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FOR PRIVATE CIRCULATION

Shrikant Chouhan
shrikant.chouhan@kotak.com
+9122 66341439

Index view

The markets on 18 Jan: Round trip to opening levels.

LOOKING AHEAD: The market broke an important level 4100/14200 in the opening hours of trading and moved to the levels of 14350/4150. Reliance Industries, ONGC and L&T were mainly responsible for this. However, it reacted towards the end due to the fear of quarterly results of Index giant Reliance Industries.

The market is turning volatile. This may keep the sentiment subdued for day traders as buying trending stocks at the top of the rally may lead to losses if markets trend otherwise. At current levels, the strategy should be to trade in trending stocks. However, do this only on correction in the short-term or near recent bottoms. This may reduce the quantum of losses if stop losses gets triggered.

The current formation of the Indices suggests the market is rejecting the upward levels. However, on the other hand, the levels of 14050/4050 are proving a major support for the market. This may not allow bears to take charge of the current trend.

Thursday's pattern (hammer) indicates a continuation pattern of the previous trend till it holds the levels of 14050/4050. Any sell-off below these levels may attract unwinding of pending long positions. However, on the other hand, if it remains above 14150/4080 then we may see the levels of 14500/4190 in a very short span of time.

Look for buying opportunities in capital good and infrastructure stocks with the short-term prospects in mind.

Index range

NIFTY : 4109

Range : 4040-4140

Resistance : 4118-4140-4160-4185

Support : 4080-4055-4020-3980

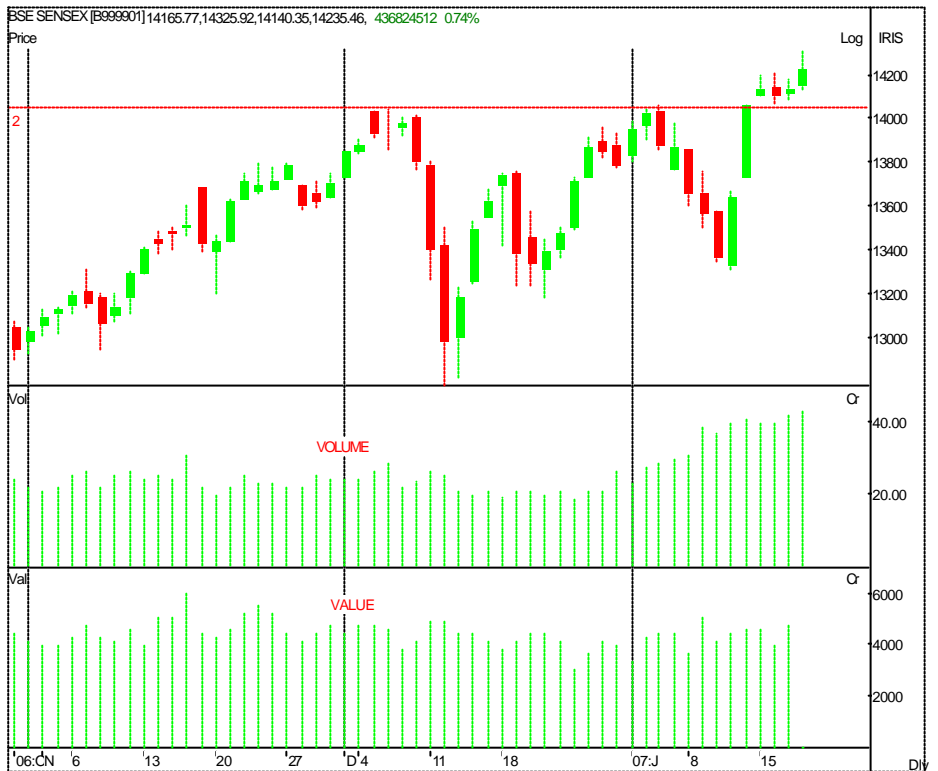
Sensex : 14218

Range : 14000-14350

Resistance : 14280-14335-14430-14550

Support : 14000-13900-13750-13665

BSE daily chart



Trading calls

Stock	Recommendation
GMR INFRA	Buy in the range of Rs.364-365. Target: Rs.390 Stop Loss below Rs.353.00 is a must. CIs: Rs.364.50

These trading calls are based on cash but clients can trade in futures also with the support of the above mentioned prices.

