

Verdict is clear

Each man must reach his own verdict, by weighing all the relevant evidence.

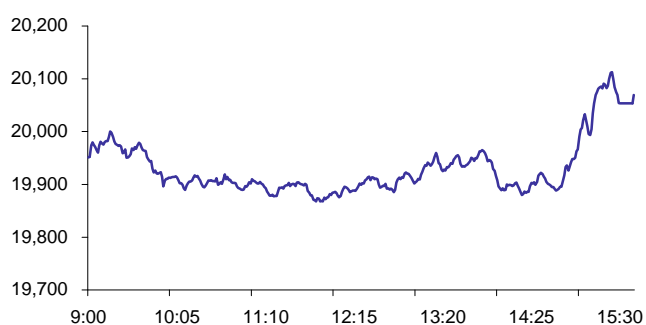
-Leonard Peikoff.

The excruciatingly long wait over the Ayodhya dispute has ended with the Allahabad High Court declaring a split but pragmatic verdict. The nation has shown maturity and restraint in reacting to the verdict and the same is expected of the markets. Thursday was Judgment Day for bulls too, who will hope that the status quo on the bourses continues in October as well. If the F&O rollovers are any indication, traditionally defensive sectors like FMCG and Pharma seem to be on the offensive.

The opening is expected to be a positive one despite the overnight fall on Wall Street and weakness in Europe. Asian markets are positive to flat. China and Hong Kong are shut for national holidays.

Corporate results will be closely followed as would be the regular economic statistics. For the day, the Nifty rebalancing, manufacturing PMI reports, trade data, auto sales and cement volumes will be watched. After a spectacular September, the market may witness some correction but on the whole the undercurrent is fairly strong. How FII inflows unfold and external environment shapes up will be crucial.

Sensex intra-day



ADR/GDR	Latest (US\$)	Price % chg	% Prem/Disc
Dr. Reddys	32.2	(1.1)	0.4
HDFC Bk	184.4	0.9	11.0
ICICI Bk	49.9	1.3	0.7
ITC	3.9	(0.4)	(3.0)
Infosys	67.3	0.3	(0.8)
Satyam	3.9	(4.7)	(3.1)
Ranbaxy	12.6	1.6	2.1
Reliance	44.6	(0.6)	1.5
Wipro	14.5	(1.3)	44.6
SBI	143.3	0.9	(0.6)
Tata Motors	25.5	(0.0)	4.4
Sterlite	15.0	3.2	303.4
L&T	45.5	0.4	(0.4)

Indian market	Last close	% change		
		1 day	3 mth	YTD
Sensex	20,069	0.6	14.6	14.9
Nifty	6,030	0.6	14.8	15.9
BSE 100	2,530	0.1	13.5	16.1
BSE 200	7,984	0.1	13.4	16.7
CNX Midcap	9,164	(0.5)	13.0	23.3
BSE Smallcap	10,246	0.1	12.8	22.6

Developed market	Last close	% change		
		1 day	3 mth	YTD
Dow Jones	10,788	(0.4)	10.8	3.5
Nasdaq	2,369	(0.3)	12.7	4.4
S&P 500	1,141	(0.3)	11.1	2.3
FTSE	5,549	(0.4)	15.5	2.5
CAC	3,715	(0.6)	11.2	(5.6)
DAX	6,229	(0.3)	6.3	4.6
Hang Seng*	22,358	(0.1)	11.1	2.2
Nikkei*	9,453	0.9	2.8	(10.4)
S&P/ASX200*	4,590	0.2	8.3	(5.8)

* Markets are open

Emerging market	Last close	% change		
		1 day	3 mth	YTD
Shanghai Comp	2,656	1.7	11.9	(19.0)
Brazil Bovespa	69,430	0.3	13.4	1.2
Mexico Bolsa	33,330	0.4	6.8	3.8
Kospi*	1,880	0.4	11.5	11.7
Micex	1,440	1.5	14.8	5.1
Taiwan*	8,248	0.1	13.7	0.7
Straits*	3,104	0.2	10.1	7.1

* Markets are open

Institutional activity (Rs cr)	Cash	F&O	% change	
			MTD	YTD
FII's	#N/A	1,348	10,647	58,549
MF's	#N/A	-	(2,818)	(15,168)
FII's Prov.	2,497			
MF's Prov.	(1,522)			

Commodities	Last close	% change		
		1 day	3 mth	YTD
Crude (US\$/bbl)	80.4	0.5	10.1	1.2
Gold (US\$/oz)	1,310	0.1	9.2	19.4
Copper (US\$/mt)	8,006	(0.7)	23.5	9.0
Aluminium (US\$/mt)	2,322	0.5	19.0	5.7
Zinc (US\$/mt)	2,166	(1.3)	23.1	(14.4)

Advance/Decline stocks (Nos)	A	B	S	Total
Dec	130	1,064	227	1,644
Unch	3	81	13	120
A/D ratio (x)*	0.6	0.8	0.8	0.8

*A/D excluding Unch

Trade value (Rs cr)	% chg	
Cash NSE	20,014	28.9
Cash BSE	4,128	(3.8)
Total Cash	24,142	21.8
Delivery (%)	44.4	-
Derivatives	211,605	25.0

Currency	Last close	% change		
		1 day	3 mth	YTD
Rs/US\$	44.95	(0.5)	3.4	3.5
Rs/EUR	60.83	(0.5)	(6.6)	9.5
US\$/GBP	1.57	0.1	3.6	(2.7)
US\$/EUR	1.37	0.2	9.0	(4.6)
Yen/US\$	83.51	(0.0)	4.9	11.4

Bond market	Last Close (%)		Bps chg
10yr Gsec	7.84		(0.01)
Call rate	5.75		(1.25)

