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Contents

- ❖ From Our Research Desk
 - FAG Bearings Limited
 - Two Wheeler Sales Vol. Update - April - 07
- ❖ From Our Technical Desk
- ❖ From Our Derivatives Desk
- ❖ From Our Dealing Desk
- ❖ Trade Details of Bulk Deals
- ❖ Forthcoming Events

Market Statistics

Index	Closing	1 Day (%)	3 M (%)	6 M (%)
Sensex	13879	(0.4)	(5.2)	5.5
Nifty	4111	(0.2)	(2.7)	8.2
Sectoral Indices				
Mid-Cap	5844	(0.3)	(5.5)	5.0
Small-Cap	7020	(0.2)	(8.8)	7.4
Auto	5039	(0.5)	(13.3)	(5.8)
Health	3737	(0.2)	(4.4)	0.2
FMCG	1812	0.0	(5.3)	(12.8)
IT	5013	(1.4)	(9.2)	4.8
PSU	6471	(0.2)	2.1	7.5
Bankex	6821	(0.8)	(9.4)	6.1
Oil & Gas	7321	1.1	9.5	16.9
Metal	9946	(0.5)	5.5	7.2
Capital Goods	9926	(0.1)	(1.3)	13.0
World Indices	Closing	1 Day (%)	3 M (%)	6 M (%)
NASDAQ	2571	(0.0)	3.3	7.8
DOW	13313	0.4	5.3	9.3
Nikkei	17670	1.6	0.7	8.1
Hang Sang	20897	0.3	1.0	10.3
Indian ADR's	(USD)	1 Day (%)	3 M (%)	6 M (%)
VSNL	21.75	(2.4)	(2.9)	6.6
Infosys	51.92	(3.7)	(14.2)	(0.7)
Wipro	16.58	(2.3)	(7.9)	14.6
Satyam	24.59	(1.5)	1.6	14.2
Dr Reddy's Lab	17.09	(1.5)	2.2	(1.3)
Value Traded (Rs Cr)		7May07	(%)	
Cash BSE		4497.1	5.4	
Cash NSE		8657.7	(7.9)	
Derivatives		22526.7	(22.9)	
Net Inflows (Rs Cr)		6May07	MTD	YTD
FI		56.2	5590.0	5590.0
Mutual Fund		298.0	1276.9	1276.9
Advances/Declines (BSE)				
7May07	A	B1	B2	Total
Advance	79	310	398	787
Decline	129	392	424	945
Unchanged	3	11	26	40
Commodity	7May07	1 Day (%)	3 M (%)	6 M (%)
Crude (USD/Bbl)	63.2	(1.3)	8.5	10.1
Gold (USD/OZ)	688.8	0.0	4.3	11.8
Silver (USD/OZ)	13.5	0.1	(1.8)	8.6
Debt/Forex Market Closing	1 Day (%)	3 M (%)	6 M (%)	
Re/USD	40.87	(0.0)	7.4	8.6
10 yr Gsec Yield	8.16	0.0	5.4	6.9

Source : Bloomberg

Corporate Snippets

- TDSAT asked Tata Teleservices to pay 50% of the "disputed" interconnections charges to state-owned BSNL for all those calls without caller line identification during 2003. –BS
- Real estate giant DLF has received approval from SEBI for its IPO, which is expected to raise a record Rs 13,600 crore. –BS
- Union Bank of India posted 58.06% increase in net profit at Rs 228.58 crore for the 4th quarter ended March 31, as compared to Rs 144.61 crore for the same period previous year. –ET
- Amara Raja Batteries is planning to open 2,000 retail outlets across India, mainly rural areas, to meet the growing demand for the power equipment. –ET
- Bosch Chassis Systems India, subsidiary of Germany-based Bosch Group, announced a bonus issue in the ratio of 1:1. –BL
- Moulded plastic products maker OK Play India Ltd expects revenues of Rs 33 crore in the current year from supply of water storage tanks to the Government of Haryana. –BL
- Pratibha Industries Ltd got a contract worth Rs 157 crore. The contract pertains to a water tunnel project in Mumbai and would be completed in 37 months. –BL
- Kingfisher Airlines chairman Vijay Mallya said he is keen on picking a stake in domestic budget carrier Air Deccan, but not ready for buying out the no-frills airline. –BS
- Tata Steel is considering the Singapore Stock Exchange for listing a possible GDR issue for mobilising \$ 500 million (Rs 2100 crore) to part finance its \$ 12.9 billion (Rs 52350 crore) acquisition of Anglo- Dutch steel maker Corus - BS

Macro Economic & Geo-Political News

- RBI is in the process of reworking the definition of commercial real estate. The revision is aimed at taking hospitals & educational institutions out of the ambit of commercial real estate. –BS

Top Five Gainers (NSE)	Price	Chg (%)	Vol (Mn)
Bharat Petroleum Corp Ltd	350	4.4	0.6
Hindustan Petroleum Corp	289	4.0	1.1
Ranbaxy Laboratories Ltd	391	2.5	1.3
ABB Ltd India	4201	2.2	0.1
Reliance Industries Limited	1607	1.5	2.8

