

Result Analysis:

DLF's posted disappointing numbers during the 3rd quarter ended December 2009. Although the top-line grew 48% during the quarter to Rs 2025.77 crore, the operating performance continued to deteriorate. Robust demand across luxury, premium and mid house segment across suburban and city centric residential segment besides improving pricing enabled the company to post excellent top-line growth

However the operating expenses remained significantly higher during the quarter, owing to which the OPM fell to 41.6% as compared to 56.5% during the corresponding quarter of the previous year. As a result the absolute operating profit only improved 9% year-on-year to Rs 843.27 crore during the quarter under review. 174% rise in finance charges during the period resulted in 13% fall in PBDT to Rs 712.48 crore during the quarter under review. After providing for tax expenses which increased considerably to 27%, the bottom-line for the company dipped 30% to Rs 467.89 crore during the quarter under review on a year-on-year basis.

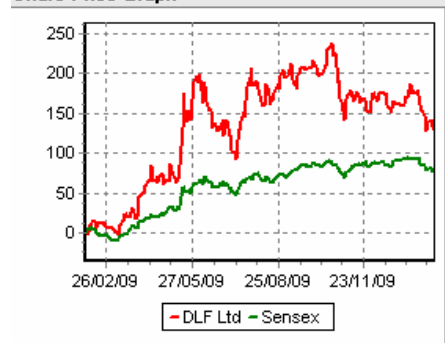
Technical Analysis:

The weekly chart analysis suggest that stock is continuously trading in downward channel for the past few months as it is facing resistance near 450 and the immediate resistance is placed near the trend line from the lows of 124 in Feb,2009 at 360. The price below 355 had broken the upper triangle since then the stock has fallen nearly 15% to the new low of 301. The RSI is at 41 with negative bias creating more room for the downside for the counter. The downtrend can be confirmed as prices are trading below 50 Days EMA. On the daily the price is taking support near lower Bollinger band near 300. The closing below 300 will confirm the southbound journey for the stock.

However on the daily Charts RSI is heading towards the oversold zone. Currently its is trading at 31 but the historical movement has seen breaching the 30 levels and moving forward to 26-27 before moving out the oversold zone. As MACD also in bearish zone.



Share Price Graph



Technical View

As on 4th February stock closed at @321..

Our recommendation: - Sell for three months target of Rs 280-270

Important Level

Resistance		Support	
R1	335	S1	293
R2	359	S2	270
R3	377	S3	251
R4	401	S4	230



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