Corporate snippets

- ✦ **L&T** bags Rs7bn order from various customers for construction related work. (ET)
- ✦ **L&T** infra files for Rs4.5bn bonds public issue. (FE)
- ✦ **Tata Steel** to refinance the Rs25bn loan it took. (ET)
- ✦ **SAIL** to add 1,725 MW of power generation capacity. (ET)
- ✦ **ICICI Bank** estimates loan growth in the current financial year at around 18%; higher than an earlier forecast of 15%. (BS)
- ✦ **M&M** enters motorcycle segment with two models. (ET)
- ✦ **SBI** hikes deposit rates by 25-75 bps, keeps base rate unchanged. (ET)
- ✦ **PNB** raises base rate by 50bps to 8.5%. (BS)
- ✦ **Maruti Suzuki** expects to record its highest-ever monthly sales in September with a growth of 32-33% yoy. (BS)
- ✦ **Tata Motors** will commercially launch the Tata Aria, a crossover of a sedan and a sports utility vehicle, on October 11. (BL)
- ✦ **Axis Bank** revised its base rate to 7.75% from 7.5%. (ET)
- ✦ **IDBI Bank** revised its base rate upward by 0.50% to 8.5%. (ET)
- ✦ **ICICI** opens first retail outlet in Singapore. (ET)
- ✦ **Reliance Capital** has acquired a 4.98% stake in an infra developer Trinethra Infra through an open market transaction. (FE)
- ✦ **ADAG** to acquire 26% in ICEX, gets FMC approval. (FE)
- ✦ **Piramal Healthcare** to formally close its Vitamin-A factory in adjoining Thane tomorrow. (BS)
- ✦ **Power Grid Corporation** is establishing a 1200-kV National Test Station at Bina in Madhya Pradesh. (BL)
- ✦ **Kingfisher Airlines** has decided to revamp its capital structure by converting 30% of total debt into equity to reduce the loan burden. (BS)
- ✦ **IVRCL** Assets raises Rs2.5bn from IFCI. (ET)
- ✦ **Hindustan Motors** plans to double its capacity at its Tiruvallur facility to 24,000 units to support new launches. (BS)
- ✦ **Aarvee Denims** has decided to infuse around Rs1.2BN for expanding its manufacturing capacity in two phases. (BS)
- ✦ **Suven Life Sciences** to raise Rs900mn for R&D. (BS)
- ✦ **Shriram Properties**, the real estate arm of **Shriram Group**, plans to raise US\$100mn this year from private equity investors. (BS)
- ✦ **Firstsource** announced a five-year outsourcing partnership with Barclaycard. (BS)

Economy snippets

- ✦ Food inflation increased to 16.44% in the week ended September 18 (FE)
- ✦ India's current account deficit rose sharply in the quarter ended June 30 to US\$13.7bn from US\$4.5bn a year ago due to lower invisible surplus and growth in imports outpacing exports. (BS)
- ✦ Fiscal deficit falls 17% to Rs1.5tn during Apr-Aug (ET)
- ✦ External debt increased by 4.1% in the first quarter of this year over the level recorded as at the end of March 2010. (BL)
- ✦ The Department of Industry and Policy has relaxed FDI rules which will mainly help retail firms in JV with foreign retailers and the overseas NBFCs. (BL)
- ✦ Commodity market regulator FMC today lifted the ban on trading in sugar futures (FE)
- ✦ Rains 37% below normal in past week as per Meteorological Department (ET)
- ✦ Fuel for future thermal power projects — both coal and gas — will be allocated under a new score-card system where the use of higher-efficiency units and progress on land acquisition have the highest weights. (BL)

Nifty price/volume



Nifty made a smart come back during the last hour of trading session on the last day of derivative contract expiry to regain its control over its psychological support of 6,000 levels. Critical trading band 5,990-6,080 on closing basis remains intact as indecisiveness continues amongst market participants on the back of deteriorating market breadth.

Support/Resistance levels

	Close	Support	Resistance
Nifty	6,030	5,995	6,080
Sensex	20,069	19,940	20,175

Abnormal change in delivery

Stock	NSEdely (%)	Prev NSEdely (%)	Price % chg
Ruchisoya	72.3	18.7	(0.6)
Skfindia	50.7	19.0	(0.7)
Omaxe	47.0	20.7	(2.0)
Mrf	36.9	17.2	(1.1)
Rajshexpo	35.7	17.0	(0.5)

Positive breakout

Company name	CMP	10 Days MVG avg	Price % chg	20 Days MVG avg
Hero Honda Motor	1,851.9	1,827.5	1.3	1,774.2
Indusind Bank	265.9	262.9	1.1	249.9
Sical Logistics	67.0	66.3	1.0	66.5
Great Eastern Sh	314.0	311.0	1.0	310.6
Astra Microwave	64.2	63.6	0.9	63.9

Stocks in uptrend

Company	Vol % chg	Delivery %	Price % chg
Naukri	415.1	95.2	1.9
Clinindia	5.1	91.0	0.1
Mahlife	175.2	89.1	1.2
Unichemlab	56.7	87.1	0.1
J&Kbank	63.7	86.1	1.2

Axis Bank (BUY, above Rs1,540, Target Rs1,575): On Thursday, the stock advanced sharply on decent volumes from the support of its critical 10-DMA. Since first week of September 2010, this important moving average has provided good support to the stock on every decline. It now faces a resistance at Rs1,550 levels and should have a minimum upside till that level. Based on above evidences and a positive crossover in other momentum oscillators, **we recommend traders to buy the stock above Rs1,540 with a stop loss of Rs1,525 for a target of Rs1,575.**

ITC (BUY, between Rs176-179, Target Rs192): ITC continues to remain in its short-term uptrend and after yesterday's move, the stock has signaled fresh buy due to formation of 'piercing line' pattern on candlesticks. Volumes have accelerated above the three-day moving average, which also suggests buying support during declines. We expect this pull back to continue for a while and should take prices towards the levels of Rs195-200 in coming days. Being a defensive counter, the stock is likely to outperform broader markets at times of volatility. **We advice accumulating ITC in the range of Rs176-179 with stop loss of Rs173.5 for a target of Rs192.**

Negative breakout

Company name	CMP	10 Days MVG avg	Price % chg	20 Days MVG avg
United Breweries	302.2	310.9	(2.8)	314.9
Godrej Consumer	403.9	415.1	(2.7)	406.1
Lakshmi Machine	2,341.5	2,403.5	(2.6)	2,403.9
Jbf Industries	155.8	159.9	(2.5)	159.2
Indage Vintners	26.9	27.6	(2.4)	26.6

Stocks in downtrend

Company	Vol % chg	Delivery %	Price % chg
Coromandel	981.1	96.7	(0.1)
Gsfc	178.2	92.8	(0.1)
Pghh	245.5	91.4	(0.4)
Tnpl	132.1	90.2	(0.1)
Adanient	787.8	92.5	(1.5)

