

Trendwatch Daily Hotline

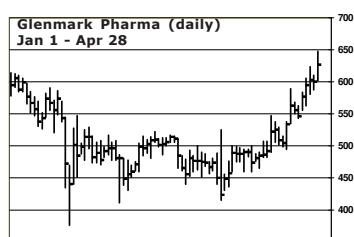


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Number 3,630

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Gains likely today



Glenmark Pharma closed at a new high after a brief one-day correction, and has the potential for further upside.

There are a handful of buying recommendations and a couple of short sales. The trading risk has risen as the market is not trending strongly and prone to quick though small reversals.

BUYS	BUY BELOW	STOP LOSS
Bombay Dyeing	877.50	865.00
Bombay Rayon	382.00	379.00
Glenmark Pharma ★	625.00	617.50
Lanco Infratech	491.00	485.00
Selan Explore	247.50	242.00
SHORT SALES	SELL ABOVE	STOP LOSS
GAIL	436.00	442.00
Indian Bank ★	141.00	144.00

The top picks from the above are marked with a star.

Today's trading considerations:

- EUROPEAN MARKETS FINISHED MIXED LAST NIGHT, AS DID THE US INDICES. MOST ASIAN MARKETS ARE UP THIS MORNING, WITH THE HANG SENG QUITE STRONG. TOKYO IS CLOSED. THE GLOBAL SHORT-TERM TREND IS UP FOR NOW. THIS SHOULD RESULT IN GAINS FOR OUR MARKET TODAY.
- A MAJORITY OF GLOBAL MARKETS ARE STILL IN MAJOR (LONG-TERM) DOWNTRENDS NOW, BUT THE GLOBAL BEAR PHASE COULD END IF THE CURRENT RALLY PERSISTS.

Market Summary:

WE ARE CURRENTLY IN A BEAR MARKET. THE SENSEX WOULD HAVE TO CLOSE ABOVE 19,000 (FIGURE ROUNDED UPWARDS) TO START A NEW BULL MARKET.

OUR INDICES ARE IN THE INTERMEDIATE UPTRENDS. MOST GLOBAL MARKETS ARE BACK IN INTERMEDIATE UPTRENDS NOW.

Open Positions

LONGS	ENTRY DATE	ENTRY PRICE	LAST PRICE	RETURN	SENSEX RETURN	TRAILING STOP
Zee News	Apr 24	59.50	61.80	+3.87%	+1.76%	61.00
Nagarjuna Fert	Apr 28	51.00	52.80	+3.53%	+0.00%	52.50
Renuka Sugars	Apr 28	130.00	131.80	+1.38%	+0.00%	130.00
Essar Oil	Apr 25	280.00	278.00	-0.71%	-0.64%	
I-Flex Solutions	Apr 25	1,345.00	1,320.00	-1.86%	-0.64%	
Adlabs Films	Apr 28	740.00	727.50	-1.69%	+0.00%	
India Infoline	Apr 28	1,000.00	980.00	-2.00%	+0.00%	
OnMobile Global	Apr 28	677.50	667.50	-1.48%	+0.00%	
Reliance Capital	Apr 28	1,470.00	1,455.00	-1.02%	+0.00%	
Tata Teleservice	Apr 28	37.00	36.50	-1.35%	+0.00%	
Welspun GujStahl	Apr 28	452.50	445.00	-1.66%	+0.00%	

SHORTS	ENTRY DATE	ENTRY PRICE	LAST PRICE	RETURN	SENSEX RETURN
ACC	Apr 25	797.50	787.00	+1.32%	+0.64%
Global Broadcast	Apr 28	127.00	130.00	-2.36%	+0.00%
Ranbaxy Labs	Apr 28	477.00	482.50	-1.15%	+0.00%

The market's two-way swings stopped out all but three of the long positions, and all three short positions.

Intermediate uptrend continues



The market's long-term (major) trend has still to turn up, as the indices show falling intermediate tops and bottoms.

The sensex and the nifty re-entered intermediate uptrends about two weeks back. The CNX Midcap had been in an intermediate uptrend well before them.

