



Punter's Call

A sharp fall expected

Market today: Nifty below 4085

The Nifty opened on a firm note after yesterday's bounce-back and continued to trade firm till the last hour when it gave up all its intra-day gains and closed on a weak note below 4085 levels. On intra-day basis, the Nifty had a good bounce but could not sustain at the higher levels in the 4125-4145 range and faced selling pressure which led the market below its crucial support of 4085.

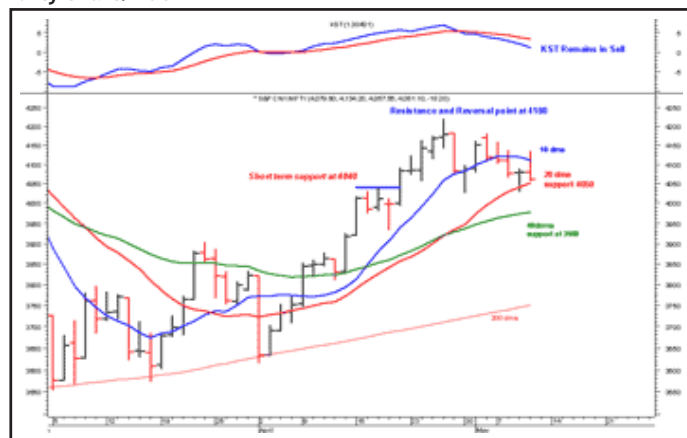
In the short term, the Nifty will continue its downward journey and on sustaining below 4040, one can expect it to go into a freefall with the next support in the 3980-4000 range. On the daily chart, the smart bounce from yesterday's low and the bounce in the morning trades could not change the short-term trend of the market and the index faced resistance around its 10-day moving average (4120). From this level the Nifty slipped back into negative territory and below its crucial support of 4085. The next support for the Nifty, on intra-day basis, is at its 20-day moving average at 4050 and at 4040-4025 levels on falling lower. On the upside, the Nifty will face resistance in the 4085-4110 range.

Even the momentum indicators like KST are not showing any signs of improvement. In fact, the KST is falling very smoothly which points to further sharp correction in the market, perhaps in the coming days. As long as the Nifty sustains and closes below 4180, our bias for the short term remains Down with a target of 4000.

On intra-day or hourly chart, the Nifty faced selling pressure in the 4120-4140 range and saw huge selling pressure which led the market below 4085. On the momentum indicators front, the RSI had bounced back yesterday after falling in oversold zone. But today it turned down again, resulting in downside that may continue for a few days. The MACD remained below the "0" mark even though the market recovered in the morning session but both the indicators are not showing any improvement and that is a sign of a sharp correction. On any rise on intra-day basis, the Nifty will face resistance at its 20- and 10-hourly moving averages at 4092 and 4090 respectively.

Reliance could test Rs1,550 and face resistance at Rs1,595. Century Textiles may face resistance at Rs575 and find support at Rs540. ICICI Bank looks weak; it can test Rs828 and face resistance at Rs855.

Nifty chart: 4067



60 minute chart



Market Breadth

	BSE	NSE
Advances	1,238	499
Declines	1,328	541
Unchanged	68	33
Volume (Rs)	4,212cr	9,159cr

Short Term Trend

	Target	Trend	Reversal	Support/Resistance
Sensex	13600	↓	Up above 14100	13700 / 14100
Nifty	4000	↓	Up above 4180	4040 / 4130

Medium Term Trend

	Target	Trend	Reversal	Support/Resistance
Sensex	14400	↑	Down below 13600	13700 / 14300
Nifty	4220	↑	Down below 4000	4040 / 4200

Icon guide

 Up	 Down	 Downswing matures	 Upswing matures
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SENSe the index

Date	Recommendation	Stop Loss/ Reversal (Intra-day)	Stop Loss/ Reversal (Closing)	Sell Price	Closing Price	Potential % P/L at CMP	Targets
08-05-07	Sensex Spot	-	14,020	13,850	13,771	1%	13,500
08-05-07	Nifty Spot	-	4,165	4,100	4,067	1%	3,980

Smart Charts Portfolio

Date	Recommendation	Action	Stop Loss/ Reversal (Intra-day)	Stop Loss/ Reversal DCL	Buy/Sell Price	Closing Price (CMP)	Potential % P/L at CMP	Targets
17-04-07	Dabur	Buy		92.8	95.8	93.8	-2%	105
14-03-07	Dr Reddy	Sell		742.4	700.0	690.0	1%	610
	Cash							
	Cash							
	Cash							
	Cash							
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Momentum Calls > I (Only Long calls)

For the short term—1 to 5 days

Stock	Action	Action date	Stop loss	Price	Closing price	Target
Cash						
Cash						
Cash						
Cash						
Cash						

NOTE: Kindly note that all stop losses in Momentum Calls are on an intra-day basis.

Momentum Calls > II (F&O stocks Long / Short calls)

For the short term—1 to 5 days

Stock	Action	Action date	Stop loss	Price	Closing price	Target
GE Shipping	Buy	09-05-07	Book profit	256.5	259.5	272
Sterlite	Buy	09-05-07	Book profit	541.0	561.0	566
ACC	Buy	09-05-07	867.0	877.0	875.3	903
Cash						
Cash						

NOTE: Kindly note that all stop losses in Momentum Calls are on an intra-day basis.

Trendy Levels

Sensex		Nifty	
Support	Resistance	Support	Resistance
13700	13820	4040	4085
13600	13900	4020	4100
13550	14020	4000	4145
20DSMA	40DEMA	20DSMA	40DEMA
13782	13580	4052	3980
BSE Sensex: 13771		Nifty: 4067	

Day Trader's HIT List

For May 11, 2007

Scrip Name	Support Levels		Close (Rs)	Resistance Levels		Action
	S1	S2		R2	R1	
NIFTY Futures	3987	4028	4044	4080	4102	Go long above R2. Go short below S2.
Bharti Airtel	806	814	819	826	834	Go long above R2. Go short below S2.
Century Text	555	563	570	578	586	Buy on decline to S2.
Gujarat Ambuja	118	119	121	122	123	Sell on rise to R2.
Infosys	1935	1951	1973	1998	2016	Buy on decline to S2.
ICICI Bank	831	838	842	847	856	Go long above R2. Go short below S2.
Maruti	780	791	795	800	811	Go long above R2. Go short below S2.
ONGC	873	884	889	896	906	Go long above R2. Go short below S2.
Reliance	1558	1576	1581	1588	1603	Go long above R2. Go short below S2.
Reliance Capital	760	775	780	786	794	Sell on rise to R2.
SAIL	131	133	134	135	137	Go long above R2. Go short below S2.
Satyam	447	452	456	463	468	Buy on decline to S2.
Sterlite	544	549	554	562	569	Buy on decline to S2.
Zee Entertain	269	275	278	281	286	Go long above R2. Go short below S2.

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

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