Pivot table

Company	CMP (Rs)	Supp 1	Supp 2	Pivot	Res 1	Res 2
ABB	922	890	857	922	955	987
ACC	990	976	957	996	1,009	1,023
Ambuja Cem	141	137	133	142	145	149
BHEL	2,479	2,463	2,445	2,481	2,497	2,513
BPCL	750	740	725	755	764	774
Bharti	366	359	354	365	372	379
Cairn	335	331	327	335	339	343
Cipla	322	316	313	320	326	332
DLF	378	372	367	376	382	389
Gail	478	473	470	477	481	485
Grasim	2,220	2,204	2,191	2,216	2,233	2,249
HCL Tech	421	413	405	420	428	436
HDFC Bank	2,489	2,444	2,417	2,472	2,517	2,562
Hero Honda	1,858	1,838	1,819	1,856	1,877	1,897
Hindalco	197	191	187	195	201	207
HUL	309	305	302	308	312	316
HDFC	733	710	697	724	747	770
ICICI Bank	1,113	1,100	1,089	1,110	1,124	1,137
Idea	74	72	71	73	75	77
Infosys	3,051	3,014	2,983	3,044	3,081	3,118
ITC	178	173	170	177	182	186
L&T	2,053	2,021	1,996	2,045	2,078	2,110
M&M	692	681	669	693	703	714
Maruti	1,441	1,388	1,334	1,443	1,495	1,548
Nalco	399	396	390	401	404	408
NTPC	217	215	213	217	219	221
ONGC	1,404	1,382	1,360	1,404	1,427	1,449
Powergrid	107	105	103	107	109	110
PNB	1,293	1,274	1,260	1,288	1,307	1,326
Ranbaxy	556	548	538	558	566	574
Rcom	169	167	166	169	170	171
Reliance	987	976	963	989	1,000	1,011
Reliance Infra	1,069	1,053	1,034	1,073	1,088	1,104
Reiance Power	161	158	156	161	163	166
Satyam	90	86	79	94	98	101
Siemens	823	811	801	820	833	845
SBI	3,240	3,185	3,141	3,230	3,285	3,340
SAIL	205	203	201	205	207	210
Sterlite	167	162	158	165	171	176
Sunpharma	2,021	1,999	1,982	2,017	2,038	2,059
Suzlon	52	51	51	52	53	54
Tata Com.	307	301	291	310	316	322
TCS	927	918	912	924	933	942
Tata Motors	1,098	1,085	1,069	1,100	1,113	1,127
Tata Power	1,355	1,335	1,317	1,352	1,372	1,393
Tata Steel	652	643	636	651	659	668
Unitech	88	87	86	88	89	90
Wipro	449	440	433	447	457	466
Zee	300	295	290	300	305	310

A pivot is a level at which the market direction changes for the day. These points can be critical support and resistance levels for that day. Pivot levels are only broad indicators and not necessarily our view on the stock or index.

Top movers

Company	Price (Rs)	Price % chg	% YTD chg
Taneja Aerospace	47.7	11.4	20.2
Kansai Nerolac P	1,010.6	8.6	87.1
Redington India	90.6	6.3	44.8
Zee News Ltd	17.1	5.6	(70.8)
Ansal Props & In	94.1	5.0	33.0

Top losers

Company	Price (Rs)	Price % chg	% YTD chg
Tech Mahindra Lt	752.0	(5.2)	(24.1)
Patni Computer	414.8	(5.2)	(3.2)
Dalmia Bharat Su	63.1	(5.0)	(61.7)
Shopper'S Stop	655.5	(4.2)	69.2
Bsel Infrastruct	10.3	(4.2)	(33.5)

Volume Toppers

Company	Price (Rs)	Price % chg	Vol % chg
Vakrangee Soft	237.8	5.2	1,742.4
Taneja Aerospace	47.7	11.4	1,721.5
Amtek India Ltd	63.2	1.2	1,641.8
Bosch Chassis Sy	6,180.8	0.6	887.3
Ess Dee Aluminu	493.7	1.2	860.1

Sector watch

BSE Indices	Last close	Price % chg				50 DMA
		1 day	1 week	1 mth		
BSE Bankex	14,025	0.8	13.6	31.8	11,701	
BSE Realty	3,727	0.0	8.6	18.3	3,361	
BSE HC	5,996	(0.1)	7.4	4.9	5,624	
BSE Metals	16,865	0.8	9.3	16.7	15,316	
BSE Oil & Gas	10,447	(1.2)	3.7	(3.0)	10,280	
BSE Auto	9,528	(0.5)	7.8	15.9	8,436	
BSE IT	5,947	0.3	8.5	13.1	5,454	
BSE Power	3,235	(0.3)	5.6	2.9	3,102	
BSE FMCG	3,720	1.4	8.6	15.1	3,244	
BSE PSU	10,280	(0.5)	4.9	8.8	9,518	
BSE Cap Goods	15,995	0.1	9.1	9.8	14,611	
BSE CD	6,293	(0.9)	9.3	32.5	5,228	
BSE 200	2,530	0.1	8.4	13.5	2,287	
BSE 500	7,984	0.1	8.0	13.4	7,222	
BSE Mid Cap	8,084	(0.2)	4.7	13.5	7,394	
BSE Small Cap	10,246	0.1	5.5	12.8	9,361	
CNX 500	4,925	(0.0)	7.0	12.3	4,486	

Note:

Ideas given under the 'Technicals' section are for intraday purpose or up to a period of three trading sessions. Stocks recommended under this heading are not necessarily part of our fundamental buy or sell list.

Bulk deals

Date	Scrip name	Client name	B/S	Qty ('000)	Avg price (Rs)	Deal size (Rs m)
30/9/2010	Adhunik Metal	Clearwater Capital Partners	B	763	114	86.8
30/9/2010	Adhunik Metal	Clearwater Capital Partners	S	763	114	86.8
30/9/2010	Alchemist Rlty	Clsa (Mauritius) Limited	S	1,712	16	27.2
30/9/2010	Amtek India	Swiss Finance Corporation	S	1,621	64	104.1
30/9/2010	Sarda Energy	Orange Mauritius Invetments Ltd	B	520	271	140.7
30/9/2010	Systematix Corp	Lotus Global Investments Limited	B	100	93	9.3
30/9/2010	Delta Corp Limited	Clsa (Mauritius) Limited	B	1,035	77	79.5
30/9/2010	Mahindra Lifespace DevLtd	American Funds Insurance Series	B	251	476	119.3
30/9/2010	Info Edge (India) Limited	Fidelity Investment Trust Fidelity	B	163	704	115.1
30/9/2010	Amtek India Limited	Swiss Finance Corporation	S	2,379	64	152.9
30/9/2010	Core Projects and Technol	The Royal Bank Of Scotland N V	S	571	300	171.2
30/9/2010	Housing Development and I	J P M S L A/C Cophall Mauritius	S	5,228	260	1,356.7
30/9/2010	Jindal SouthWest Hold Ltd	Bnp Paribas Arbitrage	S	62	2132	132.4

FII deals

Scrip name	Volume ('000)	Price (Rs)	Prem/Disc (%)
Union Bank	4242.8	388.0	(0.1)
PNB	5676.0	1419.0	9.8
Bank of Baroda	59789.7	907.9	4.0

Nifty volatility Index rose to 22.25 from 22.16, increased by 0.41%.

