

January 17, 2008

FOR PRIVATE CIRCULATION

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

## Index view

**The markets on Jan 16:** Testing day for bulls.

**LOOKING AHEAD:** The market opened down on Wednesday with a bearish gap of 180 points on the back of global weaknesses. It went down further as it failed to recover from lower levels in the first half.

The day tested the patience of bulls. This was because many of the top traded counters were trading nearly 8% lower from their weekly opening levels and were falling vertically. However, a quick recovery from the major levels of 19500/5800 revived the sentiment towards the end under the leadership of the Reliance and banking stocks.

**Technical perspective:** The current fall seems to be a pull back to the major rally between 18900 and 21200 (5600 and 6350 for the Nifty). In the current fall, it has retraced nearly 70% of the entire rally. Even though the short-term trend is down it seems to be oversold in the short-term. This may result in a bounce back from lower levels. Our advice is use major levels to reduce some trading positions. The major levels are 20200/6020 and 20500/6120. The market has its next major support at 19400 and 5800.

### Index range

**NIFTY : 5936**

Range : 5800-6020

Resistance : 5990-6020-6070-6120

Support : 5920-5880-5800-5770

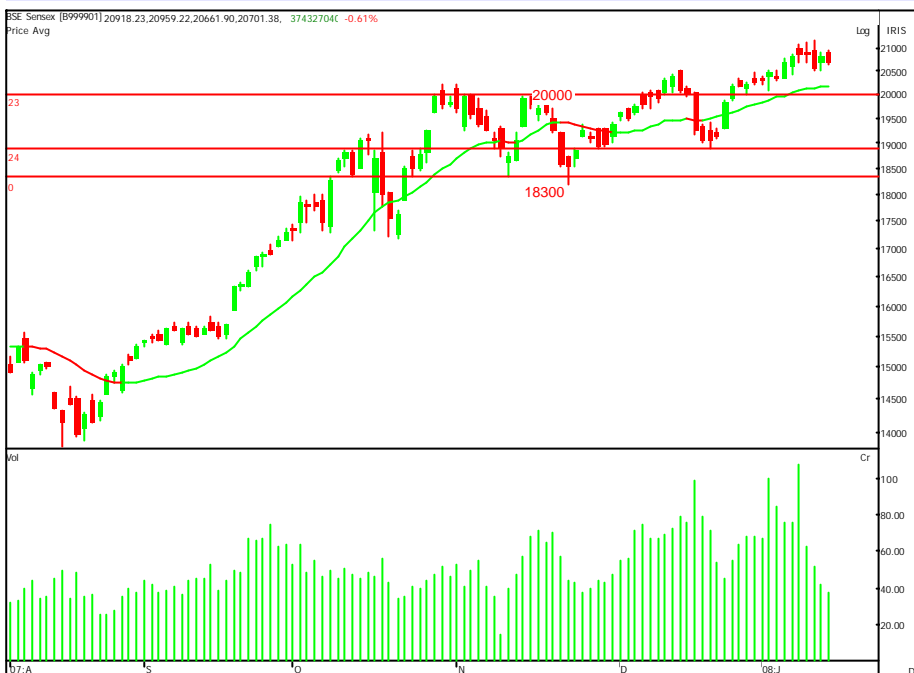
**SENSEX : 19868**

Range : 19400-20200

Resistance : 20080-20200-20500-20700

Support : 19770-19650-19400-19180

### BSE daily chart



### 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 (Nov-F)	5871	5893	5910	5947	5984	6001	6029	5830
RELIANCE	2975	3012	3055	3093	3131	3174	3211	2956
SAIL	233.7	238.9	241.3	246	250.7	253.1	258.3	232
TISCO	787	797	808	818	828	839	849	782
HDFC	2736	2775	2810	2845	2880	2915	2954	2719
ONGC	1206	1221	1239	1254	1269	1287	1302	1199
BAJAJ AUTO	2348	2377	2411	2441	2471	2505	2534	2333
M&M	710	719	729	738	747	757	766	705
MARUTI	816	826	838	848	858	870	880	811
TELCO	721	730	741	750	759	770	779	717
INDIA INFOLINE	1565	1594	1607	1627	1647	1689	1728	1555
TITAN	1430	1448	1466	1490	1508	1547	1594	1422
REL CAPITAL	2569	2618	2638	2671	2704	2772	2836	2553
TECH MAHIND	910	926	944	963	975	1000	1030	904
GMR INFRA	209	212	215	218	221	226	233	208
VSNL	637	645	654	662	670	679	708	633
PUNJ LLOYD	493	500	513	526	539	540	559	490
L&T	3731	3873	3928	3977	4026	4081	4223	3708
SBIN	2295	2353	2386	2416	2446	2479	2537	2281
ICICIBANK	1300	1316	1329	1368	1407	1420	1436	1292
MPHASIS BFL	280	285	287	291	295	297	302	278
INFOSYS	1438	1465	1477	1495	1513	1525	1552	1429
SATYAM	366	373	376	381	386	389	396	364
TCS	909	926	933	945	957	964	981	903
WIPRO	439	447	450	456	462	465	473	436
ACC	824	840	846	857	868	874	890	819
GACL	128.3	129.9	133.3	136.75	140.2	141.9	145.2	128
GRASIM	3142	3202	3227	3267	3307	3332	3392	3123
BHEL	2220	2262	2279	2308	2337	2354	2396	2206
REL	2178	2219	2236	2264	2292	2309	2350	2164
TATAPOWER	1404	1431	1442	1460	1478	1489	1516	1396

**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, Cement, Mid Cap	+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
Saurabh Agrawal	Metals, Mining	+91 22 6634 1291	agrawal.saurabh@kotak.com
Saday Sinha	Banking, Economy	+91 22 6634 1440	saday.sinha@kotak.com