Top Five Losers (NSE)	Price	Chg (%)	Vol (Mn)
Punjab National Bank	494	(3.1)	0.5
Wipro Ltd	553	(2.6)	0.6
Hindalco Industries Limited	145	(2.4)	2.1
Oriental Bank Of Commerce	193	(2.3)	0.3
Dr. Reddy'S Laboratories	704	(2.2)	0.5

Source: ET = Economic Times, BS = Business Standard, FE = Financial Express, BL = Business Line, ToI: Times of India, BSE = Bombay Stock Exchange

FROM OUR RESEARCH DESK**Result Update**

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FAG Bearings Limited**(Rs 600, CY07E - P/E 10x, LONG TERM BUY)**

FAG Bearings reported its 1st quarter numbers for CY07, which is in line with our expectations. Under-mentioned are key financials and highlights of the results:

Key Financials -**(Rs Mn)***30.3% sales growth in Q1CY07 YoY**Operating margins for the quarter down by 160 basis points YoY**PAT improvement of 12.7% YoY*

Particulars	Q1CY07	Q1CY06	YoY%
Net Sales	1,590.6	1,221.1	30.3
Other Income	3.5	3.9	(10.3)
Total Income	1,594.1	1,225.0	30.1
Total Expenditure	(1,219.6)	(918.7)	32.8
Operating Profit	374.5	306.3	22.3
Operating Margins	23.5	25.1	(6.1)
Interest	3.0	(11.3)	N.A.
PBDT	377.5	295.0	28.0
Depreciation	(46.1)	(44.2)	4.3
PBT	331.4	250.8	32.1
Tax	(112.4)	(56.4)	99.3
Profit After Tax	219.0	194.4	12.7
Tax Adjustment for PY	1.0	(14.0)	-
Adjusted Net Profit	220.0	180.4	22.0
Equity Capital	166.2	166.2	-
EPS (Rs.)	13.2	10.9	22.0

Source: Company

Financial Analysis & Highlights –*Operating margins declined due to higher proportion of traded sales.*

- o Net Sales during Q1CY07 increased 30.1% to Rs 1594 mn against Rs 1225 mn during Q1CY06;
- o The company saw a decline of 160 basis points in operating margins during the quarter at 23.5% against 25.1% during Q1CY06. In absolute terms operating profit stood at Rs 374.5 mn in Q1CY07 against Rs 306.3 mn during the corresponding period last year, an increase of 22.3% YoY. The decline in operating margins was largely on 2 fronts; first one being increase in cost of production where the cost of manufactured and traded goods as a percent of net sales increased by 197 basis points over the same period last year and second being a change in sales mix where the percent of traded goods as a proportion of total sales increased resulting in decline in margins;
- o PBT for the quarter stood at Rs 331.4 mn against Rs 250.8 mn during Q1CY06, an improvement of 32%. This is largely on account of savings in interest expense and lower depreciation during the quarter;
- o PAT (before exceptional items) for Q1CY07 stood at Rs 219 mn against Rs 194.4 mn for Q1CY06, a growth of 12.7%. Profit after tax was impacted due to a larger provision of tax at 33.9% in Q1CY07 against 22.5% in Q1CY06;
- o EPS for the quarter was higher at Rs 13.2 compared with Rs 10.9 in Q1CY06.

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2nd largest bearing company and leading supplier to Maruti & Hyundai.

Business Outlook and Valuation –

FAG bearings is a subsidiary of German bearing major Kugelfischer George Schaefer AG, with the parent holding 51.33% stake in the company. The company is one of the leading manufacturers of precision rolling bearings for the automotive and mechanical engineering industries and is the 2nd largest supplier of bearings in India. It is one of the key suppliers of bearings for the automobile industry in India. FAG is the sole supplier of bearings for Swift and is working in close partnership with Maruti for its new launches and is the preferred OEM supplier for Hyundai Motors in India. It has a competitive technology edge in new generation bearings vis-à-vis its peers. With the automotive sector envisaging attractive growth in India, FAG is expected to benefit from the same.

The sales mix for FAG in the OEM and replacement market is 50:50, higher sales contribution from the replacement market has enabled the company in maintaining attractive operating margins compared with its peers. With strong technical support from the parent, FAG India is looking at good volume growth both in domestic as well as export market.

Selected as a sourcing base for certain bearings by the parent

Outsourcing by the parent likely to boost sales –

For certain types of bearings FAG Bearings, India has been identified as a sourcing base by its parent company. This will result in greater contribution of exports to the revenue and shall help boost the revenue further.

Expansion planned for meeting envisaged growth.

Expansion planned for meeting the envisaged growth –

With the automotive industry registering strong growth in year 2006 and a strong outlook for next few years, FAG has planned a capacity expansion of around 25% of the current capacity for which the company shall incur a capital expenditure of Rs.80 crore totally funded by internal accruals.

