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## Weekly Technical Update

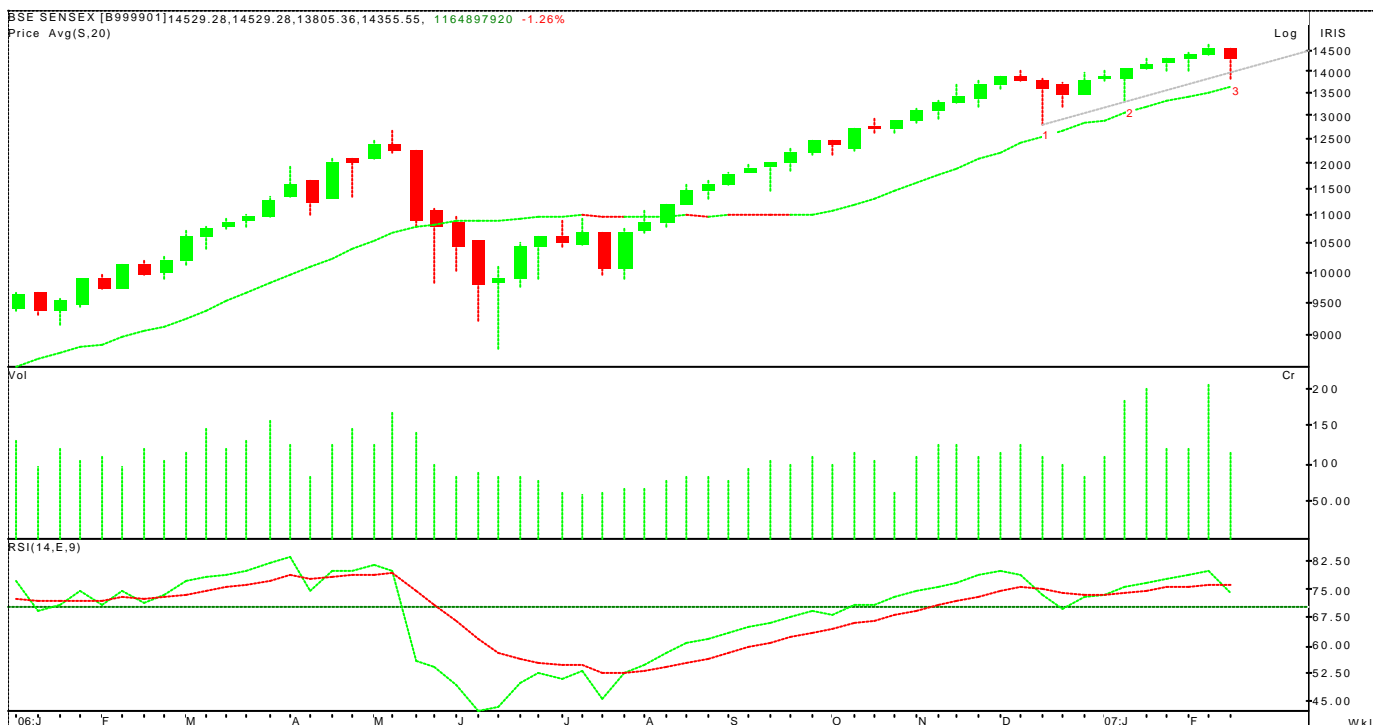
### Equities

#### The week past and expected

According to daily chart the market has turned the intermediate trend down below the multiple support of 14000/4000. Point wise the fall was of 900 points on Sensex and 300 points in Nifty. It was the second highest fall if we compare it with the fall of December first week which was of 1200 points on Sensex and 400 points on Nifty. The reason we are mentioning here is that the depth of the market is again turning dry that may be because of the major (big in size) participants of the market are finding current prices costly, may be not confident or not having enough funds to pour in it. If we consider such scenario is true then the market may not hold the weekly lows of 13805/3965 if the markets again fall to same levels. Currently along with Indices many index heavy weights have also turned the intermediate trend down and are hanging on one support. For any bullish bias the markets have to form a rising bottom against the levels of 13800/3965. If it happens then we may see a newer level (anything above 14700/4245).

According to weekly chart, again the market has formed inverted hammer/hanging man on weekly closing basis. The market has formed such formations in the past too and moved up sharply but forming such formations again and again is not a good sign for the bullish trend of the market. Basically such formations are weak in nature if they arise at the top of the rally. The highest level of such patterns normally acts like a trend decider level for the market. In the above case the trend decider levels will be 14550/4190. If in any case the market fails to surpass these levels in the coming few days then it may pick up downward trend for the medium term.

#### BSE SENSEX - WEEKLY CHART



In brief as per daily chart the markets have to form a rising bottom to move upward or at least it has to break weekly highs in the coming days to keep the trend intact or bullish. According to weekly analysis of the entire Index heavy weight stocks it seems that the many stocks have completed their upward targets. They may display us sideways momentum but we may not expect even average returns out of them as they were diverging negatively (possible shift in trend). The caution is must at current levels and that may be possible if we trade in few stocks with tight stop losses or by buying put options of the next months nearing 14600/4200 levels. Avoid long term purchases and keep a trading view.

**Our top picks for the coming few days with the short term trading view (3 to 4 days):** BHEL, BEML, BAJAJ AUTO and ITC. Amongst mid cap our top picks will be Rajesh Exports, Deccan Chronicle and Lumax Industries with the medium term view and gradual buying is advisable at each decline.

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