

Market Statistic:

TRADE STATISTICS FOR 07-May-2007

Product	No. of Contracts	Turnover (Rs. cr.)*
Index Futures	407,872	8,677.76
Stock Futures	702,659	20,920.75
Index Options	263,243	5,538.00
Stock Options	49,192	1,529.85
Total	1,422,966	36,666.36

OPEN INTEREST – Gainers.

Scrip ID	OI Futures	% Chg	Price	% Chg
STROPTICAL	1042650	38.70192	210.4	11.82
BIRLAJUTE	263500	29.62963	246.25	2.6
PATELENG	500500	10.29412	433.1	2.26
AIRDECCAN	2985200	06.83157	145.25	22.78
SHREECEM	37600	06.59341	1110.5	1.79

OPEN INTEREST - Losers.

Scrip ID	OI Futures	% Chg	Price	% Chg
SOBHA	534100	-28	935	3
MCDOWELL	438000	-19.22545	1006.2	12.19
BONGAIREF	3379500	-16.740576	53.9	-0.65
NAGARCONS	2067000	-15.632653	173.65	-0.49
INDIANB	2035000	-15.37054	130.5	1

FII Derivatives Statistic For the date :170507

	Buy	Sell	OI at end of the Day		Inflow / Outflow
			Contract	Amount	
INDEX FUTURES	1815.42	718.24	661591	14014.96	1097.18
INDEX OPTIONS	592.27	222.67	282067	5950.98	369.60
STOCK FUTURES	701.34	829.37	646160	17865.59	-128.04
STOCK OPTIONS	3.18	2.20	3400	92.81	0.98
					1339.72

FII Derivatives Statistic For the date :160507

INDEX FUTURES	1780.38	1371.68	701267	14696.81	408.70
INDEX OPTIONS	36.11	34.35	291382	6076.70	1.76
STOCK FUTURES	505.30	726.87	627152	17234.05	-221.56
STOCK OPTIONS	0.00	5.20	3454	92.04	-5.20
					183.70

FII Derivatives Statistic For the date :150507

INDEX FUTURES	820.02	706.72	732756	15143.56	113.30
INDEX OPTIONS	113.28	41.49	291990	6015.43	71.79
STOCK FUTURES	494.75	787.73	608358	16576.91	-292.98
STOCK OPTIONS	0.73	6.10	3240	86.14	-5.37
					-113.26

Reckoning Put/Call Ratio

Scrip ID	PCR OI	PCR Vol.
NIFTY	1.43	1.41
RELIANCE	0.52	0.43
INFOSYSTCH	0.21	0.08

Market Wrap-up:

Nifty gained on Thursday to close at 4219.55 up by 1.17%. The F&O segment of the market saw increase in turnover as compared to previous trading session.

The market turnover increased by 8.42 percent in terms of number of contracts traded vis-à-vis previous trading day and increased by 11.75 percent in terms of rupees.

The PCR OI of market was at 0.17 and in NIFTY has changed from 1.21 to 1.43. At the same time, PCR VOL in NIFTY has changed to 1.41.

On a scrip specific note scrips like STROPTICAL, BIRLAJUTE, PATELENG, AIRDECCAN & SHREECEM were the major gainers in futures open interest while SOBHA, MCDOWELL, BONGAREF, NAGACONS & INDIANB were the amongst some to shed the Futures Open Interest.

On the option open interest front, NIFTY led the pack 252733 contracts of position open in CALL and 363593 contracts in the PUT side. On the scrip side, RELIANCE led the pack with 15741 contracts in CALL and 8298 Contracts in PUT as open interest followed by INFOSYSTCH with 10699 contracts of open position in CALL and 2257 contracts of open position in PUT.

In terms of Volumes 1422966 contracts were traded on NSE. Nifty accounted for 49.60 percent of the total traded contracts RELIANCE 3.80 percent while SBIN contributed 2.66 percent to the total turnover.

A look at the volatility indicates there is a considerable amount of increase in volatility of stocks such as PENINLAND, MCDOWELL, DENABANK, AMTEKAUTO and UNITECH. Implied volatility in Nifty is at 25.43 and Historical volatility is at 28.00.