Financial Estimates -

Year Ended	Dec07E	Dec08E
Net Sales (Rs Mn)	6890.4	7924.0
EBITDA (Rs Mn)	1584.8	1822.5
EBITDA (%)	23.0	23.0
PAT (Rs Mn)	967.6	1125.1
EPS (Rs)	58.2	67.7
P/E (x) At Rs.600	10.3	8.9

Source: Emkay Private Client Research

We are positive on the stock and recommend a long term BUY.

Recommendation –

At current market price, the stock is trading at 10x CY07E earnings and 9x CY08E earnings. We continue to remain extremely positive on this stock and recommend a 'LONG TERM BUY'.

Monthly Update**Umesh Karne**umesh.karne@emkayshare.com
+91 22 66121281**Avinash Gorakshakar**avinash@emkayshare.com
+91 22 66121206*BAL reported decline of 12% YoY in motorcycle sales volume in April 2007**Hero Honda reported growth of 5% YoY in motorcycle sales volume**TVS reported 34% decline in motorcycles sales volume for the month April 2007***Two Wheeler Sales Volume Update - April 2007****Bajaj Auto Ltd (BAL)**

Product	Apr 2007	Apr 2006	%YoY
Motorcycles	164,304	188,518	(12.8)
Total 2 W	165,692	190,964	(13.2)
3 Wheelers	24,360	21,159	15.1
Total 2 & 3 W	190,052	212,123	(10.4)
Exports	51,926	31,175	66.6

Source: Emkay Private Client Research

Bajaj Auto's motorcycle sales volume continues to decline in April 2007

BAL's motorcycle sales volume declined in consecutive third month by 13% YoY to 164,304 bikes for the month of April 2007 and on a month on month basis it remained flat. As mentioned earlier in our February 2007 sales volume report, the two wheeler industry continues to face weak demand for 100cc segment i.e. the entry level category. We expect the weakness in demand for 100cc category to remain for some more periods.

However BAL has received good demand growth in Pulsar i.e. premium motorcycle category and registered healthy growth rates in this segment. BAL has reduced the price of its bike Platina by around Rs.3000 per bike. We expect this move will help BAL to improve its volume in 100cc segment in coming months. BAL introduced two new upgraded bikes – Discover DTSi and Pulsar 200 DTSi during the month of April 2007. Three wheelers reported impressive growth of 15% YoY to 24,360 vehicles and exports for the month grew by 67% YoY to 51,926 vehicles during the month.

Hero Honda Motors Ltd (HH)

Product	Apr 2007	Apr 2006	%YoY
Total Sales	262,544	250,366	4.9

Source: Emkay Private Client Research

Hero Honda outperforms industry in April 2007

Hero Honda Motors Ltd (HH), outperformed the motorcycle industry and reported overall sales volume growth of 5% YoY to 262,544 vehicles. We believe HH has also been facing the weak demand growth in entry level segment and it could affect the sales volume growth in near future as well. HH has been doing well for last three months and successfully outperformed the motorcycle industry. During the month of April 2007 HH has launched the new bike 'New Achiever' 150cc with alloy wheels.

TVS Motor Company Ltd (TVS)

Product	Apr 2007	Apr 2006	%YoY
Motorcycles	53,499	80,862	(33.8)
Scooterate	18,798	17,969	4.6
Mopeds	32,596	26,086	25.0
Total	104,893	124,917	(16.0)

Source: Emkay Private Client Research

Another bad month

TVS reported decline of 34% YoY in motorcycle sales volume for the month of April 2007 to 53,499 bikes. Overall sales volume declined by 16% YoY to 104,893 vehicles. Scooterate segment reported growth of 5% YoY to 18,798 vehicles. Only mopeds segment reported impressive sales volume growth of 25% YoY to 32,596 vehicles. TVS is expected to launch new Apache with a sporty engine and several new features in a month's time.

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Business Outlook and Valuation –

Our outlook on two wheeler industry continues to remain positive

We believe although overall two wheeler market has been growing, the entry level segment which contributes around 40-45% sales volume to the industry has been witnessing the weak demand growth mainly because of very less gap in pricing between entry level and mid level segment bikes and rising interest rates. Vehicle financing institutions have already increased the interest rates and we expect it to impact demand growth during the short to medium term. But we continue to maintain our long term outlook on two wheeler industry as positive especially for motorcycles which we believe are likely to grow by 12-15% over the next 2-3 years.

Another challenge in front of the two wheeler players in near future would be to maintain the margins and pricing & higher sales in premium and mid level segment.

