

Trend Watch

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DAILY TECHNICAL ANALYSIS

DAILY DATA OF INDICES

INDICES	OPEN	HIGH	LOW	CLOSE	UP/DOWN
SENSEX	12694	12694	12504	12530	-453
NIFTY (SPOT)	3768	3768	3623	3641	-130

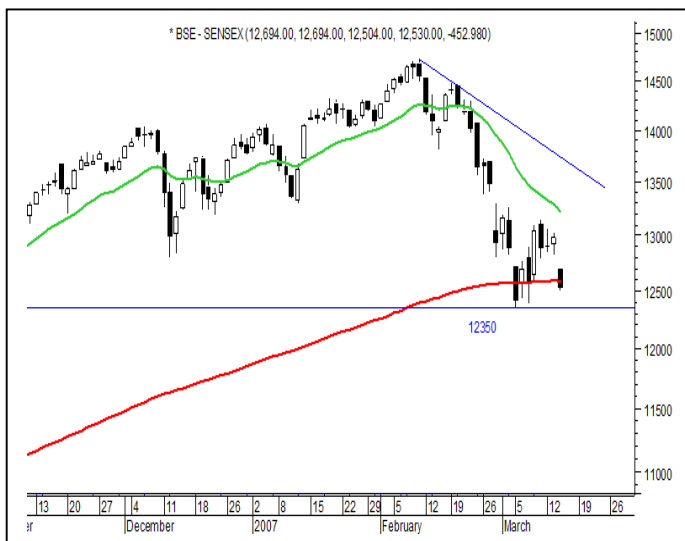
MARKET BREADTH

EXCHANGE	ADVANCES	DECLINES
BSE	748	1765
NSE	167	762

SUPPORTS & RESISTANCES FOR INDICES

	S1	S2	R1	R2
SENSEX	12450	12360	12630	12710
NIFTY (SPOT)	3600	3570	3670	3700

SENSEX (DAILY CHART- LOG SCALE)

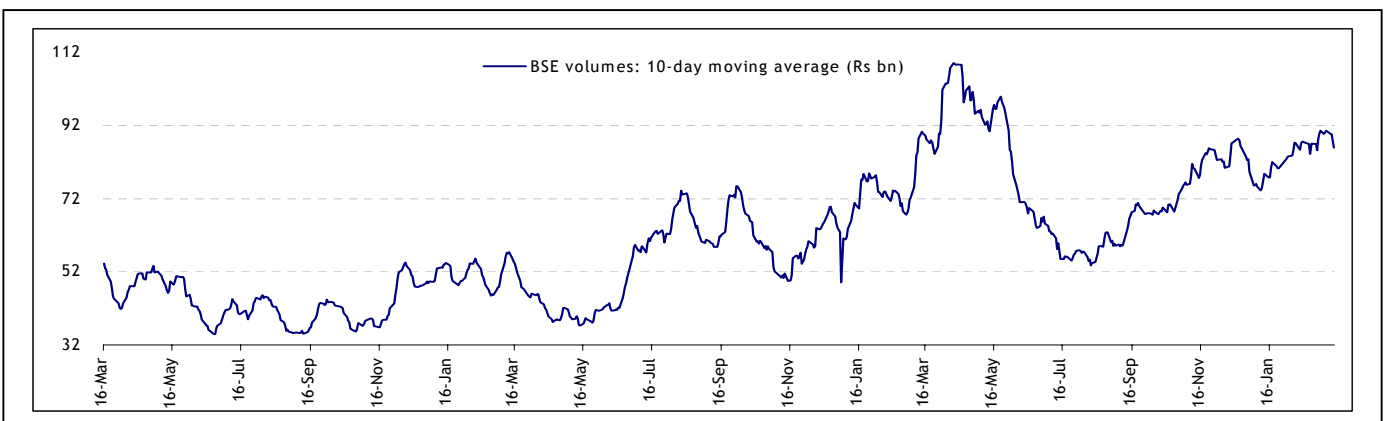


The Sensex today followed the global cues and tumbled down like ninepins. The index opened with a huge negative gap of almost 300 points and kept slipping further through the day. The market breadth took a heavy beating while volumes remained on the lower side.

