

MARKET WRAP

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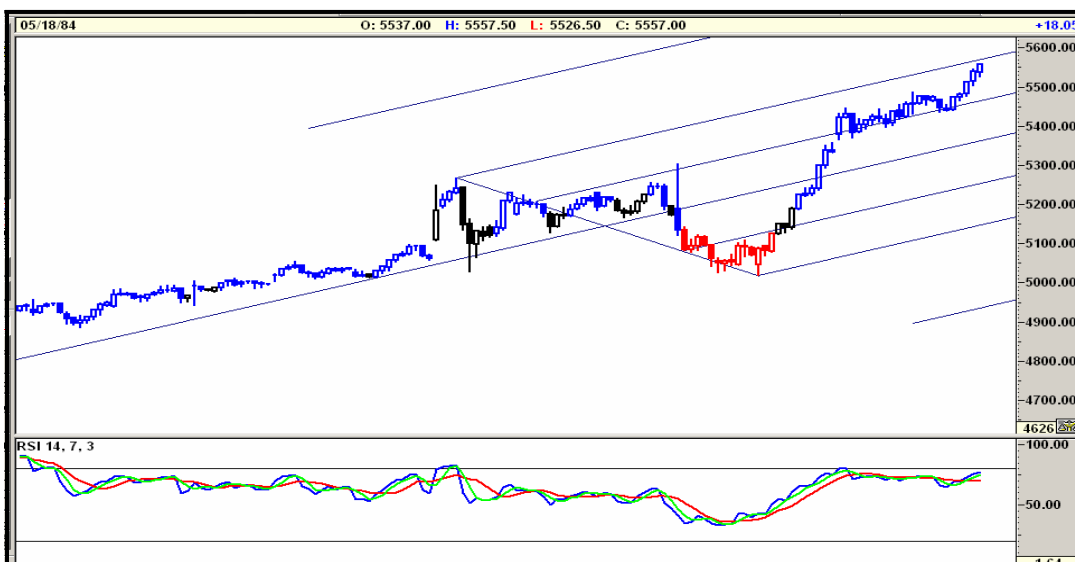
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The roll of the juggernaut is relentless. Despite Infosys coming off sharply, the market showed no signs of any wilt as it powered its way yet higher towards new all time highs. The higher it goes, the more fearful everyone turns. The more fearful people are, the higher the market goes. This is a market paradox that many fail to understand and appreciate.

Where is all this buying coming from? Is it only the FII? If one takes a look at the delivery statistics, one finds that FIIs and domestic funds account for only about 50% of the daily deliveries. Which would then mean that locals are buying the balance 50%. Hence there is clearly a large segment of local players who are active in the market.

The situation with the traders is slightly different, though. They are all trading long in stock futures while shorting the Nifty! How can one expect a reaction in the Nifty (i.e. the overall market) when the stocks are doing very well? The Nifty future has been outperforming the Sensex consistently for the past few days. This can only mean that day traders are consistently shorting the nifty only to cover it back the following day. Yesterday the futures ended at 21 points premium (after being nearly 50 points above at one stage!).

Pitch fork resistances are quite nearby– around 5575 levels. It is also a Friday– when weekly traders will close out trades. So at higher levels one may expect some supply. No call to short. Only to take some profits if the resistance around 5575 is not taken out. However, if it is, then interpret that there is still lots of shorts in index as well as stock futures that may come in for covering. On the lower side 5475-25 would be support.



Source : Advanced GET

STOCK BUZZ

RELIANCE CAPITAL

We had given this as a buy the day before, as the momentum indicator RSI had formed a positive reversal pattern on the daily charts. After a days breather prices were back in action yesterday indicating that the pattern still holds strong and prices are now looking to surpass the prior top and move to new highs once again. Buy if above 1842 for rise towards 1873-75 / 1910-15 / 1938-40 / 1962-65. Stop of 19 points.