- ✦ Total Nifty futures added 5.37mn shares in open interest with 71% rollovers.
- ✦ Call open interest for Oct series added 2.95mn shares in Open Interest.
- ✦ Put open interest for Oct series added 4.50mn shares in Open Interest.
- ✦ Nifty put call ratio of open interest now stands at 1.27 vs 1.98.
- ✦ Nifty put call ratio of volume now stands at 1.43 vs 1.14.
- ✦ Maximum open interest in calls for Oct series is at 6,000 strike price.
- ✦ Maximum open interest in Puts for Oct series is at 6,000 strike prices.
- ✦ Nifty Oct 6,000 Call added 0.78mn shares in open interest.
- ✦ Nifty Oct 6,000 Put added 1.68mn shares in open interest.

Strategies

- ✦ **Long Apollo Tyres Oct Future** in range of Rs81.50-82.50 for the target price of Rs85.50 with a stop loss placed at Rs79.50.
Lot size: 4000
Remarks: Net maximum profit of Rs16,000 and net maximum loss of Rs8,000.
- ✦ **Long BHEL Oct Future** in range of Rs2505-2515 for the target price of Rs2605 and stop loss placed at Rs2455.
Lot size: 125
Remarks: Net maximum profit of Rs12,500 and net maximum loss of Rs6,250.

Nifty snapshot

	Current	Previous	% Chg
Near month price	6,030	6,000	0.5
Near month Pre/Disc	0.0	9.1	(100.0)
Mid month price	6,034	6,026	0.1
Mid month Pre/Disc	3.6	34.4	(89.7)
OI* ('000)	40,809	39,699	2.8
Volume ('000)	42,562	34,902	21.9
PCR (OI)	2.0	1.8	8.9
PCR (Vol)	0.9	1.2	(20.0)
Roll-over (%)	71.7	60.2	19.2

FII derivative data

(Rs cr)	Buy	Sell	Net	Contracts	OI % chg
Index Futures	5,233	4,652	581	(162,569)	(23)
Index Option	5,825	6,818	(993)	(1,215,365)	(41)
Stock Futures	7,354	7,836	(482)	(171,132)	(12)
Stock Options	4	18	(14)	(40,257)	(81)

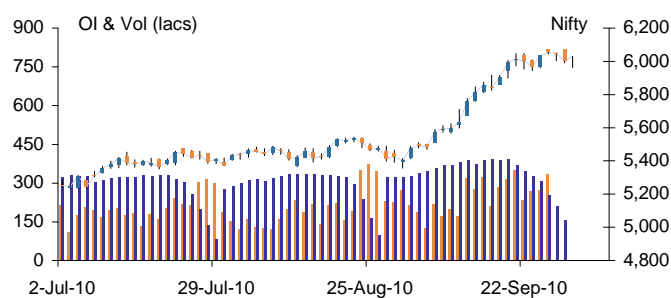
Institutional activity

(Rs cr)	Cash	F&O	MTD	YTD
FII's	-	(908)	24,440	83,528
MF's	-	-	(5,607)	(21,126)
FII's Prov.	2,496.9			
MFs Prov.	(1,521.6)			

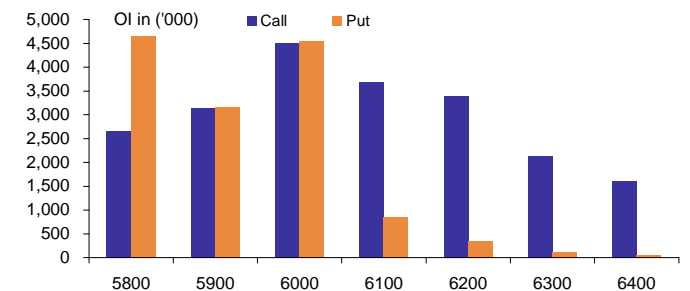
Overall market

	30-Sep-10	29-Sep-10	28-Sep-10	Value % chg
Index Future (Rs cr)	24,270	23,246	19,140	4.4
Stock Future (Rs cr)	42,020	38,575	35,230	8.9
Index Options (Rs cr)	97,378	83,385	80,382	16.8
Stock Options (Rs cr)	5,578	4,571	5,500	22.0
Index Future (Cont '000)	835	796	654	5.0
Stock Future (Cont '000)	1,334	1,247	1,116	7.0
Index Options (Cont '000)	3,246	2,772	2,669	17.1
Stock Options (Cont '000)	159	137	162	15.7
PCR (OI)	1.2	1.1	1.1	4.4
PCR (VOI)	0.3	0.3	0.3	(0.9)