Financial Estimates -

Year Ended	BAL		HH		TVS	
	Mar07E	Mar08E	Mar07E	Mar08E	Mar07E	Mar08E
Net Sales (Rs Mn)	98,803	121,033	97,787	109,521	40,308	46,597
EBITDA (Rs Mn)	15,995	19,753	12,300	14,676	1,796	2,456
EBITDA (%)	16.19	16.32	12.6	13.4	4.46	5.27
PAT (Rs Mn)	12,898	16,199	9,015	10,651	821	1,056
EPS (Rs)	127.45	160.07	45.14	53.33	3.46	4.44
CMP (Rs)	2567	2567	704	704	62.2	62.2
P/E (x)	20.1	16.0	15.6	13.2	18.0	14.1

Source: Emkay Private Client Research

Bajaj Auto – BUY

In our earlier reported dated 4th of April 2007, we had mentioned that BAL's stock price of Rs2290 had already factored the demand slowdown in entry level bike segment and from there the stock has moved up by 12% to Rs.2567. At current market price of Rs2567, the BAL stock trades at a P/E multiple of 20x and 16x on FY07E and FY08E respectively. BAL is a second largest two wheeler player in Indian markets and apart from it, it also has 75% stake in insurance business. Going forward, we estimate contribution from insurance business to revenue and profitability to increase substantially, which would drive BAL's consolidated earnings in the longer term. We recommend BAL as a BUY with a target price of Rs3238 based on sum of parts value.

Hero Honda – BUY

While we continue to believe that the going ahead for HH is likely to remain tough, the new model launches are likely to play a key role for HH in FY08. At current market price of Rs704 HH stock trades at 16x and 13x on FY07E and FY08E earnings respectively. We recommend a BUY on the HH stock with a target price of Rs.800.

TVS – Book Profits

At current market price, the TVS stock trades at a PE multiple of 18x and 14x on FY07E and FY08E respectively on our estimated earnings. We believe currently the stock is trading at fair valuation (14x FY08E earnings) and recommend investors book profits with a target price of Rs52.

FROM OUR TECHNICAL DESK



Indices	Previous close	Today's close	% chg
Sensex	13934	13879	-0.39
Nifty	4117	4111	-0.15
S&P CNX 500	3410	3401	-0.27
BSE 500	5359	5341	-0.33
BSE Mid-Cap	5863	5844	-0.32
BSE Small-Cap	7031	7020	-0.16
BSE Auto	5064	5039	-0.49
BSE Health	3745	3736	-0.24
BSE FMCG	1811	1812	0.05
BSE IT	5082	5013	-1.35
BSE PSU	6483	6471	-0.18
BSE Bankex	6874	6820	-0.78
BSE Oil & Gas	7244	7321	1.06
BSE Metals	9996	9946	-0.51
BSE Cons Dur	3800	3805	0.12
BSE Cap Good	9936	9925	-0.11
Levels to Watch			
	Sensex	Nifty	
Day's High	14067	4157	
Day's Low	13861	4103	
13 DMA	13842	4073	
34 DMA	13559	3974	

Nifty opened strong in the morning and made a high of 4157, but it was unable to sustain on higher levels and gave away all its gains and as it broke the intra-day support level of 4126, it fell sharply and it made a low of 4103 & finally closed at 4011 with a loss of 0.15%. In sectoral indices, Most of the indices closed with marginal loss, the major loser was the BSE IT index. However, the BSE Oil&Gas index outperformed the broader markets and gained almost 1%. The Advance Decline ratio was almost 2:3.

Market Perspective

Nifty opened strong in the morning and made a high of 4157, but it was unable to sustain on higher levels and gave away all its gains and as it broke the intra-day support level of 4126, it fell sharply. It took support at 4103, which is almost 50% retracement level of recent bounce back from 4028 to 4180. It finally closed at 4111 with a loss of 0.15%. Today, if it breaks the level of 4103 then it can test 4086, which is 61.80% retracement level of the above mentioned bounce back. For intra-day, Nifty has resistance at 4130 and above that 4162. For short term Nifty will turn bullish only above 4218. However, the medium term trend is still bullish for Nifty.

Sectoral Speak

The **BSE Oil & Gas** index outperformed the broader markets yesterday and closed strong at 7321 with a gain of 1.06%. We maintain bullish view and the target of 7713 for this index. However, this index has resistance at 7400. In this sector, stocks like **IOC, BPCL, and HPCL** are still showing strength on the charts.

Yesterday, The **BSE IT** index fell 1.35% and closed at 5013. But this index has strong support at 4918, which is 50% retracement level of the recent bounce back from 4656 to 5181 and it will turn weak only if it breaks 4918.