Expectations:

The NIFTY futures saw a drop in OI to the -4.12% with prices went up sharply but came down at the end of the day as 5t went to all time high which led into profit booking by long positions and built up of short positions. Market managed to remain above the 4200 levels which may give support to the market. Nifty futures premium came down from 25 to 1 point indicating liquidation of long positions aggressively. The FII buyers index futures to the tune of 1100crs and buyers in index options to the tune of 370crs. The PCR has come up from 1.21 to 1.43 indicates some buying may emerge at lower levels in the market. The IV is around 25.43 levels indicating some volatile trading sessions ahead.

Among the Big guns, ONGC saw 1.05% rise in OI with prices remaining in a range indicating that both bulls and bears were aggressive in the counter suggesting that the counter may show sharp movement on either side in coming days. Whereas RELIANCE saw 3.74% drops in OI with prices moved up sharply and closed near day's high and thereby helping the overall market to gain further momentum. The built up suggests that the overall rise in the price was mainly driven by short covering.

In the TECH front, INFOSYSTCH saw rise in OI with prices recovering from lows indicating some buying emerging in this counter suggesting that the strength may be seen in the counter. SATYAMCOMP saw rise in OI with prices coming down marginally indicating that both bulls and bears were aggressive in the counter. TCS saw drop in OI with prices up indicating short covering seen in the counter but to show real strength it need to add further built up in positions.

In the BANKING counters, all the majors saw buying with OI going either up or down indicating we saw short covering as well long positions built up in the BANKING counters. SBIN saw 1.50% rise in OI with prices closing on higher side indicating long positions being built up in the counter suggesting strength but one should book profits in the counter on further rise. ICICIBANK saw drop in OI with prices up indicating long positions built up in the counter suggesting further strength in the counter. HDFCBANK saw rise in OI with prices up indicating long positions built up in the counter indicating strength in the counter.

In the metal pack TATASTEEL, saw rise in OI with prices coming down from high and closing near day's low indicating short positions being built up in the counter suggesting weakness may be seen in the counter. SAIL saw drop in OI with prices coming down indicating long positions being liquidated in the counter. HINDALCO & NALCO saw drop in OI with prices down indicating long positions being liquidated in the counter. STER saw drop in OI with prices coming down indicating selling pressure emerging in this counter suggesting weakness may be seen in the counter.

We feel that the volume and built up in OI suggests that market may show some profit booking as market is near all time high so one should not take aggressive long positions. Market may show further strength and we may see fresh buying emerging in the market if market sustains above 4240 levels One should trade with strict stop losses to be adhered too.

Strategies for the Day :-

DATE	Company Name	VIEW	DIFFERENT STRATEGIES	ACTION	BEP	RISK	REWARD
18-May-07	ARVINDMILLS	Moderately Bullish	BULL CALL SPREAD	BUY 50 CA @ 1.85	51.2	5160	16340
				SELL 55 CA @ 0.65			
	NAGAFERT	Moderately Bullish	BULL CALL SPREAD	BUY 25 CA @ 0.90	25.45	6300	28700
				SELL 27.50 CA @ 0.45			
	SATYAMCOMP	SIDEWAYS	SYTNH. LONG STRADDLE	SELL FU 453	420	18000	UNLIMITED
				BUY 450 CA @ 16.50			
				BUY 450 CA @ 16.50			
	TATASTEEL	SIDEWAYS	SYTNH. LONG STRADDLE	SELL FU @ 590	556	16200	UNLIMITED
				BUY 580 CA @ 22			
				BUY 600 CA @ 12			
	BALRAMCHIN	Moderately Bearish	CALL HEDGE	SELL FU 71.20	67.75	10800	UNLIMITED
				BUY 70 CA @ 3.45			
	BALRAMCHIN	Moderately Bearish	BUY PUT	BUY 70 PA @ 2.45	77.55	11760	UNLIMITED

Before taking any action based on above information, please confirm the ex-date with Dealers

Research Team

D. D. Sharma - Head
ddsharma@rathi.com

Pramit Sabharwal
Sr. Technical Analyst /
Sr. Derivative Analyst
pramitsabharwal@rathi.com

Ashish Chaturmohta
Derivative Analyst
derivatives_desk@rathi.com

TRADING LAWS

- A Trader not observing STOP LOSS, cannot survive for long .
- Never re-schedule your stop loss ,square up first and then take a fresh view.
- Book small losses by buying / selling near support / resistance, and look for big Gains,this will maximize the gains.
- Don't try to anticipate the change in main trend ,so don't go against trend .

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