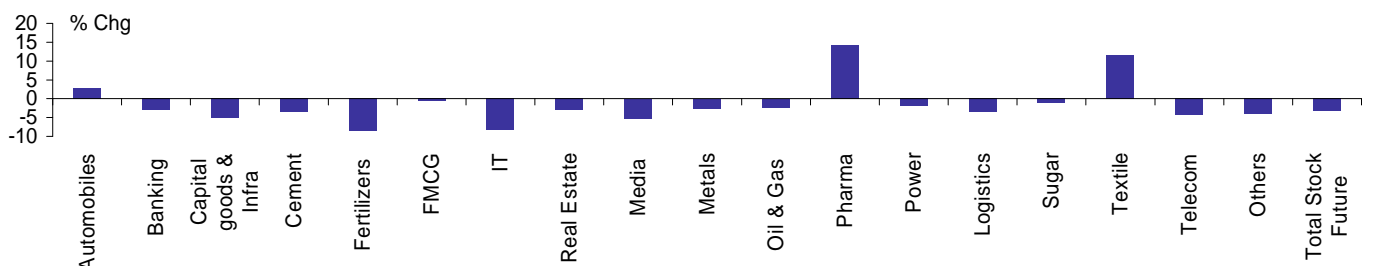
Nifty open interest chart



Nifty strikes open interest



Sector-wise OI



Futures open interest gainers

Scrip	OI ('000)	% change	CMP (Rs)	% change	Volume ('000)	% change	Prem/Disc (Rs)
Glaxo	237.8	(1.5)	2,236.5	(0.8)	62.1	(41.0)	(26.5)
Gtl	7,171.5	(2.0)	425.2	1.2	1,026.5	24.2	(4.6)
Ioc	5,665.0	(2.1)	421.0	(2.4)	2,679.0	4.7	(4.2)
Ofss	349.3	(4.9)	2,257.0	0.1	209.1	(12.2)	(21.6)
Biocon	3,110.0	(5.4)	363.7	0.4	1,997.0	4.9	(4.3)
Abirlanuvo	1,473.3	(5.7)	864.2	0.6	349.5	(16.6)	(6.4)
Recltd	5,095.0	(6.5)	345.0	0.0	2,246.0	33.5	(2.1)
Tatatea	9,535.0	(6.5)	121.6	(0.3)	4,177.5	78.9	1.0
Renuka	54,090.0	(7.2)	88.0	3.0	19,246.0	42.1	0.0
Welgij	15,255.0	(7.4)	270.5	0.7	5,431.0	104.3	(1.2)
Indiacem	15,576.0	(7.6)	117.3	(1.2)	5,050.0	(8.4)	(1.3)

Futures open interest losers

Scrip	OI ('000)	% change	CMP (Rs)	% change	Volume ('000)	% change	Prem/Disc (Rs)
Gail	1,695.5	(45.0)	479.6	0.8	1,273.0	12.6	(2.0)
Voltas	1,108.0	(54.8)	242.3	(1.8)	1,700.0	(45.5)	(0.8)
Kotakbank	3,253.0	(42.8)	478.1	(1.4)	2,663.0	14.0	(1.8)
Hcltech	1,424.0	(39.3)	421.6	0.9	1,217.0	(7.3)	(0.8)
Ongc	1,530.8	(35.6)	1,411.7	(1.0)	1,646.3	24.7	(7.6)
Cromptgreav	1,068.0	(35.4)	315.3	(0.2)	802.0	90.0	(2.6)
Axisbank	2,806.8	(34.6)	1,537.7	1.6	1,981.8	19.8	(1.1)
Tcs	3,411.5	(34.1)	929.3	0.6	2,074.5	(33.5)	(2.3)
Dabur	4,076.0	(34.0)	108.5	2.4	2,980.0	28.9	(0.5)
Sbin	3,561.6	(33.8)	3,195.9	0.0	2,927.6	(12.9)	44.6
Abb	1,020.0	(33.5)	913.1	(2.9)	907.3	(23.7)	8.8

Most active stock calls

Scrip	Strike	OI ('000)	% change	CMP(Rs)	Volume ('000)
Sbin	3200	313.6	(8.0)	36.0	9,164.0
Tatamotors	1100	928.0	8.4	0.1	4,816.0
Sbin	3250	165.4	54.4	0.1	3,686.0
Reliance	1000	1,340.0	19.7	0.1	5,216.0
Unitech	90	8,516.0	(2.9)	0.1	2,644.0
Tatasteel	660	1,190.0	4.6	0.1	2,705.0
Tatasteel	640	451.0	(15.0)	11.0	2,556.0
Tatamotors	1120	413.5	(0.4)	0.1	1,400.0
Reliance	980	610.5	(17.7)	5.6	3,162.0
Reliance	1000	629.0	70.6	28.1	2,894.0

Most active stock puts

Scrip	Strike	OI ('000)	% change	CMP(Rs)	Volume ('000)
Sbin	3200	130.4	7.1	0.2	2,441.0
Sbin	3150	227.4	135.0	0.2	2,149.0
Tatamotors	1100	121.5	(41.2)	2.2	1,376.0
Tatamotors	1080	249.0	(10.8)	0.1	1,040.0
Tatasteel	640	644.5	23.6	0.1	1,671.0
Reliance	980	397.8	(21.0)	0.1	2,127.0
Reliance	1000	408.0	(24.9)	11.3	2,055.0
Reliance	1000	317.5	156.0	34.0	1,181.0
Icicibank	1100	190.3	15.5	0.1	1,014.0
Unitech	85	4,812.0	(0.2)	0.1	755.0

Note:

Ideas given under the 'Derivatives' section are positional trades for the stated F&O expiry. Stocks recommended under this heading are not necessarily part of our fundamental buy or sell list.

Fund focus**HDFC Top 200 Fund****Invest**

Fund manager	Prashant Jain	Min investment	Rs5,000
Latest NAV	Rs224.4	Entry load	Nil
NAV 52 high/low	Rs225/119	Exit load	1% <1 yr
Latest AUM	Rs8,307cr	Benchmark	BSE200
Class	Equity – diversified	Asset allocation	Equity (97%), Debt (0%), Cash (3%)
Options	Growth & dividend	Expense ratio	1.8%

Top recommended funds*(Absolute returns (in %) are based on previous close)*

Equity – Diversified	Assets (Rs Cr)	NAV (Rs)	1wk	1mth	3mth	6mth	1yr	2yr	3yr	5yr
HDFC Top 200 (G)	8,611	224.4	0.7	9.2	15.3	22.1	30.7	89.0	58.9	221.1
ICICI Pru Dynamic Plan (G)	2,499	108.7	0.8	6.7	9.1	13.7	29.6	71.7	39.4	182.8
IDFC Small & Midcap Eqty -(G)	924	19.7	0.9	5.3	12.4	21.3	43.6	137.6	--	--

Equity – Thematic

Reliance Pharma Fund (G)	494	53.7	0.7	3.5	0.2	12.1	49.4	140.4	108.7	242.1
ICICI Pru Tech. Fund (G)	107	17.3	0.5	7.2	13.0	17.9	40.0	85.7	14.7	93.2
ICICI Pru FMCG Fund (G)	55	67.8	(0.2)	6.1	11.3	27.4	44.8	80.8	44.6	128.0

Equity – Tax saving

DSP-BRTax Saver Fund (G)	889	18.7	0.8	7.7	12.6	19.3	32.2	79.8	34.8	--
HDFC Tax Saver (G)	2,742	250.6	1.4	8.0	14.8	21.7	36.7	88.8	42.8	152.3
ICICI Prudential Tax Plan (G)	1,241	148.0	0.5	8.2	12.0	16.2	37.1	91.3	45.9	114.1

Hybrid

HDFC Prudence Fund (G)	5,078	219.6	0.7	5.4	12.0	20.9	36.3	92.5	60.1	181.5
HDFC MIP - LTP (G)	8,359	22.8	0.3	2.2	4.7	8.1	13.4	44.7	41.0	81.8
Reliance RSF - Balanced (G)	662	24.0	0.4	5.4	12.7	16.2	31.9	97.3	68.7	137.2

