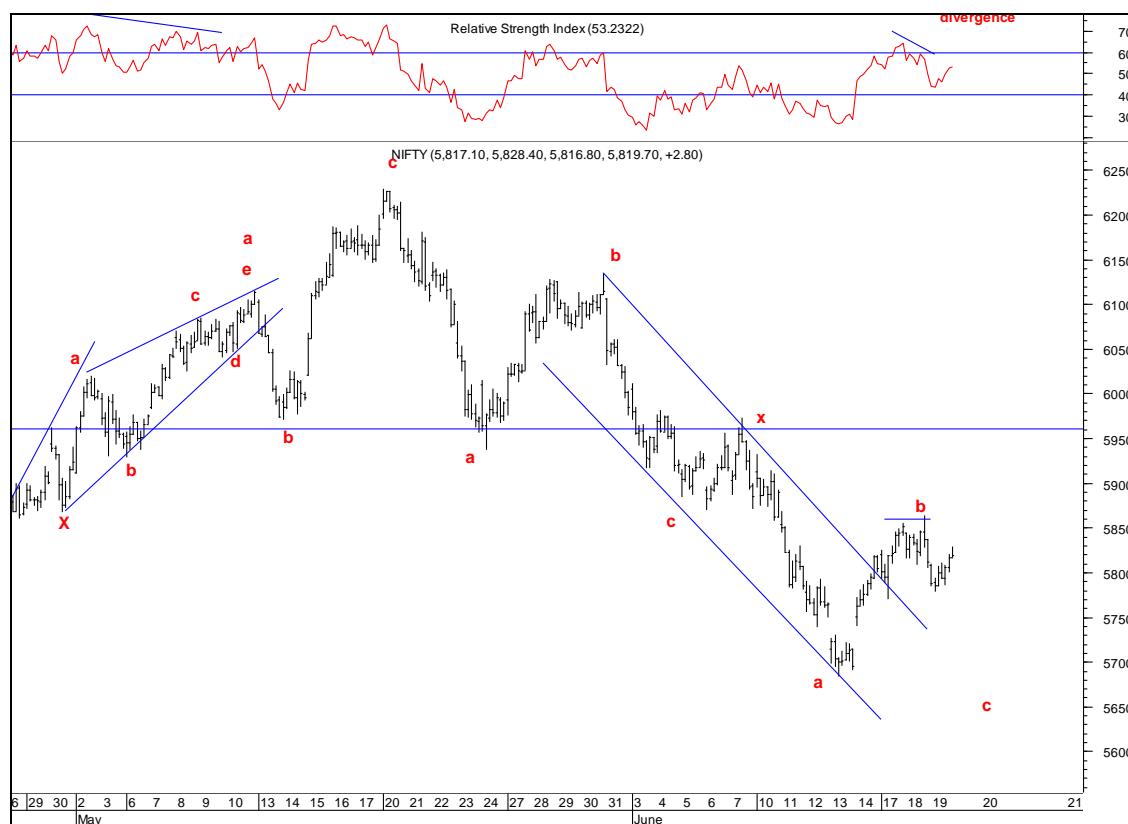




Bottom Line: Higher levels to cap index for a decline towards lower level.

Nifty Daily chart:

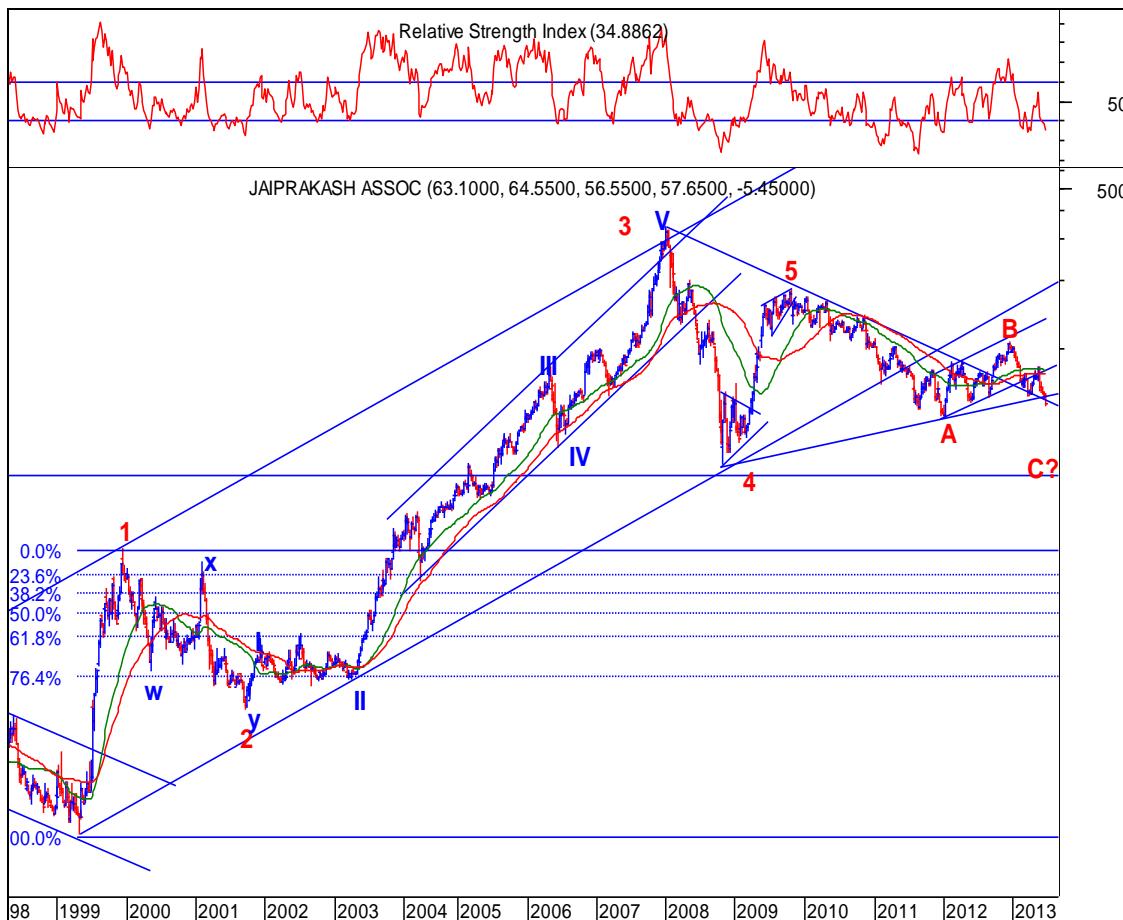


Nifty 60 mins chart:

Wave Analysis:

In the above chart we have shown the wave labeling for Nifty Index prices & in our view wave 'B' which happens to be the head of the bearish head & shoulder pattern completed near 6229 levels. As per wave labeling the current structure is unfolding in a flat correction & prices could retrace the entire move from 5500.

In yesterday's trading session Index made an intraday low near 5777 levels but eventually gave a close above our mentioned support level of 5805 levels. In the near term we expect range bound movement between 5770-5860 levels.

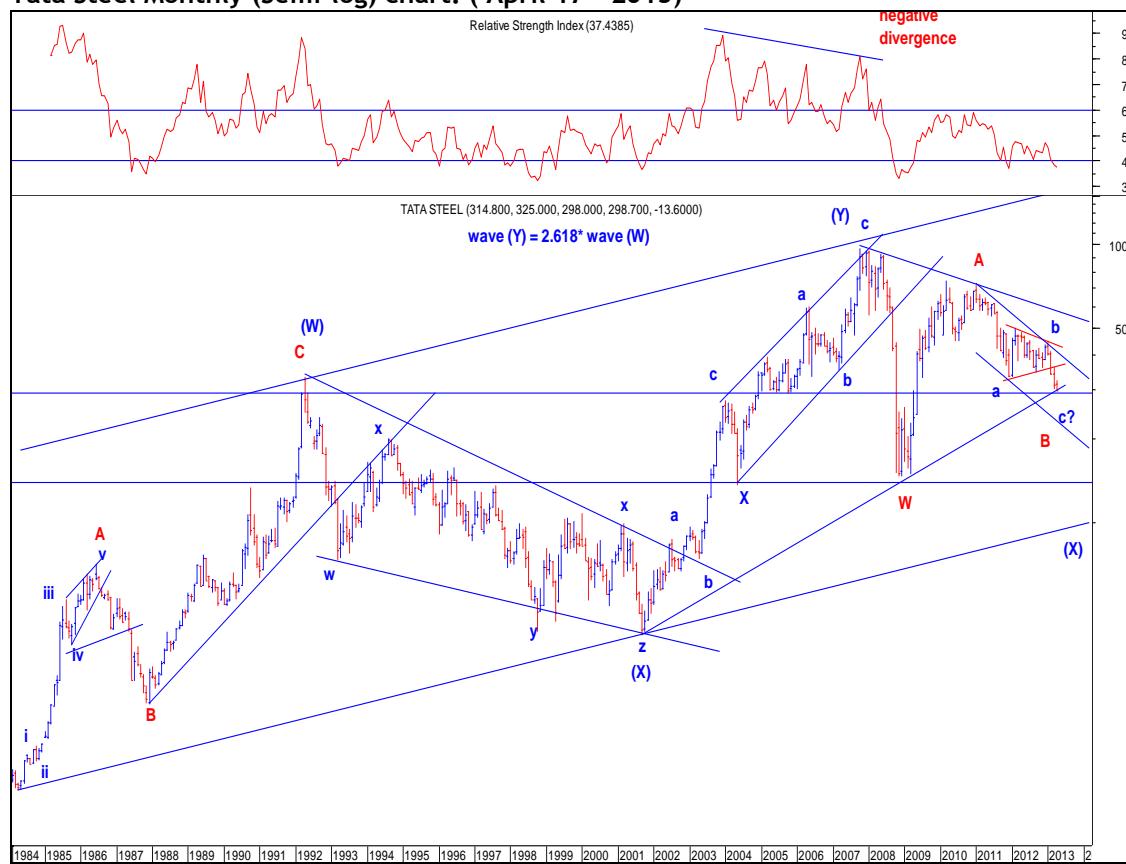
On the 60 mins chart RSI has formed a negative divergence in relation to price near 5860 levels. On the downside a break below 5770 is required for a negative confirmation which would suggest prices can test 5740 followed by 5710 levels. On the upside Immediate resistance lies at 5863 levels.