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Recommendations

Date	Stock	Action	Recommendation Price	Stop-loss	Target	Current price	Comment
11-04-07	DCB	Buy	72.00 - 69.00	64.30	86.00	77.00	
13-04-07	KPIT Infosys	Buy	141.00 - 138.00	131.30	160.00	136.00	
18-04-07	ZEEL	Buy	282.00 - 272.00	257.30	320.00	285.60	
19-04-07	BOC	Buy	142.00 - 135.00	128.60	160.00	145.50	
20-04-07	Bharti Airtel	Buy	840.00 - 820.00	782.30	925.00	824.50	
23-04-07	Amar	Buy	38.00 - 35.00	33.10	47.50	34.90	
23-04-07	Torrent Power	Buy	69.50 - 67.50	62.90	80.50	67.90	
24-04-07	HCC	Buy	105.00 - 100.00	94.10	125.00	98.30	
26-04-07	HPCL	Buy	270.00 - 260.00	252.30	305.00	290.10	
01-05-07	Bajaj Hind	Buy	169.00 - 162.00	157.30	186.00	168.15	
01-05-07	Bajaj Auto	Buy	2555.00 - 2525.00	2464.30	2800.00	2568.00	
01-05-07	JSW Steel	Buy	606.00 - 595	569.30	700.00	597.00	
04-05-07	INOX	Buy	126.00 - 120.00	110.60	150.00	131.90	
04-05-07	LITL	Buy	169.00 - 162.00	153.30	205.00	166.25	
07-05-07	TIIL	Buy	84.50 - 81.50	76.30	100.00	89.65	
07-05-07	Bank of Raj.	Buy	46.50 - 42.50	39.30	59.50	47.00	
07-05-07	Akruti	Buy	400.00 - 385.00	367.30	460.00	397.00	

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FROM OUR DERIVATIVES DESK

Nifty Snapshot

Nifty: 4111.15 (-0.15%)				Open Interest (No. of Shares)		Change in OI		PUT CALL RATIO (PCR-OI)		
LTP	04.05.07	07.05.07	Basis	04.05.07	07.05.07		Nifty	04.05.07	07.05.07	Chg in OI
Nifty Spot	4115.95	4109.40	-	-	-	-	Call OI	11022550	11500050	+477500
May Future	4120.00	4099.00	-10.40	30975200	32250150	+1274950	Put OI	12836850	13694750	+857900
Jun Future	4115.00	4096.00	-13.40	809000	868750	+59750	PCR	1.16	1.19	+0.03
Total (May+June+July)				31820300	33159950	+1339650				

FII's Derivative Statistics for 04.05.07

	Buy		Sell		Open Interest as on 04.05.07		Open Interest as on 03.05.07		Change in FIIs Open Interest	
	No. of Contr.	Amt in Crs.	No. of Contr.	Amt in Crs.	No. of Contr.	Amt in Crs.	No. of Contr.	Amt in Crs.	No. of Contr.	Amt in Crs.
Index Futures	43054	893.32	42749	884.39	675437	13916.60	677916	14116.55	-2479	-199.96
Index Options	13655	281.95	2449	50.43	253592	5220.64	250930	5207.86	2662	12.77
Stock Futures	9822	268.19	27316	715.43	545007	14848.74	541681	14822.27	3326	26.48
Stock Options	0	0.00	64	2.19	1626	41.33	1562	39.78	64	1.56
TOTAL						34186.46		34027.31		-159.15

Source: NSE

Nifty opened with a remarkable upside gap but immediately faced selling pressure and remained weak for the rest of the day. It closed on a weak note with a loss of 6 points at 4111. Major gainers were UTI Bank, BPCL, IOC, HPCL, Tata chem. Alok Text etc. Major losers were IVRCL, Colgate, Wipro, Hindalco, Dr.Reddy, Satyam etc.

- Nifty May futures cost of carry turned negative 4.02% against positive 1.50% the previous day.
- Nifty May futures traded at 8-10 points discount to spot price during second half of session.
- Total Turnover for NSE F&O Segment was Rs. 22,527 Crores.

Open Interest Analysis:

BULLISH: Alok Textiles (15%), ABB (14%), HPCL (14%).

Long build up was seen in abovementioned stocks as OI has increased with upside move in these stocks and positive CoC and thus we may see further upside move in these stocks. Remarkable build up of positions were seen in Cairn as OI increased by 24% with positive CoC but the price declined indicating that the players may be taking interest in the stock at current levels and therefore one shall keep a close watch on the stock. Profit booking activity was seen in **Guj Ambuja & IFCI**.

We witnessed remarkable build up of short positions in Nifty as OI increased by over 13 lakh shares with Nifty futures trading at a discount of 8-10 points. Therefore, we may see further correction in the markets. We see strong support near 4000 levels and the support for immediate term exists near 4100 levels.

Put Call Ratio Analysis:

PCR (OI) of Nifty is 1.19 compared to 1.16 the previous day. Nifty Call options added 4.7 lakh shares (+4.3%) & Put options added 8.5 lakh shares (+6.7%). Nifty 4200 Call options added 1.4 lakh shares and 4100 Call added 1.65 lakh shares in OI. Nifty 4100 Put options added 4.5 lakh shares and 4050 Put added 2 lakh shares in OI.

Cost of Carry (May):

Turned Positive: Alok Textiles, Jet Airways, RPL, Sterlite.

Turned Negative: Bharti, Grasim, Guj Ambuja, ITC.