Debt – Money market

HDFC Cash Mgmt Fund – SP (G)	5,981	19.8	0.1	0.5	1.4	2.6	4.8	11.8	21.6	39.4
LIC MF Income Plus Fund (G)	5,303	12.7	0.1	0.5	1.4	2.7	5.2	13.1	23.6	--
Reliance Money Manager (G)	2,431	1,276.1	0.1	0.4	1.3	2.5	4.7	12.2	21.9	--

Debt – Floating rate

Reliance Floating Rate Fund (G)	4,371	14.9	0.1	0.5	1.5	2.8	5.1	12.6	22.5	40.8
LIC MF Floating Rate (G)	1,147	15.5	0.1	0.5	1.4	2.8	5.4	13.5	24.6	44.1
Tata Floater Fund (G)	6,675	14.1	0.1	0.5	1.4	2.7	5.1	12.5	22.7	40.5

NFO Update

Fund name	Open date	Close date	Type[#]	Class
Reliance Arbitrage Advantage	24-Sep	08-Oct	OE	Hybrid
DSP-BR FMP 3M - Sr-21	27-Sep	06-Oct	CE	Debt - FMP
HDFC FMP 370D September 2010 (2)	30-Sep	14-Oct	CE	Debt - FMP

#OE: Open Ended, CE: Close Ended

Recent actions

- ✦ UTI Transportation and Logistic fund declares 20% dividend. The record date is 6th October, 2010.
- ✦ IDFC Asset Allocation Fund declares 0.2% dividend. The record date is October 4, 2010.
ICICI Prudential Annual Interval Plan II declares dividend. The quantum of declaration is 3.993%. The record date is October 5, 2010.
- ✦ ICICI Prudential FMP Series 49 -1 Year Plan B declares dividend. The quantum of declaration is 6.627% in Retail option and 6.999% in Institutional option. The record date is October 04, 2010.
- ✦ SBI Magnum Multiplier Plus 93 declares 70% dividend. The record date is October 1, 2010.

Disclaimer: Mutual Fund is subject to market risk, please read the offer document carefully before investing.

House Recommendations

We introduce our top large cap picks, best midcap Buys and high conviction Sell ideas in this note. The large cap Buys and Sells are relative outperformer and underperformer bets vis-à-vis the Nifty respectively. Reduce portfolio weights in stocks with Sell rating. Midcap Buys are based on absolute return expectations.

Top Large-cap Buys

Stock	Sector	CMP (Rs)	Target (Rs)	Expected Returns (%)
Dr Reddy's	Pharmaceutical	1,329	1,803	35.6
GAIL	Oil & Gas	465	530	14.0
HCL Technology	IT Services	408	470	15.0
L&T	Infrastructure	1,878	2,134	13.6
M&M	Automobile	624	712	14.1

Source: India Infoline Research

Top Mid-cap Buys

Stock	Sector	CMP (Rs)	Target (Rs)	Expected Returns (%)
ADSL	IT Services	230	304	32.1
Escorts Ltd	Agri Equipments	187	230	21.5
Nagarjuna Construction	Infrastructure	163	199	22.1
Phillips Carbon Black	Auto-components	204	250	22.5
Usha Martin	Metals	84	102	22.2

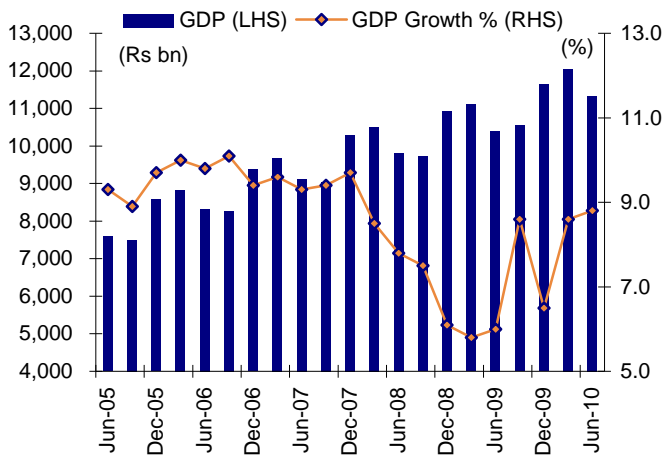
Source: India Infoline Research

Top Sells

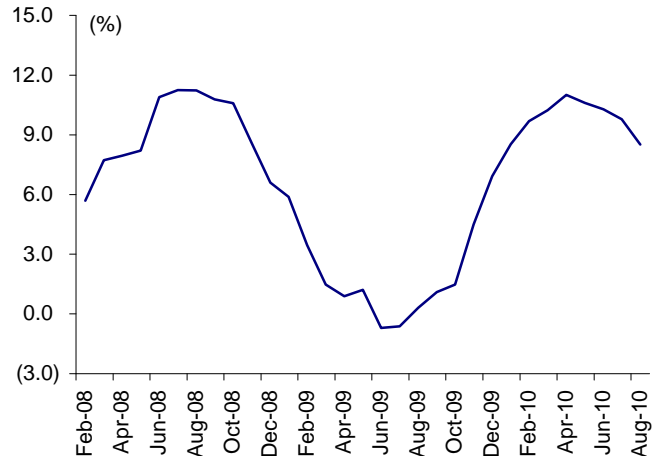
Stock	Sector	CMP (Rs)	Target (Rs)	Expected Downside (%)
ABB	Capital goods	778	680	12.6
ACC	Cement	875	780	11.0
NALCO	Metals	404	318	21.3