Source : ASA

VSNL

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JAI PRAKASH ASSOCIATES

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Source : ASA

MID CAP BUZZ:- Assam Co. (25.10)

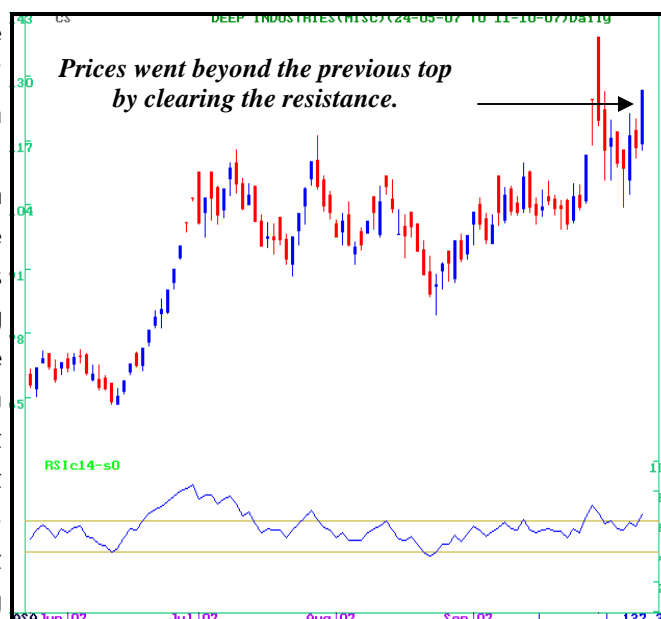
The stock suffered a sharp sell off after hitting a high at 29 on 28.08.07. The selling pressure brought the prices deep down to 22. But as often noticed a support in the form of 38% retracement acted as a life saver. Here the prices moved laterally for a few days garnering some momentum implying a tug of war between bulls and bears where none of the party was ready to yield its level. Yesterday, the prices bounced decisively from the above mentioned support on huge volumes. This activity suggests that the bulls have regained control and the buying pressure is strong enough to overcome the selling pressure. Momentum indicators are placed in the positive zones and look supportive for further advance to resume. Thus buy now and on dips if any for a rise towards 29-30/35 with a stop 22.



Source : ASA

MID CAP BUZZ: - Deep Ind. (127.30)

This stock has been on a steady uptrend in the form of higher tops and bottoms since Dec 07 from 24 levels. Trends got further boosted when the stock cleared its listing high resistance of 50. Volumes are good on every rising leg and less on declines. Momentum oscillator in sync with the prices maintained its upward strength. All this is a typical feature of any stock which is in a strong uptrend. Prices went up all the way to 138 in the beginning of current month. The dip seen from here led prices to halt around it prior top support and was seen moving in a sideways phase. Last session's jump now invited renewed buying action in this stock and has thus seem to have put an end to the declines. Thus, we suggest buying for rise to 163/190-206 with stop of 115.



