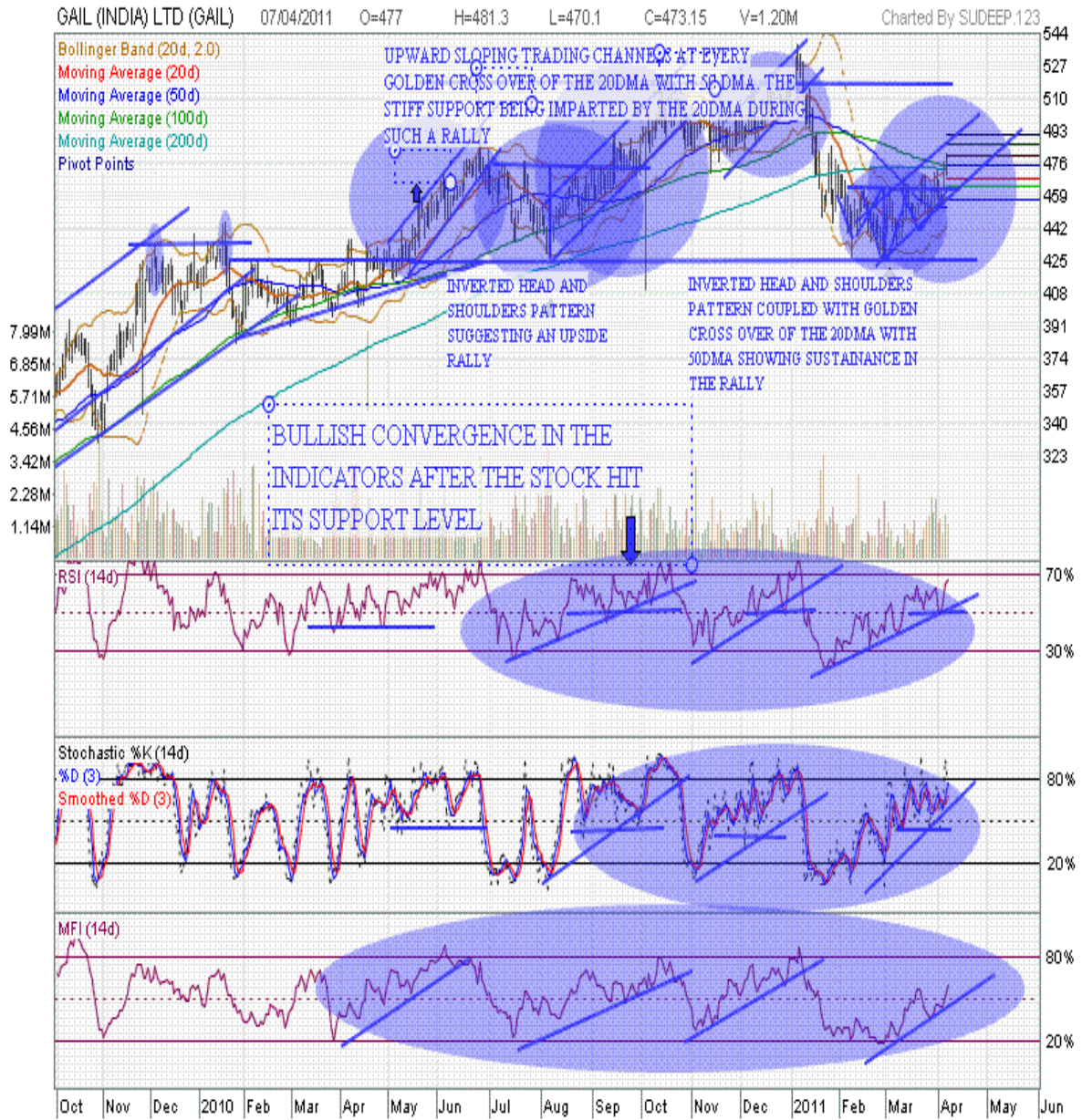




**GAIL ( TECHNICAL ANALYSIS FROM 8<sup>TH</sup> APRIL;2011 onwards)**





## CANDLESTICK PATTERNS

The narrow trading band was formed from 10<sup>th</sup> may; 2010 onwards and ended after the high of Rs.516(resistance ) was attained by the stock. After the prices boomeranged back to the support level, another upward sloping narrow trading band formation took place with the formation of the **bullish abandoned baby candle** at the support level which carried the prices higher again to get back to its former resistance level. Third upward sloping trading band formation took place after the low of Rs.471 till the high of Rs.538 as on 6<sup>th</sup> jan;2011, when the formation of the **shooting star** again pulled back the prices of the stock back to the support level of Rs.424 as on 4<sup>th</sup> march;2011.

From 1<sup>st</sup> march; 2011, the formation of the **bullish piercing pattern** is again suggesting the maintenance of support level in this stock. The stock has already come within the constraints of the upward narrow trading band suggesting the repetition of the same prior bands and the expectation of the stock to rise up to take the high of Rs.516 again.



## MOVING AVERAGE ANALYSIS

The narrow trading band was formed from 10<sup>th</sup> may; 2010 onwards and ended after the high of Rs.516(resistance ) was attained by the stock. After the prices boomeranged back to the support level, another upward sloping narrow trading band formation took place with the formation of the **bullish abandoned baby candle** at the support level which carried the prices higher again to get back to its former resistance level. Third upward sloping trading band formation took place after the low of Rs.471 till the high of Rs.538 as on 6<sup>th</sup> jan;2011, when the formation of the **shooting star** again pulled back the prices of the stock back to the support level of Rs.424 as on 4<sup>th</sup> march;2011.

From 1<sup>st</sup> march; 2011, the formation of the **bullish piercing pattern** is again suggesting the maintenance of support level in this stock. The stock has already come within the constraints of the upward narrow trading band suggesting the repetition of the same prior bands and the expectation of the stock to rise up to take the high of Rs.516 again.

## CHART PATTERNS

While the stock was shuttling within the trading band, in the range of Rs.424 and 517, the formation of the **inverted head and shoulders formation** with the head touching the support level suggested an upside breakout in the prices to catch up with its resistance level of Rs.517. The pattern suggested the expected breakout by 50 points from the neckline which stood at Rs.474 to the upside and the stock did the same with the breakout by almost equivalent points to carry the prices to the resistance level of Rs.516

The same **inverted head and shoulders pattern formation** has been completed and an upside breakout has been successfully exhorted by the stock from its neckline of Rs.462. The pattern is suggesting the price rally by Rs.38 to the upside which is expected to carry the prices till Rs.500 mark in the forthcoming sessions.

## Indicators

**RSI and STOCHASTIC INDICATOR** have been showing the cyclical patterns after taking the stiff support from 50% level and travelling back to the overbought, whenever the stock had come within the proximities of the trading band. Moreover, the formation of the bullish convergence pattern in RSI, STOCHASTIC and MONEY FLOW INDEX are imposing boisterousness in the stock to travel to the higher levels to test the 500 mark in the forthcoming sessions.



**RAP FINANCIALS**  
"RUNNING ACCOUNTS FOR PEOPLE"

FINANCIAL CONSULTANTS  
  
PORTFOLIO MANAGEMENT

**CONCLUSION**- It is recommended to buy the stock on every dip, the first buying opportunity is expected to be revealed at Rs.468 and continue to hold it for the long term( say about a month or so), where it is expected to test Rs.500 levels and yielding a return of about 7.52%