Source: India Infoline Research

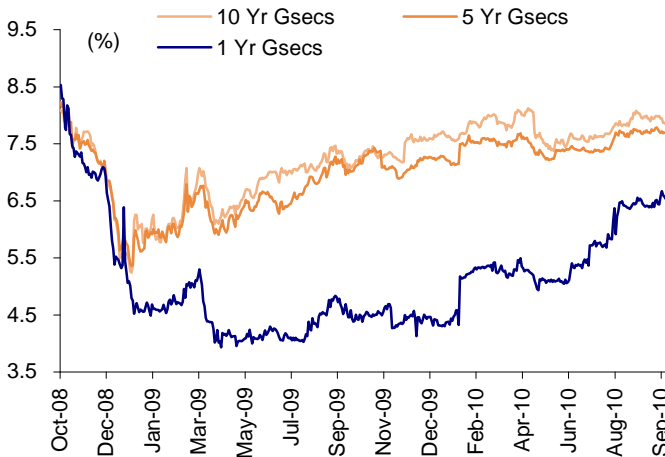
Quarterly GDP growth



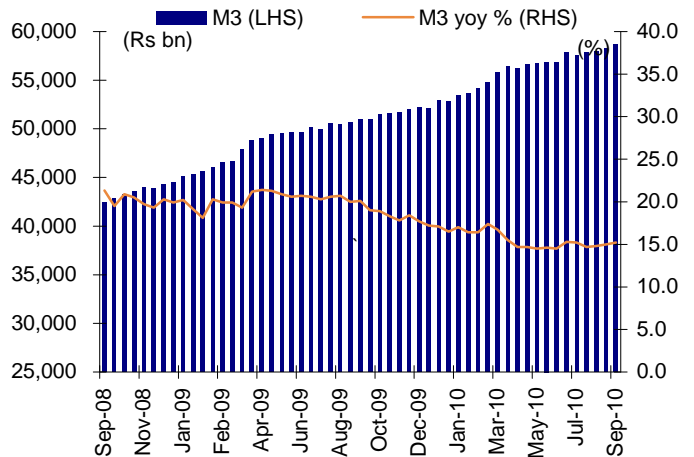
Inflation



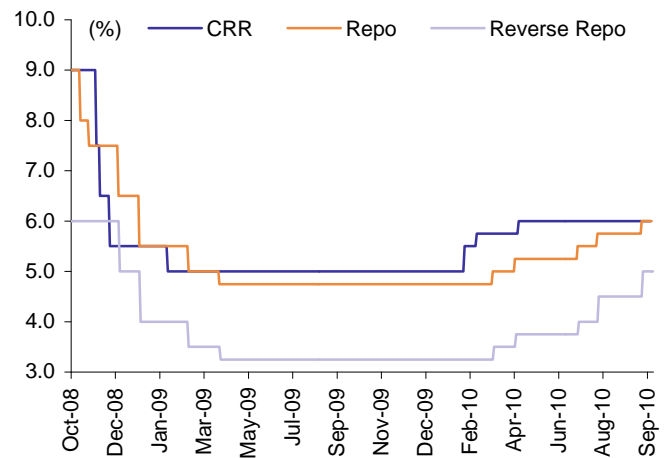
G-Secs yield



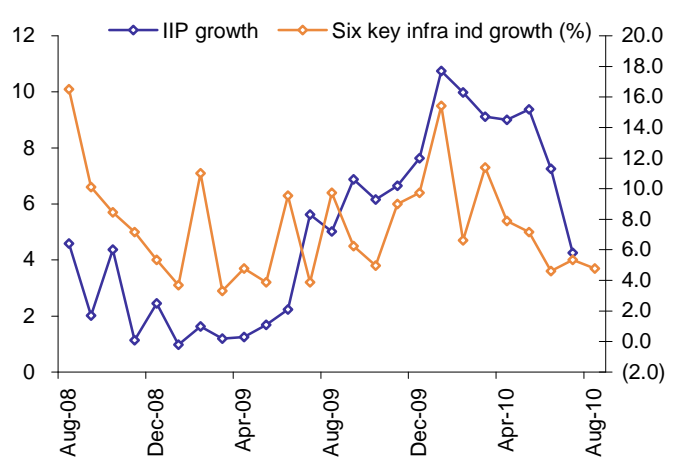
M3 growth



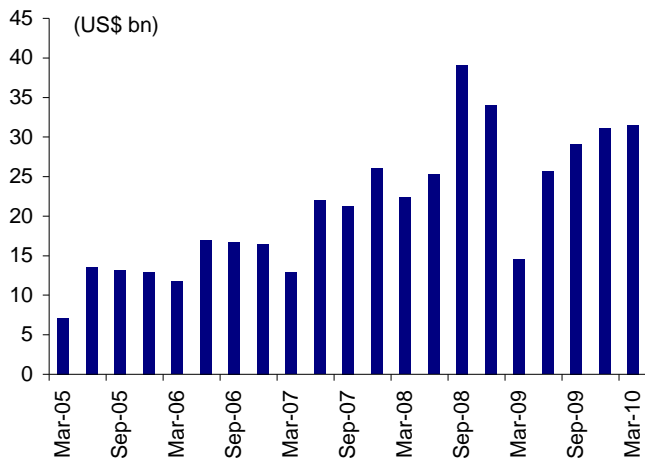
CRR, Repo



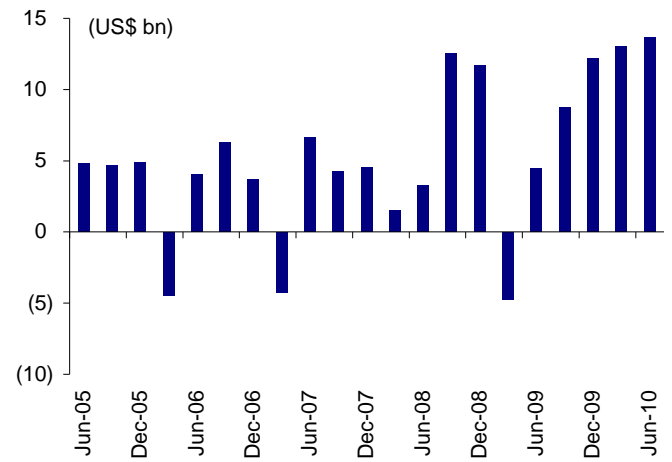
IIP and Six key infra industry growth



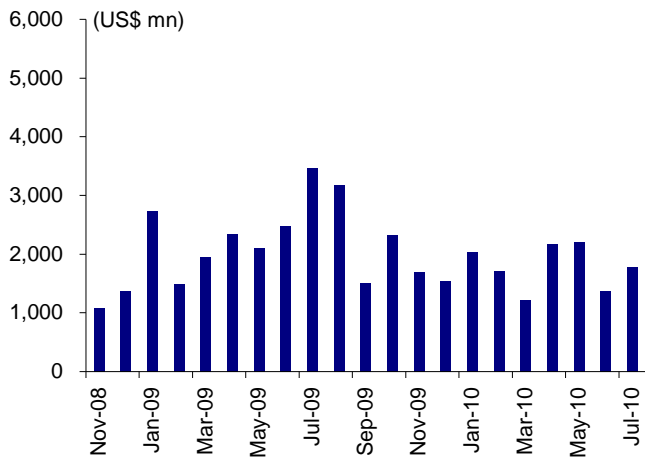
Trade deficit



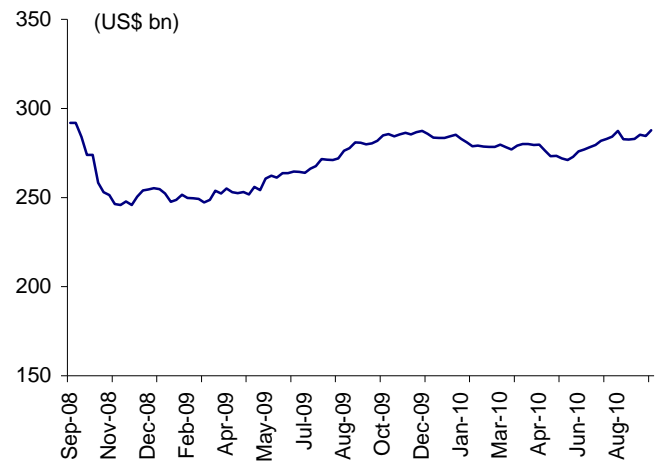
Current account deficit



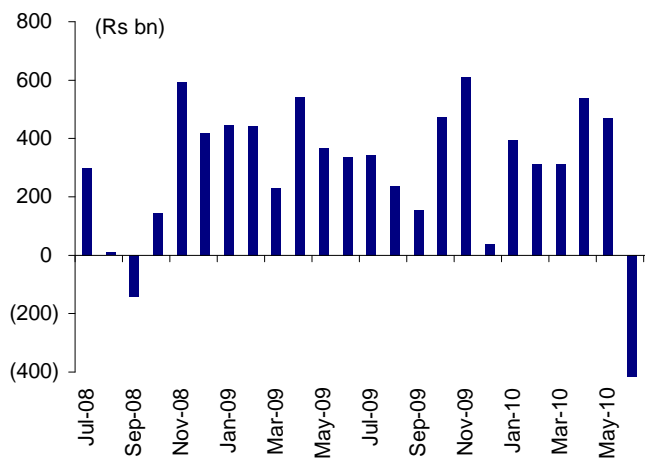
FDI



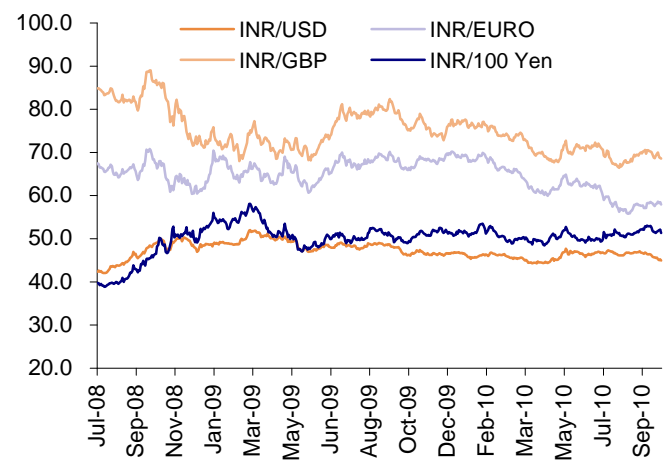
RBI forex reserves



Fiscal deficit



Currency movement



Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				October 01	October 02
				<ul style="list-style-type: none"> - India exports yoy% - India imports yoy% - US construction spending 	<ul style="list-style-type: none"> - US domestic sales - Total vehicle sales
October 04	October 05	October 06	October 07	October 08	October 09
<ul style="list-style-type: none"> - US Factory orders 	<ul style="list-style-type: none"> - US consumer confidence - MBA mortgage applications 	<ul style="list-style-type: none"> - US unemployment change 	<ul style="list-style-type: none"> - US Initial jobless claims - Continuing claims 	<ul style="list-style-type: none"> - US consumer credit - Change in nonfarm payrolls - Unemployment rate 	
October 11	October 12	October 13	October 14	October 15	October 16
	<ul style="list-style-type: none"> - India Aug IIP 	<ul style="list-style-type: none"> - US consumer confidence - MBA mortgage applications - Import price index mom 	<ul style="list-style-type: none"> - US producer price index mom - Trade balance 	<ul style="list-style-type: none"> - Consumer Price index mom - Advance retail sales - Business inventories - Empire manufac 	
October 18	October 19	October 20	October 21	October 22	October 23
<ul style="list-style-type: none"> - US Sept IIP 	<ul style="list-style-type: none"> - US housing starts mom% - Building permits 	<ul style="list-style-type: none"> - US consumer confidence - MBA mortgage applications 	<ul style="list-style-type: none"> - US leading indicators 		
October 25	October 26	October 27	October 28	October 29	October 30