Source : ASA

DAY TRADING TABLE

STOCKS	NEXT SUPPORT	FIRST SUPPORT	LAST CLOSE	FIRST RESIST	NEXT RESIST	TRAILING PIVOT
A B B	1378.25	1404.3	1430.35	1452.2	1474.05	1393.15
A.C.C.	1181.27	1220.53	1259.8	1291.53	1323.27	1209.3
BAJAJ AUTO	2496.87	2558.53	2620.2	2678.33	2736.47	2619.97
BPCL	359.83	367.97	376.1	383.37	390.63	374.43
BHARTI AIRTEL	1038.18	1067.22	1096.25	1115.17	1134.08	1077.18
BHEL	2287.13	2353.27	2419.4	2472.27	2525.13	2331.17
CIPLA	186	188.7	191.4	195.55	199.7	190.15
DABUR INDIA	104.1	105.05	106	107.45	108.9	106.83
DR. REDDY	613.02	622.03	631.05	645.03	659.02	638.35
GAIL	371.12	386.13	401.15	411.53	421.92	388.05
GLAXO SMITH	1085.38	1110.47	1135.55	1150.42	1165.28	1113.58
GRASIM IND	3493.58	3656.17	3818.75	3930.17	4041.58	3687.93
GUJ. AMBUJA	149.38	151.02	152.65	154.27	155.88	149.38
HCL TECHN	293.67	303.13	312.6	327.03	341.47	315.32
HDFC BANK	1398.3	1429.5	1460.7	1483.4	1506.1	1443.9
HDFC	2454.7	2489.65	2524.6	2561.45	2598.3	2509.32
HERO HONDA	730.13	742.27	754.4	769.27	784.13	747.15
HINDALCO IND	165.78	170.87	175.95	179.42	182.88	170.93
HIND LEVER	219.72	222.78	225.85	227.93	230.02	224.12
HPCL	254.77	259.53	264.3	270.53	276.77	263.83
ICICI	1013.32	1052.28	1091.25	1114.58	1137.92	1055.07
INFOSYS TECH	1876.28	1926.57	1976.85	2063.57	2150.28	2027.27
I.T.C.	176.85	183.2	189.55	192.95	196.35	184.57
JET AIRWAYS	906.55	927.3	948.05	966.9	985.75	929.35
LARSEN & TOU	3329.37	3406.73	3484.1	3534.73	3585.37	3324.03
MAH & MAH	741.18	779.37	817.55	840.37	863.18	786.52
MARUTI UDYOG	1062.75	1091.05	1119.35	1140.85	1162.35	1085.13
MTNL	147.93	155.47	163	168.27	173.53	157.03
NALCO	289.9	303.5	317.1	327.2	337.3	308.6
ONGC	982.83	1024.27	1065.7	1093.07	1120.43	1021.6
ORIENTAL BANK	225.93	229.07	232.2	235.27	238.33	228.07
PUNJ. NAT. BANK	493.83	502.67	511.5	517.67	523.83	513.87
RANBAXY	408	419.8	431.6	438.65	445.7	424.52
REL COMMN	714.42	727.83	741.25	752.83	764.42	703.38
REL ENERGY	1540.42	1571.73	1603.05	1628.68	1654.32	1510
RELIANCE IND	2547.38	2588.97	2630.55	2665.57	2700.58	2559.52

DAY TRADING TABLE *cont'd*

STOCKS	NEXT SUPPORT	FIRST SUPPORT	LAST CLOSE	FIRST RESIST	NEXT RESIST	TRAILING PIVOT
SAIL	204.25	214.4	224.55	232.8	241.05	213.48
SATYAM COMP	417.43	432.87	448.3	472.87	497.43	460.43
SIEMENS INDIA	1384.47	1408.38	1432.3	1447.83	1463.37	1397.73
SBI	1895.13	1920.07	1945	1961.87	1978.73	1884.43
SUN PHARMA	911	941.1	971.2	990.15	1009.1	955.4
SUZLON ENERGY	1684.42	1729.83	1775.25	1815.83	1856.42	1735.5
TATA CHEMICALS	291.42	297.73	304.05	310.18	316.32	303.48
TATA MOTORS	782.38	806.47	830.55	848.27	865.98	805.82
TATA POWER	1018.53	1055.87	1093.2	1117.67	1142.13	1027.78
TCS	1013.73	1042.87	1072	1118.27	1164.53	1089.13
TATA STEEL	827.93	839.27	850.6	862.67	874.73	827.67
VSNL	482.83	513.37	543.9	566.07	588.23	515.8
WIPRO	461	474.5	488	503.25	518.5	483.08
ZEE TELE	329.13	338.37	347.6	353.42	359.23	333.87
SENSEX	18432.22	18623.14	18814.07	18918.82	19023.58	18311.3
NIFTY	5385.45	5455.15	5524.85	5563.65	5602.45	5352.85

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