JP Associates Weekly chart

Wave Analysis:

For JP Associates we have shown the wave labeling on the weekly chart since 1998. The up move from 1.00-13.50 levels wave '1' of primary degree. Wave '2' completed near 2.60 levels & retraced 76.4% of wave '1'. Wave '3' of primary degree is extended & completed near 340 levels. Thereafter we witnessed a decline till 31 levels where wave '4' completed. Wave '5' is truncated got over at 179 levels.

In the above weekly chart it can be seen prices in 2011 have given a break below the 10 year uptrend channel. The decline from 179-50 is in the form of wave 'A'. Thereafter prices rallied till 106 in the form of wave 'B' & retraced 50% of wave 'B'. In the medium term we expect the next leg down in the form of wave 'C'. Rallies near 70-75 levels can be considered as selling opportunity. In the short term break below 60 would give a negative confirmation for downside near 50.

A close below 50 would suggest for a break down in prices. Medium term resistance lies at 83 levels. As long as 83 is intact on the upside favored view remain with a negative bias.

Tata Steel Monthly (Semi-log) chart: (April 17th 2013)

**Tata Steel Daily chart: (Time cycle)****Wave Analysis:**

For Tata Steel we have shown the wave labeling since 1984 on the Monthly Semi-log chart. The upmove from 10-334 levels (1984-1992) levels is in the form of wave (W) of primary degree which lasted for 8 years.

Thereafter the decline from 334-40 levels in w-x-y-x-z formation since the peak of 1992-2001 levels was corrective in nature in the form of wave (X) of primary degree.

The upmove from 39-969 levels (2001-2007) is in the form of wave (Y) of primary degree. Wave (Y) = $2.618 * \text{Wave (W)}$.

The decline from 969-146 levels is in the form of wave 'W' (2007-2008).

Since the low of 2008 we have seen a corrective rally from 146- 713 levels in the form of wave 'A'.

The current decline from 713 levels since Mar 2011 is in the form of wave 'B' in which prices have been forming lower top & lower bottom moving in a downtrend channel.

Currently prices are trading near a crucial support-resistance level. On the Monthly chart it can be observed the stock has strong support near horizontal trendline at 294 levels which also happens to the intersection level of an uptrendline drawn from lows 2001.

If the stock manages to hold 290 levels we can expect prices to test 325/340 levels.

Failure to hold 290 would give a negative confirmation & would suggest the current decline is extending & prices could eventually drift lower towards 270 followed by 240 levels.



For Tata Steel on daily time frame we have shown the 355 period time cycle since 2001 lows which has given timely buy & sell signals.

The interesting thing to observe is since 2008 in all four occasion prices have given a sell signal. The next time cycle signal is in May 2014. Till May 2014 we do not expect prices to move above the previous cycle high of 450 levels formed in Jan 2013. At higher levels till next cycle date we believe prices would find selling pressure at higher levels.

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