

Day Trading Picks for 18 July 2008

Name	Close	Trend	RS	Volatility	%Volatility	Resistant Band 2		Resistant Band 1		Pivot	Support Band 1		Support Band 2	
						RR4	RR3	RR2	RR1		SS1	SS2	SS3	SS4
* BSE - SENSEX	13111.85	BEARISH	-2.00	27.00	4.18	13561.94	13399.21	13298.63	13198.05	13035.33	12872.60	12772.02	12671.44	12508.71
* S&P CNX NIFT	3947.20	BEARISH	-1.00	36.00	4.07	4066.10	4018.80	3989.56	3960.33	3913.03	3865.73	3836.49	3807.26	3759.96
AXIS BANK	635.45	NEUTRAL	-1.00	77.00	8.27	676.72	660.57	650.58	640.60	624.45	608.29	598.31	588.32	572.17
BHARTIARTEL	749.45	BULLISH	1.00	59.00	4.75	788.78	777.16	769.97	762.79	751.16	739.54	732.35	725.16	713.54
BHEL	1452.20	BEARISH	-1.00	58.00	5.84	1528.71	1501.53	1484.73	1467.93	1440.75	1413.56	1396.76	1379.96	1352.78
CAIRN INDIA	216.75	BEARISH	-4.00	66.00	5.47	233.64	229.44	226.85	224.26	220.06	215.87	213.27	210.68	206.48
CHAMBAL FERT	57.15	BEARISH	-6.00	110.00	10.37	64.47	62.46	61.22	59.98	57.98	55.97	54.73	53.49	51.49
DLF	430.15	NEUTRAL	-1.00	88.00	8.96	464.92	452.60	444.98	437.37	425.04	412.72	405.11	397.49	385.17
ESSAR OIL	175.20	NEUTRAL	-2.00	98.00	8.12	194.04	189.33	186.42	183.51	178.80	174.08	171.17	168.26	163.55
HDFC BANK	958.65	BEARISH	-3.00	53.00	7.12	1028.28	1007.76	995.08	982.40	961.88	941.36	928.68	916.00	895.48
HDFC LTD	1888.60	BEARISH	-3.00	72.00	8.77	2006.64	1957.58	1927.25	1896.92	1847.86	1798.80	1768.47	1738.15	1689.09
HOUSING DEV &	410.75	NEUTRAL	-1.00	104.00	7.35	444.83	433.99	427.29	420.59	409.75	398.90	392.20	385.50	374.66
ICICI BANK	551.85	BEARISH	-4.00	65.00	6.73	589.61	577.15	569.45	561.75	549.29	536.84	529.14	521.44	508.98
IFCILT	37.95	NEUTRAL	-2.00	110.00	9.53	41.48	40.33	39.62	38.91	37.76	36.61	35.90	35.19	34.04
INDIABULLS RE	269.65	NEUTRAL	-1.00	112.00	7.80	296.66	289.00	284.27	279.54	271.88	264.22	259.49	254.76	247.10
INFOSYS TECH	1582.30	BEARISH	-3.00	47.00	6.88	1675.81	1647.77	1630.44	1613.10	1585.06	1557.02	1539.69	1522.35	1494.31
ITC LTD	167.25	BEARISH	-2.00	52.00	6.02	176.37	173.34	171.47	169.60	166.58	163.55	161.68	159.81	156.79
JAI PRAKASH AS	149.10	BEARISH	-3.00	82.00	9.83	160.88	156.45	153.71	150.96	146.53	142.09	139.35	136.61	132.17
JSW STEEL	741.55	NEUTRAL	-4.00	82.00	8.69	798.59	777.91	765.13	752.35	731.68	711.00	698.22	685.44	664.77
LARSEN & TOU	2442.95	BULLISH	0.00	56.00	6.84	2561.46	2513.93	2484.56	2455.18	2407.64	2360.11	2330.73	2301.36	2253.82
NAGARJUNA FI	29.80	NEUTRAL	-3.00	93.00	8.09	33.34	32.49	31.96	31.43	30.58	29.73	29.20	28.67	27.82
NTPC	165.30	NEUTRAL	1.00	49.00	4.54	173.01	170.77	169.38	168.00	165.76	163.52	162.14	160.76	158.52
ONGC CORPN	902.55	BULLISH	1.00	65.00	6.39	949.08	933.19	923.36	913.54	897.65	881.75	871.93	862.10	846.21
RANBAXY LABS	452.50	BEARISH	-5.00	55.00	12.19	505.29	490.92	482.04	473.16	458.79	444.43	435.55	426.67	412.30
RELIANCE CAP	1027.70	NEUTRAL	-1.00	95.00	8.36	1116.32	1089.76	1073.35	1056.93	1030.38	1003.82	987.41	970.99	944.44
RELIANCE COM	417.60	NEUTRAL	-2.00	77.00	6.31	443.18	434.12	428.52	422.92	413.86	404.80	399.20	393.60	384.54
RELIANCE INDS	2018.55	NEUTRAL	-1.00	54.00	4.47	2106.00	2076.17	2057.72	2039.28	2009.44	1979.61	1961.17	1942.72	1912.89
RELIANCE INFR	807.30	NEUTRAL	0.00	99.00	8.37	870.32	848.62	835.21	821.79	800.09	778.40	764.98	751.57	729.87
RELIANCE NAT	66.75	NEUTRAL	-1.00	104.00	7.15	72.17	70.49	69.45	68.41	66.73	65.05	64.01	62.97	61.29
RELIANCE PETE	150.65	BEARISH	-4.00	55.00	5.21	160.79	158.13	156.49	154.84	152.18	149.52	147.87	146.23	143.56
RELIANCE POW	131.80	BEARISH	-3.00	88.00	6.31	141.59	138.64	136.81	134.98	132.03	129.07	127.25	125.42	122.46
SATYAM COMP	414.75	BEARISH	-4.00	62.00	9.40	444.07	434.13	427.99	421.85	411.91	401.97	395.83	389.69	379.75
SESA GOA	2753.00	BEARISH	-4.00	65.00	5.44	2955.76	2902.68	2869.88	2837.07	2784.00	2730.92	2698.11	2665.31	2612.23
STATE BANK	1231.55	BULLISH	0.00	71.00	7.78	1312.45	1283.73	1265.98	1248.23	1219.51	1190.79	1173.04	1155.29	1126.57
STEEL AUTHOR	120.05	BEARISH	-4.00	68.00	9.01	134.87	131.47	129.37	127.26	123.86	120.46	118.36	116.25	112.85
STERLITE INDS	608.80	BEARISH	-2.00	70.00	7.36	668.37	654.12	645.31	636.50	622.25	607.99	599.18	590.37	576.12
SUZLON ENER	195.70	NEUTRAL	-1.00	86.00	6.17	207.51	203.03	200.25	197.48	193.00	188.51	185.74	182.96	178.48
TATA POWER C	1001.50	NEUTRAL	-2.00	84.00	7.60	1062.46	1038.70	1024.02	1009.33	985.58	961.82	947.14	932.45	908.70
TATA STEEL	607.40	BEARISH	-4.00	74.00	8.00	672.86	657.53	648.06	638.59	623.26	607.94	598.46	588.99	573.67
TCS	783.25	BEARISH	-3.00	65.00	9.36	824.58	806.70	795.65	784.60	766.73	748.85	737.80	726.76	708.88
UNITECH	142.35	BEARISH	-6.00	90.00	9.32	158.08	153.67	150.94	148.22	143.81	139.40	136.68	133.96	129.55

