoring further rise as the pattern, indicators, market breadth are suggesting a correction in the Nifty in the short term.
- We therefore would not advise to go long on Nifty and wait for correction, first till 5800.

Sector update

BSE Oil & Gas Index - Daily Chart



- On the daily chart the MACD is turning into Buy mode.
- Oil & Gas index would target the upper end of the consolidation band, which is at 11000.
- On daily chart the momentum oscillators are witnessing positive divergence suggesting downside is limited.
- The target price of consolidation or rectangular pattern is at 11000 and stop loss will be at 10550.
- Best Buy picks: Reliance and ONGC

Sector (BSE)	Trend (short term)	Closing	Change (%)	Support	Resistance
AUTO	Negative	9,553.88	0.48	9400	9600
BANKEX	Negative	13,911.90	-0.01	13800	14200
CD	Negative	6,422.42	1.64	6100	6450
CG	Positive	15,908.62	0.42	15500	16050
FMCG	Negative	3,726.88	-0.67	3500	3800
HC	Positive	6,013.29	0.63	5800	6010
IT	Positive	5,944.67	-0.48	5800	6200
METAL	Negative	17,009.41	2.15	16800	17020
OIL&GAS	Positive	10,736.55	0.85	10400	10800
POWER	Negative	3,226.18	0.83	3100	3250
PSU	Negative	10,396.67	0.82	10100	10400
REALTY	Negative	3,741.59	1.23	3650	3800

Analyst
Ashish Shroff
 Technical Analyst
 Tel.: +91-22-3043 3209
 ashishshroff@ambitcapital.com

Ambit Capital Pvt. Ltd.

Ambit House, 3rd Floor
449, Senapati Bapat Marg
Lower Parel, Mumbai 400 013
India.

Phone : +91-22-3043 3000
Fax : +91-22-3043 3100

This report or any portion hereof may not be reprinted, sold or redistributed without the written consent of Ambit Capital. AMBIT Capital Research is disseminated and available primarily electronically, and, in some cases, in printed form.

Additional information on recommended securities is available on request.

DISCLAIMER

1. If you are dissatisfied with the contents of this complimentary Report or with the terms of this Disclaimer, your sole and exclusive remedy is to stop using the Report and AMBIT Capital Private Limited ("AMBIT Capital") shall not be responsible and/ or liable in any manner.
2. This Report has been issued by AMBIT Capital for the information of its clients/potential clients only.
3. If this Report is received by any client of an affiliate of AMBIT Capital, in addition to the provisions set out in this Disclaimer, its provision to the recipient is subject to the terms of business in place between the AMBIT Capital and such affiliate.
4. AMBIT Capital is a Stock Broker registered with Securities and Exchange Board of India Limited (SEBI) and so it is regulated by SEBI.
5. This Report is not and should not be construed as an investment advice to any client to acquire, subscribe, purchase, sell, dispose of, retain any securities or an offer to sell or the solicitation of an offer to purchase or subscribe for any investment or as an official endorsement of any investment.
6. If 'Buy', 'Sell', or 'Hold' recommendation is made in this Report such recommendation or view or opinion expressed on investments in this Report is not intended to constitute investment advice and should not be intended or treated as a substitute for necessary review or validation or any professional advice. The views expressed in this Report are those of the analyst which are subject to change and do not represent to be an authority on the subject. AMBIT Capital may or may not subscribe to any and/ or all the views expressed herein.
7. AMBIT Capital makes best endeavour to ensure that the analyst(s) use current, reliable, comprehensive information and obtain such information from sources which the analyst(s) believes to be reliable. However, such information has not been independently verified by AMBIT Capital or the analyst(s).
8. The information, opinions and views contained within this Report are based upon publicly available information and rates of taxation at the time of publication which are subject to change from time to time without any prior notice. Reports may be updated anytime without any prior notice to any and/ or all client(s).
9. AMBIT Capital makes no guarantee, representation or warranty, express or implied; and accepts no responsibility or liability as to the accuracy or completeness or currentness of the information in this Report.
10. Please note that past performance is not necessarily a guide to evaluate future performance.
11. AMBIT Capital and its affiliates and their respective officers directors and employees may hold positions in any securities mentioned in this Report (or in any related investment) and may from time to time add to or dispose of any such securities (or investment).
12. Affiliate(s) of AMBIT Capital may from time to time render advisory and other services to companies being referred to in this Report and receive compensation for the same.
13. AMBIT Capital may act as a market maker or risk arbitrator or liquidity provider or may have assumed an underwriting commitment in the securities of companies discussed in this Report (or in related investments) or may sell them or buy them from clients on a principal to principal basis or may be involved in proprietary trading and may also perform or seek to perform investment banking or underwriting services for or relating to those companies and may also be represented in the supervisory board or on any other committee of those companies.
14. AMBIT Capital may sell or buy any securities or make any investment which may be contrary to or inconsistent with this Report.
15. This Report should be read and relied upon at the sole discretion and risk of the client.
16. The value of any investment made at your discretion based on this Report or income therefrom may be affected by changes in economic, financial and/ or political factors and may go down as well as up and you may not get back the full or the expected amount invested. Some securities and/ or investments involve substantial risk and are not suitable for all investors.
17. This Report is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied in whole or in part, for any purpose. Neither this Report nor any copy of it may be taken or transmitted or distributed, directly or indirectly within India or into any other country including United States (to US Persons), Canada or Japan or to any resident thereof. The distribution of this Report in other jurisdictions may be strictly restricted and/ or prohibited by law, and persons into whose possession this Report comes should inform themselves about such restriction and/ or prohibition, and observe any such restrictions and/ or prohibition.
18. Neither AMBIT Capital nor its affiliates or their directors, employees, agents or representatives, shall be responsible or liable in any manner, directly or indirectly, for views or opinions expressed in this Report or the contents or any errors or discrepancies herein or for any decisions or actions taken in reliance on the Report or inability to use or access our service or this Report or for any loss or damages whether direct or indirect, incidental, special or consequential including without limitation loss of revenue or profits or any loss or damage that may arise from or in connection with the use of or reliance on this Report or inability to use or access our service or this Report.

© Copyright 2006 AMBIT Capital Private Limited. All rights reserved.