Rohit Ledwani	Retail	+91 22 6634 1507	rohit.ledwani@kotak.com
Sarika Lohra	NBFCs	+91 22 6634 1480	sarika.lohra@kotak.com
Chetan Shet	FMCG, Power	+91 22 6634 1382	chetan.shet@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

### Disclaimer

This document is not for public distribution and has been furnished to you solely for your information and must not be reproduced or redistributed to any other person. Persons into whose possession this document may come are required to observe these restrictions.

This material is for the personal information of the authorized recipient, and we are not soliciting any action based upon it. This report is not to be construed as an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. It is for the general information of clients of Kotak Securities Ltd. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients.

We have reviewed the report, and in so far as it includes current or historical information, it is believed to be reliable though its accuracy or completeness cannot be guaranteed. Neither Kotak Securities Limited, nor any person connected with it, accepts any liability arising from the use of this document. The recipients of this material should rely on their own investigations and take their own professional advice. Price and value of the investments referred to in this material may go up or down. Past performance is not a guide for future performance. Certain transactions -including those involving futures, options and other derivatives as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. Reports based on technical analysis centers on studying charts of a stock's price movement and trading volume, as opposed to focusing on a company's fundamentals and as such, may not match with a report on a company's fundamentals.

Opinions expressed are our current opinions as of the date appearing on this material only. While we endeavor to update on a reasonable basis the information discussed in this material, there may be regulatory, compliance, or other reasons that prevent us from doing so. Prospective investors and others are cautioned that any forward-looking statements are not predictions and may be subject to change without notice. Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

Kotak Securities Limited has two independent equity research groups: Institutional Equities and Private Client Group. This report has been prepared by the Private Client Group. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, target price of the Institutional Equities Research Group of Kotak Securities Limited.

We and our affiliates, officers, directors, and employees world wide may: (a) from time to time, have long or short positions in, and buy or sell the securities thereof, of company (ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company (ies) discussed herein or act as advisor or lender / borrower to such company (ies) or have other potential conflict of interest with respect to any recommendation and related information and opinions.

The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

No part of this material may be duplicated in any form and/or redistributed without Kotak Securities' prior written consent.