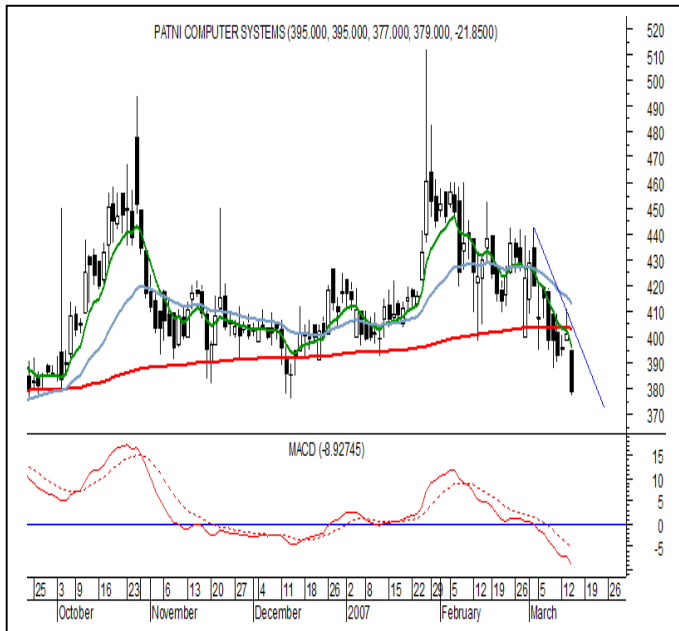
As repeatedly emphasized by us, the gap between 13000 and 13400 provided stiff resistance to the pull back. The index failed miserably to cross the same. As visible from the chart on the left, the Sensex has now created a lower top, which is followed by a huge falling gap. This can further weaken the trend. Also, today's opening gap between 12981 and 12694 is immediately going to oppose any attempted upmove. In the coming days, the Sensex is expected to break its earlier bottom of 12344.

NSE VOLUMES: 10-day moving average (Rs bn)

TODAY'S NSE CASH VOLUMES: Rs71.88bn



TRADING IDEA

Patni Computers: Rs379**Action: Sell****Stop Loss: Rs394****Target price: Rs335****Bloomberg code: NPATNI IN**

Analysis: This scrip has now closed below its 200 days EMA and is showing a steep descend along the trend line. Also, the stock price has gone below the support zone. This could be further hazardous to the overall trend.

Momentum: The major momentum oscillator, 'MACD', has maintained its negative crossover. This indicates that the momentum has been fast diminishing of late.

We feel that the stock price is showing weakness in the structure and would therefore likely go down further. A break below Rs376 can accelerate the fall and drive the prices towards our target.

Stock (Rs)	Today's Close	Overall Trend	Immediate Support / Resistance	Comments
NIFTY	3641	Weak	3600/ 3700	Weak
ACC	747	Weak	735/760	Lower top formation continues
Arvind Mills	44	Weak	40 /50	Weakening again
Bank of Baroda	199	Weak	190/ 205	Still below its 200 days EMA
Bharti Tele	730	Up	715 /745	Range bound
BHEL	2031	Up	2000/ 2050	Falling again
BPCL	295	Weak	285 / 305	Weak structure
Canara Bank	190	Weak	180 /200	Pull back
Century Textiles	531	Weak	520 /545	Volatile
GAIL	260	Up	250 / 270	Losing momentum
GRASIM	2028	Weak	2000/ 2040	Below its 200 days EMA
Guj Ambuja	105	Weak	100/ 110	Pulling back
HCL Tech	631	Up	620 / 640	Range bound
Hindalco	128	Weak	125 / 135	Weak structure
Hind Lever	177	Weak	170 / 185	Falling again
HPCL	252	Weak	245 / 260	Weak structure
ICICI Bank	829	Up	815 / 840	Weakening
Infosys Tech	2020	Up	2000 / 2040	Taking support at its 200 days EMA
ITC	143	Weak	135 /150	Weak structure
Mahindra & Mahindra	749	Weak	740/ 755	Weakening again
Maruti Udyog	792	Weak	785 / 805	Below its 200 days EMA
NALCO	228	Up	220/ 235	Pull back continues
NTPC	139	Up	130 / 145	Range bound
ONGC	781	Weak	770 / 795	Below its 200 EMA
Oriental Bank	162	Weak	155 / 170	Below its 200 days EMA
Punjab National Bank	428	Up	420 / 440	Volatile
Ranbaxy	312	Weak	305/ 320	Completing the Pull back
Reliance Capital	606	Up	595/615	Weakening again
Reliance Energy	459	Weak	450 / 465	Below its 200 days EMA
Reliance Industries	1285	Up	1260 / 1310	Retracing
Satyam Computers	431	Weak	425 /440	Range bound
State Bank of India	948	Weak	935 / 960	Below its 200 days EMA
Tata Motors	744	Weak	735 /755	Weakening structure
Tata Power	516	Up	505/525	Pulling back
TCS	1214	Up	1200/ 1230	Improving
TISCO	430	Weak	420 / 440	Weak structure
Union Bank	90	Weak	85/ 95	Weak structure
Wipro	555	Up	545/ 565	Near its 200 days EMA

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