The intermediate uptrend is being seen as having started on March 18 when the sensex hit a low of 14,677. A downtrend was signalled after that, but it did not last long enough nor cause enough damage to be treated as one, and is being ignored.

This intermediate uptrend would end if the sensex were to breach 15,303, the nifty 4,629 and the CNX Midcap 6,066.

The Dow had been rallying strongly, closing at a fresh three-month high on Friday. It is just under its 200-day moving average, and its long-term (major) trend could also turn up.

For the moment though, most global markets are still in major downtrends.

All our indices are also in major (long-term) downtrends, which is equivalent to saying that the bear market is not known to be over yet.

The major downtrend (bear market) would end if the sensex closes above its last intermediate top of 18,895, the nifty above 5,545 and the CNX Midcap 7,814.

The major trend of Dr Reddy's Labs turned up yesterday.

Mixed Bag

The indices were mixed, with the sensex down 110.02 points (0.64%) at 17,015.96, and the Nifty 22.05 points (0.43%) at 5,089.65, while the CNX Midcap was up 38.80 points (0.57%) at 6,888.25.

The breadth was neutral, with declines outnumbering advances 1.05 times on the BSE and 1.03 times on NSE.

Advancing volume was 52.7% (67.9%) on BSE, and 56.3% (74.4%) on the NSE, while declining was 45.2%

(29.9%) on BSE, and 43.0% (25.1%) on NSE.

The normalised TRIN was mildly bullish at +0.18 on the BSE, after a bullish +0.64 a session earlier. It was bullish at +0.26 on the NSE, after a bullish +0.71.

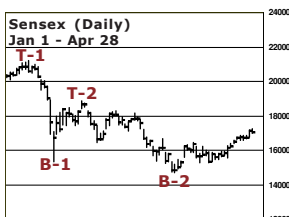
Hotline stocks at 200-day highs went up from 2 to 3, and 200-day lows from zero to one. 5-day highs went up from 69 to 71, and 5-day lows rose from 35 to 48. The 240 Hotline stocks averaged a gain of 0.36%.

The nifty opened higher and rallied to its high immediately. It then turned choppy and remained in a narrow range, reaching its low at 1445. The CNX Midcap hit its low at 1015, high at 1145, and then settled into a range.

The FIIs bought \$86.5 million of stocks on Friday, while the MFs dumped \$18.2 million. FIIs are averaging daily purchases of \$11.4m over the last five sessions, and MFs are buying at a rate of \$2.9m.

"Our moves have tended to mirror global trends. Most global markets are back in intermediate uptrends with the current rally."

Global short-term trend is up



The sensex is best seen as continuing in the same intermediate uptrend that started on March 18 when it hit a low of 14,677 (B-2). The current bear market has started from T-1.

European markets finished mixed last night, as did the US indices.

Most Asian markets are up this morning, with the Hang Seng quite strong. Tokyo is closed. The global short-term trend is up for now.

Most global indices are in intermediate uptrends. The Dow closed at its best since early January.

However, most major trends remain down.

The Dow rose 42.91 points (0.33%) to 12,891.86, and the NASDAQ composite went down 5.99 points (0.25%) to 2,422.93.

Infosys was up 0.09% at \$43.12, Satyam Computers fell 0.20% to \$24.61, Wipro gained 2.74% at \$12.77, Tata Motors lost 0.31% at \$16.08, ICICI Bank went up 5.24% to \$47.20, HDFC Bank rose 5.31% to \$114.88, Dr Reddy's Labs gained 0.64% at \$15.63, MTNL rose 4.26% to \$5.63,

Patni dropped by 1.01% to \$12.73, Rediff.com gained 9.42% at \$9.29 and Satyam Infoway fell 0.91% to \$4.79.

The Hang Seng fell 164.00 points (0.64%) to 25,516.78, and the Nikkei went up 322.60 points (2.38%) to 13,863.47.

Jun Gold was up 30 cents (0.03%) at \$909.00, and Jul Silver up 19 cents (1.13%) at \$16.960. Jun Light Crude was up \$2.46 (2.12%) at \$118.52.