<ul style="list-style-type: none"> - US existing Home sales mom 	<ul style="list-style-type: none"> - US Consumer confidence 	<ul style="list-style-type: none"> - US consumer confidence - MBA mortgage applications - Durable goods order 	<ul style="list-style-type: none"> - Initial jobless claims 	<ul style="list-style-type: none"> - US GDP qoq 	

Orange: AGM/dividend (D), Black: Results, Blue: Economic data

Recommendation parameters for fundamental reports:

Buy – Absolute return of over +10%

Market Performer – Absolute return between -10% to +10%

Sell – Absolute return below -10%

Published in 2010. © India Infoline Ltd 2010

This report is for the personal information of the authorised recipient and is not for public distribution and should not be reproduced or redistributed without prior permission.

The information provided in the document is from publicly available data and other sources, which we believe, are reliable. Efforts are made to try and ensure accuracy of data however, India Infoline and/or any of its affiliates and/or employees shall not be liable for loss or damage that may arise from use of this document. India Infoline and/or any of its affiliates and/or employees may or may not hold positions in any of the securities mentioned in the document.

The report also includes analysis and views expressed by our research team. The report is purely for information purposes and does not construe to be investment recommendation/advice or an offer or solicitation of an offer to buy/sell any securities. The opinions expressed are our current opinions as of the date appearing in the material and may be subject to change from time to time without notice.

Investors should not solely rely on the information contained in this document and must make investment decisions based on their own investment objectives, risk profile and financial position. The recipients of this material should take their own professional advice before acting on this information.

India Infoline and/or its affiliate companies may deal in the securities mentioned herein as a broker or for any other transaction as a Market Maker, Investment Advisor, etc. to the issuer company or its connected persons.

This report is published by IIFL 'India Private Clients' research desk. IIFL has other business units with independent research teams separated by 'Chinese walls' catering to different sets of customers having varying objectives, risk profiles, investment horizon, etc and therefore, may at times have, different and contrary views on stocks, sectors and markets.