

May 9, 2007

FOR PRIVATE CIRCULATION

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Index view

The markets on 8 May: Fails to trade at 4150 levels again.

LOOKING AHEAD: On Tuesday, the market opened lower but recovered to chase the level of 14150/4150. It failed and this resulted in an unexpected fall by the end.

Currently, the market is placed just above the level of the multiple support area. Around 13650, it has the support of the previous bottom. The 20-days SMA is also nearby and last, but not the least, it has the support of Fibonacci ratios. All these supports have characteristics of reversing the market for the short-term.

However, as a strategy, we will not get biased with the above observation and apply our strategy of buying only if the market reverses sharply from these levels in real terms. In brief, avoid advance buying around these levels, as the market is crucially poised.

If the market reverses, then look for buying opportunities in telecom, metals and oil & refinery.

Index range

NIFTY : 4077

Range : 4020-4105

Resistance : 4105-4125-4145-4190

Support : 4065-4050-4020-3980

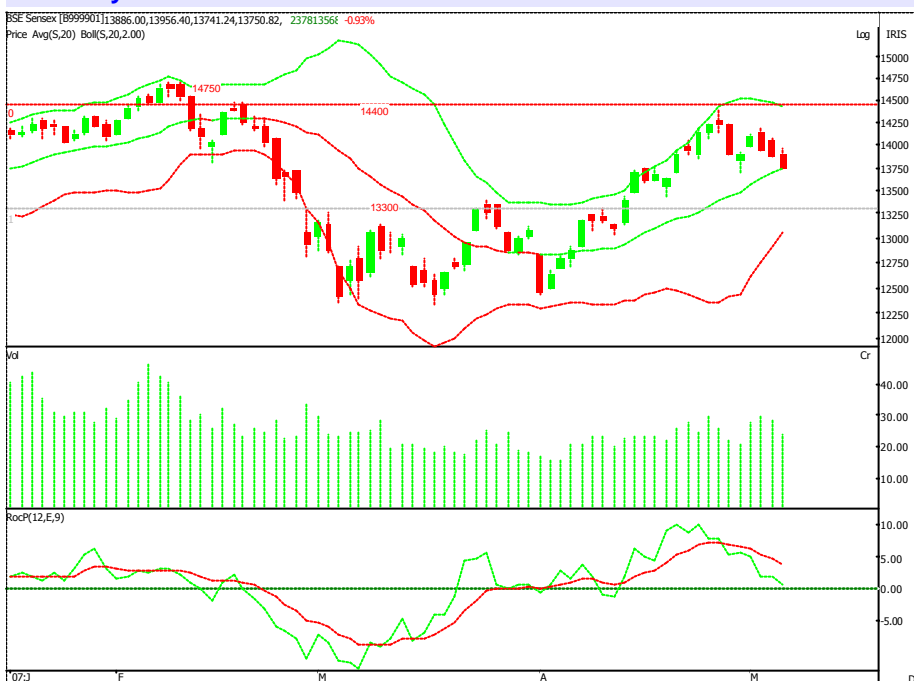
Sensex : 13765

Range : 13650-13865

Resistance : 13865-13955-13990-114190

Support : 13740-13690-13630-13425

BSE daily chart



Nifty Directional Trade (This particular strategy is for Nifty Futures only)

The put-call ratio was at 1.17 against the previous values of 1.20. The market is coming down and the put call ratio also moved in the parallel direction. This is again not a good sign as short sellers are covering their pure short positions and may be writing out money call options. As a rule, creation of short selling is a must to balance the behavioral pattern of the market.

We will look at the level of 4055 as a trend decider level for the market and give due importance to 4025 levels, as a major support for the market. Sustenance above 4055 levels may lift the overall sentiment for the market.

Trading calls

Stock	Recommendation
NIL	

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 (MAY-F)	4003	4019	4030	4055	4080	4091	4111	4020
RELIANCE	1531	1550	1572	1592	1612	1634	1653	1570
SAIL	128.3	131.1	132.4	135	137.6	138.9	141.8	128
TISCO	530	537	544	551	558	565	572	540
HDFC	1543	1564	1584	1604	1624	1644	1665	1575
ONGC	887	898	911	922	933	946	957	914
HERO HONDA	656	664	674	682	690	700	708	670
BAJAJ AUTO	2438	2469	2504	2535	2566	2601	2632	2480
M&M	731	740	751	760	769	780	789	745
MARUTI	767	776	787	797	807	818	827	790
TELCO	700	709	719	728	737	747	756	720
REL CAPITAL	740	754	759	769	779	798	817	730
TECH MAHIND	1465	1491	1519	1550	1569	1609	1659	1535
TITAN	931	942	954	970	982	1007	1038	960
VSNL	431	436	442	448	454	460	479	440
PUNJ LLOYD	172	174	178	183	188	190	194	180
L&T	1596	1657	1680	1701	1722	1745	1806	1670
SBIN	1025	1051	1066	1079	1092	1107	1133	1060
PNB	452	472	483	497	511	522	542	489
HCL TECH	319	325	328	332	336	339	345	323
INFOSYS	1926	1962	1977	2002	2027	2042	2078	1980
SATYAM	439	447	450	456	462	465	473	445
TCS	1220	1243	1252	1268	1284	1293	1316	1260
WIPRO	524	534	538	545	552	556	566	540
ACC	853	869	876	887	898	905	921	850
GACL	111.9	113.3	116.3	119.25	122.2	123.8	126.6	113
GRASIM	2385	2430	2449	2480	2511	2530	2575	2440
BHEL	2376	2421	2439	2470	2501	2519	2564	2450
REL	483	492	496	502	508	512	521	490
NTPC	146.3	149.6	151.1	154	156.9	158.4	161.7	155
TATAPOWER	569	580	585	592	599	604	615	580

- 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.

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