



Punter's Call

Solid close

Markets on June 16: Gap up opening

The Sensex opened up with a gap of around 100 points and made a high of 15,553. Thereafter the index went down due to selling at higher end, but still held the opening gap though by only three points. On the hourly charts, Nifty has given a breakout above the neckline of the inverted head and shoulders pattern, whose probable target is near our short-term target. Nifty will face resistance around the upper line of the bearish channel. However when that channel is surpassed, Nifty has a fair chance of a northward bounce. Nifty gave a closing above 10 DSMA after 17 straight days of negative closing, which is also an encouraging sign for the bulls. Today with a positive crossover in the momentum indicator KST there is a very decent chance of a bounce back. The levels to watch out are 4,536 on downside and 4,635 on upside. The market breadth was strongly dominated by bulls.

On the hourly chart, the momentum indicator KST is riding strong above the zero line. Our short-term bias is up for the target of 4,680 with the reversal at 4,360. Nifty gave a close above 40 HEMA (ie 4,554). So now this level will act as a good support in the coming sessions. However our mid-term bias is down for the target 4,270 with the reversal pegged at 4,960.

All the sectors except the two (consumer durables and automobiles) ended in green. The top two performing sectors were realty and banking. Among the index stocks, which came out with flying colors were ICICI Bank, Reliance Energy and Bharti Airtel.

Nifty chart: 4,573



60 minute chart



Market Breadth

| | BSE | NSE |
|-------------|---------|----------|
| Advances | 1,776 | 800 |
| Declines | 872 | 393 |
| Unchanged | 76 | 36 |
| Volume (Rs) | 4,506cr | 10,707cr |

Short Term Trend

| | Target | Trend | Reversal | Support/Resistance |
|--------|--------|-------|------------------|--------------------|
| Sensex | 15700 | ↑ | Down below 14640 | 15000 / 15700 |
| Nifty | 4680 | ↑ | Down below 4360 | 4400 / 4700 |

Medium Term Trend

| | Target | Trend | Reversal | Support/Resistance |
|--------|--------|-------|----------------|--------------------|
| Sensex | 14200 | ↓ | Up above 16700 | 14500 / 16500 |
| Nifty | 4270 | ↓ | Up above 4960 | 4340 / 4900 |

Icon guide

| | | | |
|------|--------|---------------------|-------------------|
| ↑ Up | ↓ Down | ↘ Downswing matures | ↗ Upswing matures |
|------|--------|---------------------|-------------------|

Trendy Levels

| Sensex | | Nifty | |
|--------------------|------------|--------------|------------|
| Support | Resistance | Support | Resistance |
| 15135 | 15550 | 4535 | 4635 |
| 15000 | 15700 | 4490 | 4695 |
| 14840 | 15870 | 4450 | 4730 |
| 20DSMA | 40DEMA | 20DSMA | 40DEMA |
| 15989 | 16181 | 4750 | 4815 |
| BSE Sensex: 15,396 | | Nifty: 4,573 | |

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 |
|----------|-----------------|--------|---------------------------------------|-------------------------------|-------------------|---------------------------|------------------------------|---------|
| 22-05-08 | India Cement | Buy | 149.0 | - | 176.0 | 160.5 | -9% | 190-210 |
| 21-05-08 | IFCI | Buy | 54.7 | - | 66.0 | 57.8 | -12% | 72-78 |
| 21-05-08 | Praj Industries | Buy | 164.0 | - | 205.0 | 193.9 | -5% | 240-270 |