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Bank Nifty: 5610.70 (-0.81%)							CNX IT: 5380.25 (-1.06%)						
	LTP			Open interest (No. of shares)		Chg in OI		LTP			Open interest (No. of shares)		Chg in OI
	04.05.07	07.05.07	Basis	04.05.07	07.05.07			04.05.07	07.05.07	Basis	04.05.07	07.05.07	
Spot	5643.60	5600.60	-	-	-	-	Spot	5439.80	5384.10	-	-	-	-
May Futures	5658.00	5627.00	+26.40	139050	129950	-9100	May Futures	5445.00	5392.00	+7.90	26650	28550	+1900
Total (May+June+July)				139050	130000	-9050	Total (May+June+July)				26850	28750	+1900

Top traded stock futures		Most active stock options				
Scrip	No. of Contracts	Scrip	Expiry	Strike Price	Option Type	No of Contracts
RELIANCE	40478	RELIANCE	MAY	1620	CA	1709
UTIBANK	12992	INFOSYSTCH	MAY	2040	PA	977
TATASTEEL	11630	TTML	MAY	30	CA	540
ROOM	11300	TATASTEEL	MAY	560	CA	527
IFCI	11083	RELIANCE	MAY	1650	CA	401
ICICIBANK	11014	RELIANCE	MAY	1590	CA	381
SBIN	10333	RELIANCE	MAY	1590	PA	369
RELCAPITAL	9830	TATASTEEL	MAY	580	CA	358
INFOSYSTCH	9750	TTML	MAY	32.5	CA	353
IDBI	9530	SAIL	MAY	135	CA	343

Derivative Strategy Recommendations

Date	Scrip	View	Strategy	Action	Maximum Profit	Maximum Risk	Current Price	Profit/ Loss (Rs.)	Remarks
26.04.07	IndusInd Bank	Bullish	Buy Call Option	Buy 45 CA @ 3.25	Unlimited	12512.50	45 CA @ 5.10	+7122.50	Profit Booked (04.05.07)
27.04.07	India Cement	Bullish	Buy Call Option	Buy 180 CA @ 8.00	Unlimited	11600.00	180 CA @ 14.50	+9425.00	Profit Booked (04.05.07)
03.05.07	Arvind Mills	Bullish	Buy Call Option	Buy 45 CA @ 4.00	Unlimited	17200.00	45 CA @ 3.10	-3870.00	Hold
05.05.07	Tata Steel	Bullish	Bull Call Spread	Buy 560 CA @ 21.00 Buy 600 CA @ 8.00	18225.00	8775.00	560 CA @ 19.60 600 CA @ 7.40	-540.00	Hold

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[Home](#)

FROM OUR DEALING DESK

Dealing News

Market News & Gossip

Market Commentary:

We remain cautious on the market for short term as we have UP election results on this Friday. Fed meet is on this Wednesday where we expect rate to remain unchanged or rate cut is also quite possible. Stocks which should be accumulated at current price and dips are Deccan Chronicle, Ratnamani Metals and Granules. Advisable to reduce on short term trading long position from current levels.

Investment Idea:

Tata Elxsi: @ 320

- TEL is among the world's first product solution providers to come out with mobile TV on the laptop (Handy DVR).
- It is niche IT Company which focuses on product designing services and Industrial and Engineering designing services space.
- We expect engineering services to post a CAGR of 36% over FY06-09E.
- It posted revenue growth of 10.7% qoq to Rs 89.15 Cr driven by 35.7% qoq in system integration services.
- Our EPS of FY 07 is Rs 16.7 and for FY 08 is Rs 22.3
- We maintain a buy on the stock with a target price of Rs 381 based on the DCF approach.

Derivatives:

On Monday Net OI up by Rs.476 cr. (Disc to cash was avg. 4-5 pts.)

NF = Net OI up by Rs.478 cr. (added 13 NF)

SF = Net OI down by Rs.2 cr. (IFCI,UTI Bank, Guj Ambuja, RIL, Sterlite)

Overall OI is @ Rs 36573 cr. (NF 13681 cr + SF 22892 cr)

FII's OI (only Futures) as on 4th May stood at Rs.28765 cr. (ie 39%)

Active Trader's Delight

The following are the active trading delight calls.

Call Date	Scrip	CMP(Rs.)	Entry Level	Target	Stop Loss	Remarks
27/Apr/07	Bilt	116.80	115.00	126.00	108.00	F&O Call
27/Apr/07	Aftek	70.75	71.00	85.00	67.00	Intra Week
3/May/07	FSL	88.25	85.8	98.00	82.00	Intra Week
4/May/07	UTI Bank	506.15	479.00	497.50	468.00	Profit Booked
7/May/07	Bindal Agro	38.65	39.15	48.00	37.00	Intra Week

Source: PCG Desk

TRADERS DELIGHT : BUY BINDAL AGRO @ 39.15, STOP LOSS 37, TARGET 48 (ONLY ON NSE INTRA WEEK)

TRADERS DELIGHT BOOK PROFIT IN UTI BANK @ 497.50.

