



March 8, 2011

Reliance Industries Ltd.

LTP: ₹ 984.95

Company Details

Exchange	NSE
Scrip Code	RELIANCE - EQ
52-Week High	₹ 1149.70
52-Week Low	₹ 885.10

Strategy Summary

Entry Rate: ₹997

200days Moving Average: ₹1020

Target: ₹1020, ₹1065 ₹1110

Support: ₹960, ₹920-880

Technical Indications

Stochastic Oscillator: Buy

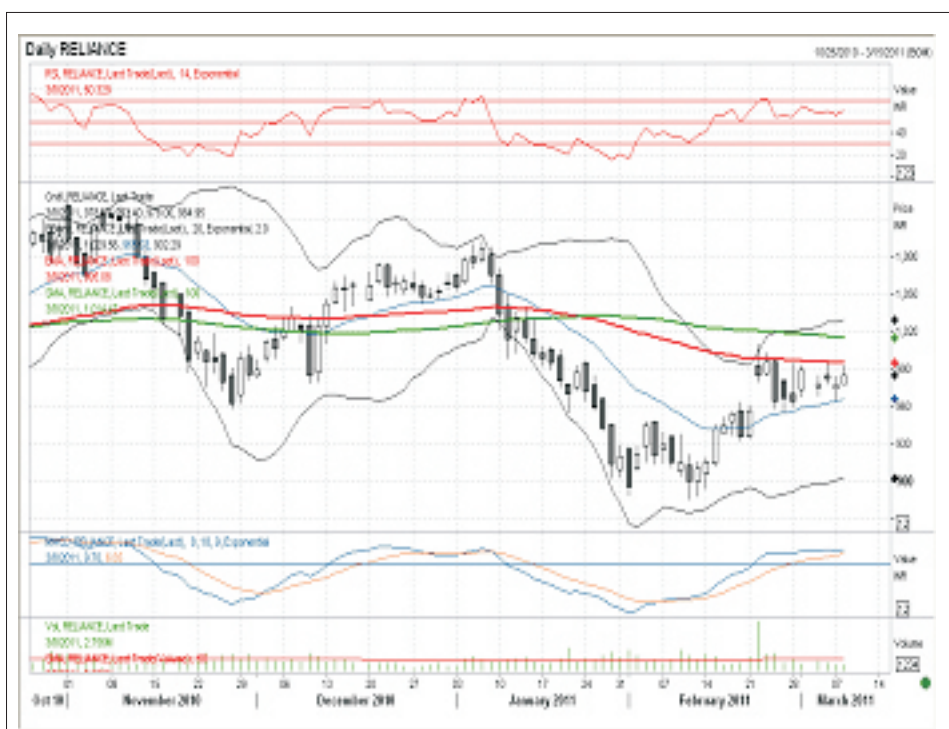
Chart Pattern: Triangle

MACD: Positive

RSI: Positive

Stochastic Oscillator: Positive

After recovering from the recent lows, Reliance Industries Ltd. has entered a consolidation phase. Currently the share price is trading near a critical level of resistance and if manages to break and close above this, the upside will possibly extend further in the days to come.



Rationale for Recommendation

The technical indicators are trading positive for the scrip. Stochastic Oscillator has turned positive, after the recent (healthy) pullback. Positive momentum and money-flow is continuing in the scrip. MACD is continuing the positive outlook, but with fading momentum - this is a cause of concern.

The 100-days Moving Average is trading at ₹997. If the share price manages to cross, close and sustain above this, the upside can potentially extend towards the immediate resistance of ₹1020, which happens to be the 200-days Moving average. We recommend to Accumulate the scrip above the 100-days Moving average (Our recommendations at ₹909 and ₹949 have reached the target; call continues with medium-term outlook). Further, the next target is seen at ₹1065, followed by ₹1110.

However, the share price being trading near critical moving averages adds risk for long positions. Therefore, holding the scrip on a close below ₹960 might not be advisable for short-term positions. The lower level supports are ₹920 and ₹880.

Team Research:

Binu Joseph

Assistant Vice President

(binujoseph@jrg.co.in)

Fundamental Analysis:

Girish Kumar (Manager)

(girish@jrg.co.in)

Tapan Trivedi (Sr. Analyst)

(tapan.trivedi@jrg.co.in)

Technical Analysis:

A.A. Afzal Hussain (Asst. Manager)

(afzal@jrg.co.in)

Praveen K.C. (Sr. Analyst)

(praveen.kc@jrg.co.in)

Assisted by:

Thabassum Nazeer (Management Trainee - HNI Relations)

(thabassum.nazeer@jrg.co.in)

Prepared By:

A.A. Afzal Hussain
JRG Equity Research

Disclaimer:

This document has been prepared by JRG Securities Ltd.

The information presented in this document shall not be regarded as an offer/recommendation to buy or sell securities. There is the risk of loss involved in using the information for investment purpose. The readers are urged to exercise their own judgement in investment and trading.

* There are rates, based on Technical levels. Any major fundamental news or market sentiment can make these levels irrelevant or ineffective. Opinions expressed in this article are the independent views of the author(s). The informations, opinions and analysis contained are collected from sources believed to be reliable, but no representation, expressed or implied, is made as to its accuracy, completeness or correctness.

* STRICTLY FOR PRIVATE CIRCULATION ONLY. Unauthorized use, disclosure, distribution or copying of this private email by anyone other than the intended recipient is strictly prohibited.

JRG House, Ashoka Road, Kaloor, Kochi Kerala – 682017

Phone: 0484 27963211 Fax: 0484 2409922

Website: www.inditrade.com

Email: jrg.research@jrg.co.in

Short-term
Technical
Notes

inditrade