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 |
|---------------------|--------|-------------|--------------|---------|---------------|---------|---------|
| JSW Steel | Buy | 16-06-08 | 991.0 | 1,015.0 | 994.8 | 1,030.0 | 1,060.0 |
| Parsvnath Dev | Buy | 16-06-08 | Stopped out | 171.7 | 169.1 | 174.0 | 177.0 |
| Praj Industries | Buy | 16-06-08 | Book Profits | 193.2 | 198.0 | 196.0 | 200.0 |
| Ranbaxy Lab | Sell | 16-06-08 | 583.0 | 571.0 | 567.7 | 559.0 | 547.0 |
| Cairn India | Sell | 16-06-08 | Exit | 279.0 | 282.0 | 274.0 | 267.0 |
| Renuka Sugar | Buy | 16-06-08 | 97.5 | 97.2 | 99.2 | 100.0 | 103.0 |
| RNRL | Buy | 16-06-08 | 90.3 | 92.3 | 91.1 | 95.0 | 98.0 |
| Alstom Power | Buy | 16-06-08 | TPB | 447.0 | 449.9 | 455.0 | 465.0 |
| HDFC Bank | Buy | 16-06-08 | Stopped out | 1,170.0 | 1,149.0 | 1,190.0 | 1,215.0 |
| Crompton Greaves | Buy | 16-06-08 | Book Profits | 254.5 | 264.0 | 259.0 | 264.0 |
| Reliance Industries | Buy | 16-06-08 | 2,249.0 | 2,314.0 | 2,284.8 | 2,350.0 | 2,400.0 |
| RPL | Buy | 13-06-08 | Exit | 180.5 | 181.3 | 184.0 | 190.0 |
| Tata Steel | Sell | 13-06-08 | Stopped out | 847.0 | 861.0 | 835.0 | 820.0 |
| Punj Lloyd | Sell | 13-06-08 | Stopped out | 263.3 | 267.6 | 256.0 | 251.0 |
| Aban Offshore | Sell | 13-06-08 | Stopped out | 3,720.4 | 3,762.0 | 3,611.0 | 3,531.0 |
| Hind Oil | Buy | 13-06-08 | 126.9 | 130.0 | 127.0 | 135.0 | 139.0 |
| Tata Power | Sell | 13-06-08 | 1,302.0 | 1,277.0 | 1,300.2 | 1,255.0 | 1,230.0 |
| ITC | Buy | 12-06-08 | Exit | 199.5 | 200.6 | 206.0 | 210.0 |

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.

For June 17, 2008

| Scrip Name | Support Levels | | Close (Rs) | Resistance Levels | | Action |
|------------------|----------------|------|------------|-------------------|------|--------------------------------------|
| | S1 | S2 | | R2 | R1 | |
| NIFTY Futures | 4500 | 4540 | 4570.0 | 4600 | 4650 | Go long above R2. |
| Adlabs Film | 545 | 561 | 566.0 | 571 | 578 | Go short below S2. |
| Century Text | 564 | 580 | 588.0 | 595 | 609 | Go short below S2. |
| DLF | 475 | 485 | 491.0 | 496 | 501 | Go short below S2. |
| HUL | 227 | 230 | 231.6 | 233 | 236 | Go long above R2. |
| ICICI Bank | 775 | 789 | 799.0 | 806 | 820 | Go long above R2. |
| Infosys | 1855 | 1898 | 1907.0 | 1924 | 1941 | Go short below S2. |
| J P Associates | 173 | 177 | 179.5 | 181 | 184 | Go short below S2. |
| Maruti | 690 | 703 | 718.0 | 732 | 744 | Go long above R2, Go short below S2. |
| Reliance | 2240 | 2261 | 2285.0 | 2301 | 2340 | Buy on decline to S2. |
| Reliance Capital | 1068 | 1096 | 1120.0 | 1131 | 1160 | Go short below S2. |
| Reliance Comm | 515 | 531 | 535.0 | 547 | 560 | Sell on rise to R2. |
| SAIL | 157 | 159 | 162.2 | 163 | 166 | Go short below S2. |
| Satyam | 476 | 482 | 488.4 | 493 | 502 | Go long above R2. |
| SBI | 1300 | 1320 | 1326.0 | 1335 | 1340 | Go short below S2. |
| Tata Motors | 504 | 511 | 516.7 | 522 | 530 | Go long above R2. |
| Tata Steel | 833 | 843 | 848.0 | 854 | 864 | Go short below S2. |

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

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