What is Day Trading?

Day Trading involves taking a position in the markets with a view of squaring that position before the end of that day. A day trader typically trades several times a day looking for a few points per trade, but who close out all their positions by day's end. The goal of a day trader is to capitalize on price movement within one trading day. Unlike investors, a day trader may hold positions for only minutes, but never overnight.

How to use the TradersEdgeIndia.com Day Trading Picks?

Always trade in the most active stocks(highest volumes) and in the direction of the current market trend. If the current market trend is "BULLISH" trade securities that have "BULLISH" or "NEUTRAL" under the "Trend" column. Alternatively if the current market trend is "BEARISH" trade securities that have "BEARISH" or "NEUTRAL" under the "Trend" column.

How to identify the current market TREND: You can identify the current market trend by observing the major indices like BSE SENSEX, NSE 50 NIFTY, etc. If the indices above their day's previous close and rising then the current market trend is BULLISH. Alternative if the indices are below their previous day's close and falling then the current market trend is BEARISH.

How to Select the Most Active Stocks: You can get a list of the most active stocks from your brokers trading terminal or from the nseindia.com or bseindia.com website.

How to Day Trade by buying first to sell later at a higher price for profits.

How to identify the best stocks to BUY: Select the most active stocks with a BULLISH TREND, HIGH %VOLATILITY reading and a POSITIVE RS.

When to BUY (go long): If the current market trend is BULLISH, BUY the moment the security crosses above any of its support levels (SS4, SS3, SS2, SS1) or Pivot. Once long in a trade keep the LOW of the day as your stoploss. Book profits at any of the next higher level (above your buying price) as mentioned in the newsletter.

How to Day Trade by selling first to buy later at a lower price for profits.

How to identify the best stocks to SELL: Select the most active stocks with a BEARISH TREND, HIGH %VOLATILITY reading and a NEGATIVE RS.

When to SELL (go short): If the current market trend is BEARISH, SELL the moment the security falls below any of its resistance levels (RR4, RR3, RR2, RR1) or Pivot. Once short in a trade keep the HIGH of the day as your stoploss. Book profits at any of the next LOWER level (BELOW your SELLING price) as mentioned in the newsletter.

Neutral Trend

If the trend is Neutral it means that the security is in a stage of sideways consolidation. As there is no trend, you can go either long or short using the rules mentioned above ignoring the trend condition.

Terminology

RS: This indicates the **Strength** of the security when compared to the overall market. Securities with a higher RS indicate that they are out performing the market, alternatively securities with a lower RS indicate that they are under performing the market. Preferably one can go BUY those stocks with a positive RS and sell short those stocks with a negative RS.

Volatility: This is a measure of the difference or widening of the range between a days highs and lows. Generally stocks with higher volatility are more suitable for day trading as there is a greater price movement between their intra-day highs and lows.

%Volatility: This is the daily average of the intra-day price movement in percentage (%).

Pivot: This is the balance point of the day. It acts as a demarcation value between the bulls and the bears.

Ideally one should **BUY** into stocks that have a high %volatility and a higher positive RS. Alternatively one should short **SELL** stocks with high %volatility and a negative RS.

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