Market Gossip *: Some short position has been built up expected a correction of around 100 points in the Nifty from current levels.

Disclaimer *: Short term view is considered for 8 to 10 trading sessions. This Market Gossip information contained herein is from the public domain or sources believed to be reliable. This market gossip information may not be suitable for all clients. Clients are requested to make their own decision based on their own investment objectives, Stop losses, goals & financial position.

[Home](#)

TRADE DETAILS OF BULK DEALS

Bulk Deals		Deal Date	Scrip Name	Client Name	Deal Type *	Quantity	Price **
07-May-07	Advik Labort	Beta Stock Brokers	B	82419	8.83		
07-May-07	Advik Labort	Beta Stock Brokers	S	59900	8.99		
07-May-07	Chandrik Tra	Bhagya Shree Leasing & Finance Ltd	S	100000	4.5		
07-May-07	Dolph Med Se	Avisha Credit Capital Limited	B	90000	5.74		
07-May-07	Dolph Med Se	Master Finlease Ltd	S	90000	5.74		
07-May-07	Empower Inds	Rajesh Kumar Agarwal	B	50000	17.47		
07-May-07	Empower Inds	Pinakin Ratilal Shah	B	26000	17.39		
07-May-07	G V Films Lt	Lotus Global Investments Ltd Ac Gdr	S	1000000	6.89		
07-May-07	Gemstone Inv	Hemant Madhusudan Sheth	B	50000	22.5		
07-May-07	Gemstone Inv	Ashok Girdharlal Bhansali	B	15000	22.5		
07-May-07	Gemstone Inv	Sushila Premchand Shah	S	32350	22.5		
07-May-07	Gemstone Inv	Nihal Premchand Shah	S	57610	22.5		
07-May-07	Indusfila	Reliance Capital Trustee Co Ltd	S	184375	170		
07-May-07	Intern Diamo	Vishal Concast Limited	B	100000	6.8		
07-May-07	Intern Diamo	Shree Atam Vallabh Poly Plastics P L	B	100000	6.8		
07-May-07	Intern Diamo	Hemantbhai Arvindbhai Jagad	B	24200	7.4		
07-May-07	Intern Diamo	Nayanbhai Ramesh	S	24250	7.44		
07-May-07	Jagjanani	Rashmikant Ashokbhai Dave	B	86000	25		
07-May-07	Jagjanani	Hitesh Jayantilal Patel	B	124600	25		
07-May-07	Jagjanani	Harsiddh Online	B	492405	25.43		
07-May-07	Jagjanani	Hiren Kumar Parshottam Bhai Patel	B	80000	25.73		
07-May-07	Jagjanani	Kanubhai Prajapati	B	220000	25.78		
07-May-07	Jagjanani	Mala Hemant Sheth	B	200000	25.77		
07-May-07	Jagjanani	Vicky Rajesh Jhaveri	B	100000	25.75		
07-May-07	Jagjanani	Jhaveri Trading And Invest. Pvt. Ltd.	B	150000	25.75		
07-May-07	Jagjanani	Rashmikant Ashokbhai Dave	S	86000	26		
07-May-07	Jagjanani	Hitesh Jayantilal Patel	S	124600	26		
07-May-07	Jagjanani	Harsiddh Online	S	491451	25.78		
07-May-07	Kalptaru	Ashlesh Gunvantbhai Shah	B	39436	38		
07-May-07	Kalptaru	Ashlesh Gunvantbhai Shah	S	34545	39		
07-May-07	Maharashtra	Sourabh Tiwari	B	42945	118.11		
07-May-07	Pvr Ltd	Variable Insurance Products	B	306767	210		
07-May-07	Pvr Ltd	Ubs Securities Asia Ltd.	S	155343	210		
07-May-07	Pvr Ltd	India Advantage Fund I	S	197676	210		
07-May-07	Radha Madhav	Prism Impex Pvt Ltd	B	200000	71.58		
07-May-07	Radha Madhav	Sweety Investment	S	105155	71.52		
07-May-07	Rama Paper	Rohnil R Boradia	S	46617	39.26		
07-May-07	Simran Farms	Parmatma Investments P Ltd	B	20580	4.88		
07-May-07	Simran Farms	Lunkad Securities Ltd	S	20000	4.88		
07-May-07	Tripex Over	Rashmikant Ashokbhai Dave	B	64532	42		
07-May-07	Tripex Over	Ramkripa Securities Pvt Ltd	B	100000	39.6		
07-May-07	Tripex Over	Rashmikant Ashokbhai Dave	S	84194	40		
07-May-07	Tripex Over	Shri Parshwa Finance	S	100000	39.6		
07-May-07	Usher Agro	Rikesh R Shah	S	104917	30.53		
07-May-07	Visu Intl	Lilac Farms Private Ltd	S	292748	12.93		
04-May-07	Abg Heav Ind	Aarem Management Service P.Lt	S	64134	187.42		
04-May-07	Gilla Arbut	National Insurance Co Ltd	S	84747	83.08		
03-May-07	Empower Inds	Bhamini Kamal Parekh	B	35000	16.22		

