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INDEX RANGE

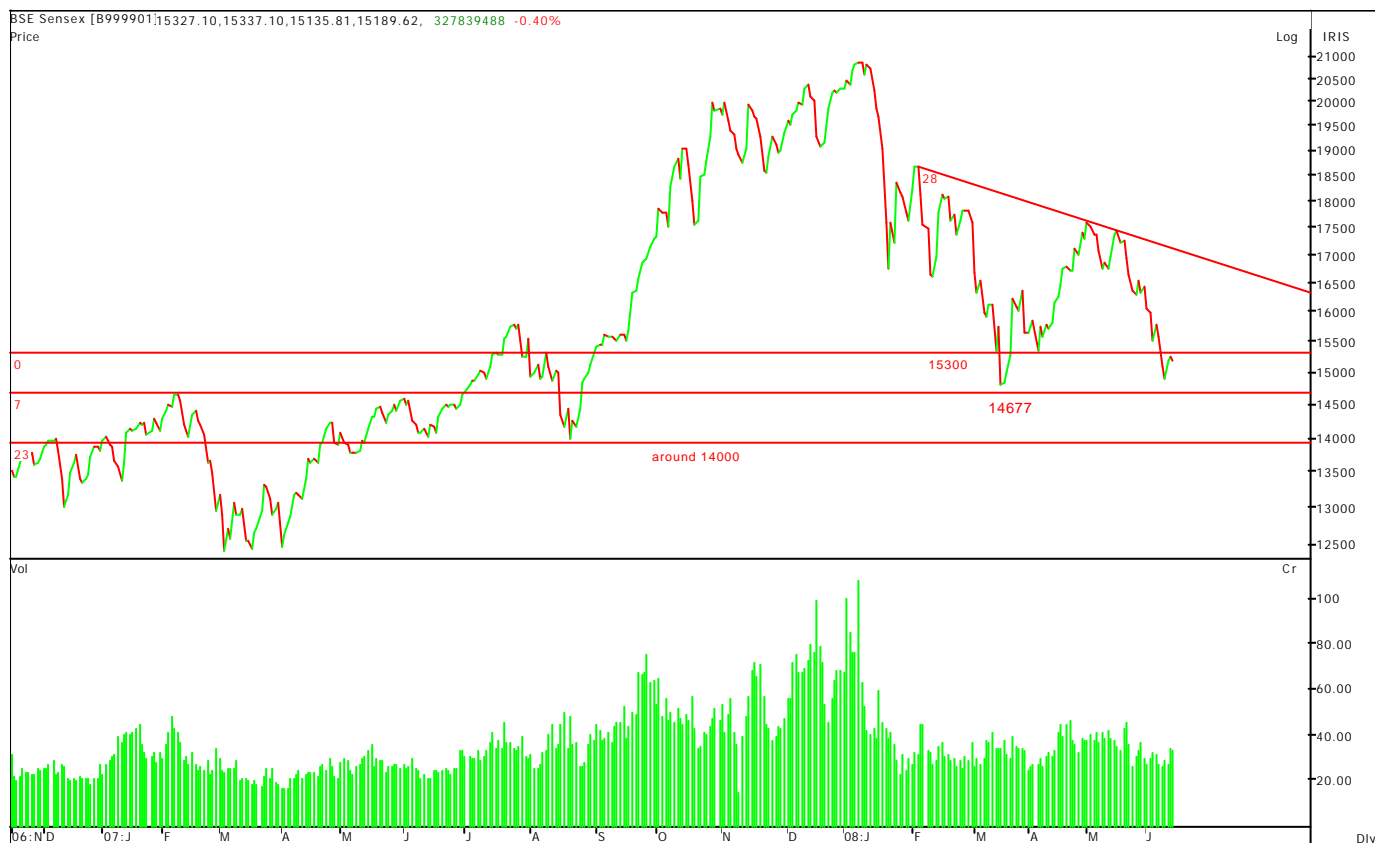
Short Term Trend : Up
 Medium Term Trend : Down
 Long Term Trend : Up

Weekly closing levels : 15190/4517
 20 days simple moving average : 16090/4780
 50 days simple moving average : 16385/4890
 200 days simple moving average : 17625/5235

Daily Equilibrium Level : 15220/4525
 Weekly Equilibrium Level : 15060/4505
 Monthly Equilibrium Level : 15490/4600

Major supports : 15135/15070/14745/14100/13950
 Major Resistance : 15340/15415/15525/15735/15990

"When a person with experience meets a person with money; the person with experience will get the money. And the person with money will get some experience."

BSE daily chart**The week past and expected**

In the last week, it seemed that bears were losing grip or they were on the covering mode. The reason being all weak openings for the markets turned positive closings and an intraday sell off failed to sustained lower levels. This may be because of highly oversold nature of the short term trend of the market. Keep in mind that adverse factors like high inflation and FII's selling are still beyond control and expectations. On the other side, world's major indices are oversold in the trading into negative territory for the medium term and revival will take time. In brief even though we may see a rally in the short term an investor can reduce weakest positions of their portfolio in the current rise and raise cash level to buy around 4200 level (14100-Sensex).

Here while we are advocating 14100/4200 level to invest, it doesn't mean we are trying to hunt the bottom. We feel that according to Monthly chart of the Sensex and the Nifty this level may act as a very good support of the market. These levels are the result of Fibonacci ratios of the entire bullish rally since September 2001. Obviously, closing below 14000/4200 levels on monthly basis may be bad for the market as it may extend the correction time as well as percentage-wise in the market. However if we run an advance query of predicting readings of major oscillators (RSI, ROC and MACD) around 14000 and 4200 levels then we can conclude that there are high probability of sharp reversal from these levels and that may then stabilize the medium term trend of the market.

Our advice is to keep patience at current levels for fresh investments whereas do not delay to invest at least part of your funds if the market reaches 14100 or 4200 levels.

For short term traders our advice is that the short term trend seems to be oversold and may act according to the global cues. As the global cues were positive one can go long in nifty futures at opening levels with a tight stop loss below 4490/15130 as per spot levels of the indices and keep a target of minimum 4590/15525 and maximum 4650/15735 on the higher side. However sustenance of the Nifty below 4470 (15070-Sensex) may push the indices to new lows may be in the range of 4240-4200 (14200-14000 Sensex).

Sector specific action is still missing; be a stock specific for next few days while trading.

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