Trading Tool

Stock	Extreme	Probable	Achievable	Closings	Achievable	Probable	Extreme	Final Stop Loss
NIFTY (JAN-F)	4064	4084	4096	4121	4146	4158	4178	4025
RELIANCE	1315	1331	1350	1367	1384	1403	1419	1340
SAIL	93.8	95.9	96.9	98.75	100.6	101.6	103.7	95
TISCO	458	464	470	476	482	488	494	473
HDFC	1539	1560	1580	1600	1620	1640	1661	1530
ONGC	880	891	904	915	926	939	950	890
HERO HONDA	702	711	721	730	739	749	758	725
BAJAJ AUTO	2677	2710	2749	2783	2817	2856	2889	2755
M&M	931	943	956	968	980	993	1005	949
MARUTI	884	895	908	919	930	943	954	902
TELCO	918	929	942	954	966	979	990	940
REL CAPITAL	605	616	621	629	637	653	668	620
SRF	181	184	187	191.3	194	199	205	190
TITAN	857	868	879	893	904	927	956	880
VSNL	460	466	472	478	484	490	511	451
PUNJ LLOYD	987	999	1026	1052	1078	1092	1117	1025
L&T	1492	1549	1570	1590	1610	1631	1688	1495
SBIN	1168	1197	1214	1229	1244	1261	1290	1204
PNB	478	499	510	525	540	551	572	515
HCL TECH	630	642	647	655	663	668	680	635
INFOSYS	2139	2180	2197	2224	2251	2268	2309	2195
SATYAM	495	505	509	515	521	525	535	503
TCS	1265	1289	1299	1315	1331	1341	1365	1280
WIPRO	617	629	634	642	650	655	667	625
ACC	1054	1074	1082	1096	1110	1118	1138	1080
GACL	136.5	138.2	141.8	145.45	149.1	151.0	154.4	142.7
GRASIM	2757	2809	2831	2866	2901	2923	2975	2850
BHEL	2210	2252	2270	2298	2326	2344	2386	2230
REL	509	518	522	529	536	540	549	525
NTPC	132.6	135.6	136.9	139.6	142.3	143.6	146.6	138
TATAPOWER	556	566	571	578	585	590	600	570

- Achievable** = which is achievable if the stock trades above or below the closing price. (Trade as per the trend of the market)
- Probable** = which is probably achievable if the stock trades above or below the closing price. (If the prevailing trend of the market is in force)
- Extreme** = Here traders can go short (higher side) or long (lower side) with minimal stop loss.

Research Team

Name	Sector	Tel No	E-mail id
Dipen Shah	IT, Media, Telecom	+91 22 6634 1376	dipen.shah@kotak.com
Sanjeev Zarbade	Capital Goods, Engineering	+91 22 6634 1258	sanjeev.zarbade@kotak.com
Teena Virmani	Construction, Mid Cap, Power	+91 22 6634 1237	teena.virmani@kotak.com
Awadhesh Garg	Pharmaceuticals	+91 22 6634 1406	awadhesh.garg@kotak.com
Apurva Doshi	Logistics, Textiles, Mid Cap	+91 22 6634 1366	doshi.apurva@kotak.com
Saurabh Gurnurkar	IT, Media, Telecom	+91 22 6634 1273	saurabh.gurnurkar@kotak.com
Vinay Goenka	Auto, Auto Ancillary, Sugar	+91 22 6634 1291	vinay.goenka@kotak.com
Saday Sinha	Economy, Banking	+91 22 6634 1440	saday.sinha@kotak.com
Lokendra Kumar	Oil & Gas	+91 22 6634 1540	lokendra.kumar@kotak.com
Shrikant Chouhan	Technical analyst	+91 22 6634 1439	shrikant.chouhan@kotak.com
Kaustav Ray	Editor	+91 22 6634 1223	kaustav.ray@kotak.com
K. Kathirvelu	Production	+91 22 6634 1557	k.kathirvelu@kotak.com

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