Source: BSE

COMPANY / MARKET**Forthcoming Events**

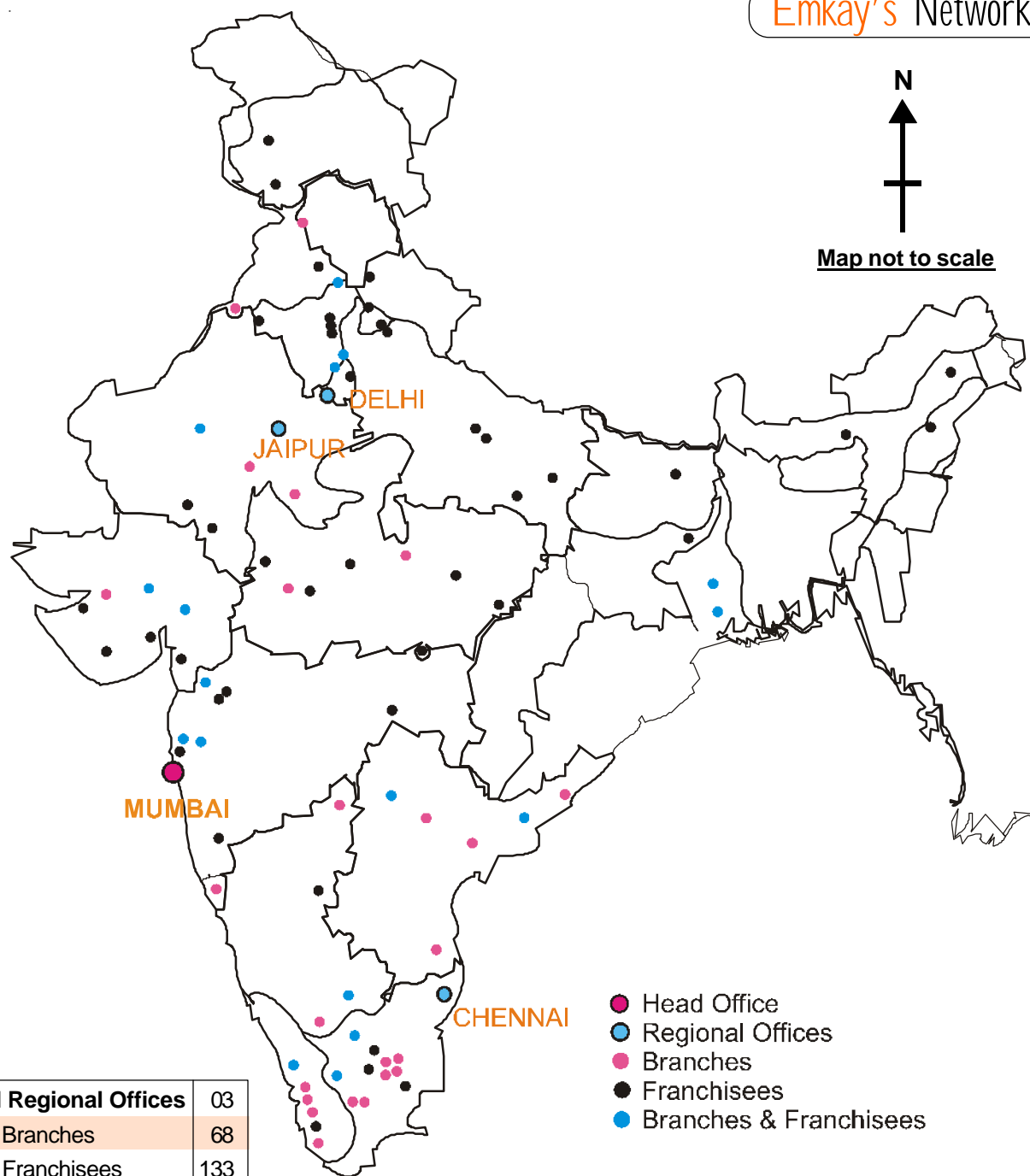
Effective Date	Summary	Action Type
08-May-07	Alfa-Laval India Ltd	Acquisition
08-May-07	Dabur India Limited	Qtrly Results
08-May-07	Optel Telecommunications Ltd	Corporate Meeting
08-May-07	Sree Rayalaseema Hi-Strength Hypo Ltd	Listing
08-May-07	Trent Ltd	Rights Offerings
08-May-07	Trent Ltd	Cash Dividend

Source: Bloomberg

Emkay's Network



Map not to scale



Total Regional Offices	03
Total Branches	68
Total Franchisees	133

- Head Office
- Regional Offices
- Branches
- Franchisees
- Branches & Franchisees

Regional Offices

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Analyst's holding in the stocks mentioned in the report: **NIL**

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