

OCT 06, 2009

## MARKET WATCH



### Market Activity

5-Oct	Close	Points	%
BSE	16866	-268	-1.56
NSE	5003	-80	-1.58
BSE-REALTY	4348	-159	-3.53
BSE-TECK	3219	-88	-2.67
BSE-METAL	13850	-352	-2.48
BSE-FMCG	2630	38	1.47

Moving Avg	Sensex	Nifty
13 Day EMA	16723	4967
50 Day EMA	15859	4715
200 Day EMA	13837	4147

Sensex	Support	Resistance
16866	16600	17150

## TECHNICAL VIEW

### NIFTY WATCH

Nifty opened weak on the back of negative global cues and remained under selling pressure as the session progressed. It finally ended the day with a loss of 80 points at 5003. The market breadth was highly in the favour of bears at almost 1:5. Barring the FMCG index none of the sectoral index gave a positive close. The BSE Realty and Metal indices lost the most.

Nifty opened weak and broke the low of "Doji" candle formed on Thursday in the morning session itself. It made a failed attempt to inch higher and succumbed to selling pressure yet again to end the day below the support level of 5020 at 5003, losing 80 points in value. After today's session it has formed an "Evening Star" pattern on the daily chart, which may bring in additional selling pressure over the course of next few days. However, immediate support levels for Nifty are now placed at 4967 (13 Day EMA) and below that the "Lower Band" of an earlier mentioned "Up sloping Trend Channel" placed at 4940 may offer support. Further down; the level of 4880 is a very crucial "Trend Line" support – Trend Line connecting the connecting the lows of 2539 to 3918. A minor bounce back may thus be expected once the Nifty manages to take support between 4967 and 4880. The recent high of 5110 will now serve as a stiff resistance for Nifty after the formation of "Evening Star" pattern on the daily chart coupled with the sell indication generated by the momentum oscillators on the daily chart; which all this while have been highly overbought on the weekly chart as well. Additionally the "MACD" indicator has registered "Negative Divergence" on the daily chart. High caution is thus advised for traders with long positions once Nifty trades below the support level of 4880 consistently, In that case we may see it retrace to the medium term support range of 4735 to 4693; the same levels since when we witnessed a "Throw Over" of the earlier mentioned "Diagonal Triangle" pattern. The level of 4693 also coincides with the target objective of the break down of the mentioned "Up sloping Trend Channel" (Break down would be in placed only if Nifty trades below 4940). For medium term perspective the level of 4693 holds high importance and a decisive breach of this level will indicate a larger degree weakness in Nifty. However as long as Nifty trades above the immediate support of 4940 we may see a minor bounce back attempt which may face stiff resistance near the recent high of 5110.

Intra day support levels are placed at 4967, followed by 4940. A move below 4940 would bring in additional weakness. Intra day resistance levels are placed at 5037 and higher up the range of 5051 to 5065 may serve as a resistance for Nifty.

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### TECHNICAL CALLS (BUY)

Date of Reco	Reco. Price	COMPANY	CMP	RECOMMENDATION
24/09/2009	48.60	Vijaya Bank	48.35	Call closed, trailing s/l triggered @ 49.
25/09/2009	67	K S Oil Ltd	66.9	Buy with a s/l of 61, target is 82.
25/09/2009	57-57.2	KFA Ltd	57.05	Buy with a s/l of 51, target is 70.
25/09/2009	235-236	Zee Ltd	247.05	Buy with a s/l of 214, target is 275.
29/09/2009	62	Mercator Lines	59.2	Buy with a s/l of 58, target is 70.
30/09/2009	939	Axis Bank Ltd	969.1	Call closed, profit booked @ 970.
30/09/2009	130	Omaxe Ltd	125.65	Buy with a s/l of 118, target is 158.
30/09/2009	74.8	HMT	68.8	Call closed, s/l triggered.
30/09/2009	776	Kotak Bank Ltd	740.05	Call closed, s/l triggered.
01/10/2009	531-541	Bajaj Holding	528.5	Buy with a s/l of 504, target is 630.
01/10/2009	1010	Aditya Birla Nuvo	964.05	Buy with a s/l of 950, target is 1150.

### TECHNICAL CALLS (SELL)

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## Technical Model Portfolio

### Buy Calls

S.No.	Date	Scrip	Quantity	Buy Rate	Stop Loss	Investment	Last Price	Return(Rs.)	Return(%)
1	25-Sep-09	KS Oil Ltd	17625	67	61	1180875	66.9	-1762	-0.15%
2	25-Sep-09	KFA Ltd	17625	57	51	1004625	57.05	881	0.09%
3	25-Sep-09	Zee Ltd	5000	235	214	1175000	247.05	60250	5.13%
4	29-Sep-09	MLL	26400	62	58	1636800	59.2	-73920	-4.52%
5	30-Sep-09	Omaxe Ltd	8812	130	118	1145560	125.65	-38332	-3.35%
6	1-Oct-09	Bajaj Holdings Ltd	2858	541	504	1546178	528.5	-35725	-2.31%
7	1-Oct-09	Aditya Birla Nuvo	1762	1010	950	1779620	964.05	-80964	-4.55%
		<b>Total</b>				<b>9468658</b>		<b>-169572</b>	<b>-1.79%</b>

### Sell Calls

S.No.	Date	Scrip	Quantity	Sell Rate	Stop Loss	Investment	Last Price	Return(Rs.)	Return(%)
		<b>Total</b>				<b>0</b>		<b>0</b>	<b>0.00%</b>

### Model Portfolio Performance

Initial Capital	10000000
<b>P/L (Booked Profit)</b>	<b>12032869</b>
Invested Capital	9468658
Balance Capital	12564211
<b>Unrealised Profit</b>	<b>-169572</b>
<b>Total Profit(MTM)</b>	<b>11863296</b>

Comparison	Return	2-Jun-08	Current
Portfolio	<b>118.63%</b>	10000000	21863296
Nifty	<b>5.56%</b>	4739.60	5003.20
BSE Midcap	<b>-5.90%</b>	6584.19	6195.79
Sensex	<b>5.00%</b>	16063.18	16866.41
BSE Small Cap	<b>-6.70%</b>	7959.51	7426.00

#### Model Portfolio criteria:

- Portfolio was started with Capital of Rs 1 crore.
- Stocks will be bought based on better risk reward ratio.
- Each stock will have equal risk weightage in the portfolio.
- Calls with more than 8% return should be added to portfolio.
- Maximum number of stock will be limited to 20.
- Maximum value at risk will be limited to 10%
- Portfolio starting from 2nd June, 2008

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## PIVOT POINTS

Scrip	LTP	R3	R2	R1	Pivot	S1	S2	S3
Sensex	16866.41	17373.83	17147.62	17007.01	16921.41	16780.80	16695.20	16468.99
Nifty	5003.2	5191.93	5107.83	5055.52	5023.73	4971.42	4939.63	4855.53
ACC	817	847.17	830.27	823.63	813.37	806.73	796.47	779.57
Bharti	399.8	499.77	455.47	427.63	411.17	383.33	366.87	322.57
BHEL	2342.95	2519.20	2432.95	2387.95	2346.70	2301.70	2260.45	2174.20
Century tex	475.7	525.03	503.73	489.72	482.43	468.42	461.13	439.83
GMR Infra	70.2	76.25	73.20	71.70	70.15	68.65	67.10	64.05
ICICI brk	909	956.93	932.93	920.97	908.93	896.97	884.93	860.93
Infosys	2329.95	2406.40	2362.55	2346.25	2318.70	2302.40	2274.85	2231.00
LNT	1654	1719.67	1686.67	1670.33	1653.67	1637.33	1620.67	1587.67
MNM	900.65	988.55	943.55	922.10	898.55	877.10	853.55	808.55
Maruti	1601.7	1730.90	1671.50	1636.60	1612.10	1577.20	1552.70	1493.30
RELIANCE	2135	2244.17	2193.47	2164.23	2142.77	2113.53	2092.07	2041.37
ROOM	298.95	347.88	326.68	312.82	305.48	291.62	284.28	263.08
REL Energy	1224.8	1348.85	1284.50	1254.65	1220.15	1190.30	1155.80	1091.45
REL Cap	899.2	961.73	932.93	916.07	904.13	887.27	875.33	846.53
SBI	2130	2358.67	2255.47	2192.73	2152.27	2089.53	2049.07	1945.87
Suzlon	87.5	101.52	94.87	91.18	88.22	84.53	81.57	74.92
TCS	617.45	678.48	650.48	633.97	622.48	605.97	594.48	566.48
Tata Motors	563.3	705.37	624.97	594.13	544.57	513.73	464.17	383.77
Tata Steel	498.5	527.03	513.63	506.07	500.23	492.67	486.83	473.43
ZEE tele	244.55	276.55	259.85	252.20	243.15	235.50	226.45	209.75

**Pivot Point:** Intra- Day trading tool applying stoploss based on NSE prices.

**Pivot Point:** This is trigger point for Intra Day buy/sell based on the price range of the previous day based on NSE prices.

**R1:** Resistance one: 1st Resistance over PP. **R2:** Resistance two: 2nd Resistance over R1.

**S1:** Support one: 1st support after PP. **S2:** Support two: 2nd support after S1.

As per the tool, the trader should take BUY position just above Pivot Point and keep the stop loss of S1 and the first target would be R1. If R1 is crossed then R2 becomes the next target with the stop loss at Pivot point.

Similarly if price goes below Pivot Point the trader should SELL and keep the R1 as Stop loss and the first target would be S1. If S1 is crossed then S2 becomes the next target with the stop loss at Pivot point.