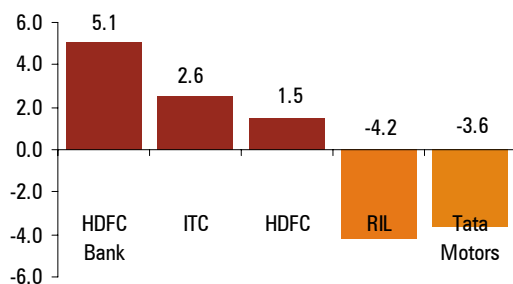


Index Snapshot

BSE Sensex	20,025.4	-3.5	0.0
CNX S&P Nifty	5,996.0	-2.1	0.0
BSE 100	10,430.3	-0.9	0.0
BSE 500	7,778.2	0.2	0.0
Dow Jones	11,575.5	20.5	0.2
Nasdaq	2,662.9	-4.4	-0.2
Hang seng	22,725.4	103.7	0.5
Nikkei	10,313.0	20.4	0.2

What's moving the Nifty?



Institutional Activity

December 28, 2010	FII's (Cash)	DII's
Net flows (Rs cr)	109.0	-265.4

*Provisional figure from BSE

Market Breadth

	Adv.	% Dec.	% Unch.	Total		
BSE	1459	48.6	1442	48.0	102	3003
NSE	678	47.0	706	49.0	58	1442
Total	2137	48.1	2148	48.3	160	4445

Market Turnover

(Rs. Cr)	28-Dec	27-Dec	24-Dec
BSE Cash	2,708	3,065	2,981
NSE Cash	8,704	9,330	9,996
NSE F&O	95,021	106,622	110,438
Total	106,434	119,017	123,415

Technical Picture

	Intraday	Short Term
Trend	Neutral	UP
Trend Reversal		5850
Support	5980-5940	5850
Resistance	6015-6045	6070
20 Days SMA		5946
200 days SMA		5560

Calls for the day

1. Buy Essar Oil 138.75
2. Buy ITC above 172.25
3. Sell Axis Bank below 1292.00
4. Sell Bharat Forge below 365.50

Market Snapshot

- Domestic equities ended after a quiet session amid thin volumes. The Nifty ended at 5996, down 2 points while the Sensex closed at 20045.42, down 3 points for the day. BSE midcap and small cap indices closed flat. The marketwide A/D ratio was negative
- The oil & gas and auto space witnessed profit booking while the FMCG and healthcare group inched higher although marginally

Market outlook

- The Nifty hovered around 6000 for an entire session after a flat opening. An important observation to make was it respected the support zone of 5980-5990 despite negative cues from Asian peers
- The action created a small range bear candle with lower shadow indicating support action around 5980. In the process, the index retraced the up move from Friday's lows to Monday's high by 61.8% making a low of 5982. It, however, failed to cross above the 50 DMA, which is currently placed at 6014 and acts as a resistance
- For the coming session, 5990-5980 remains an important support for the index due to convergence of multiple technical supports. The presence of the 5 day EMA (5990), value of upward sloping trend line on hourly chart (5990) and 61.8% retracement of the rally from Friday's lows (5980) makes it a value area where buying could emerge. On the higher side, 6015 remains a crucial hurdle in the form of 50 DMA
- The short-term positive bias in the index will remain intact as long as Nifty remains above 5940, which is the most recent swing low on the daily chart. Considering the upper channel lines of daily movement, the major resistance appears in the range of 6090-6120 levels
- The 14-day RSI is showing a reading of 52.60 and is in the positive zone whereas hourly oscillators are looking ambivalent and support either side movement
- Nifty spot has supports at 5980, 5940 and resistances at 6015, 6045



Strategy for the day

- We expect the market to open flat on the back of flat global and Asian cues
- Create short positions in the Nifty if it resists at 6044
- One can consider long positions if the Nifty sustains above 5997
- Maintain a strict stop-loss in intraday trades based on the above strategy

CMP : 138.20

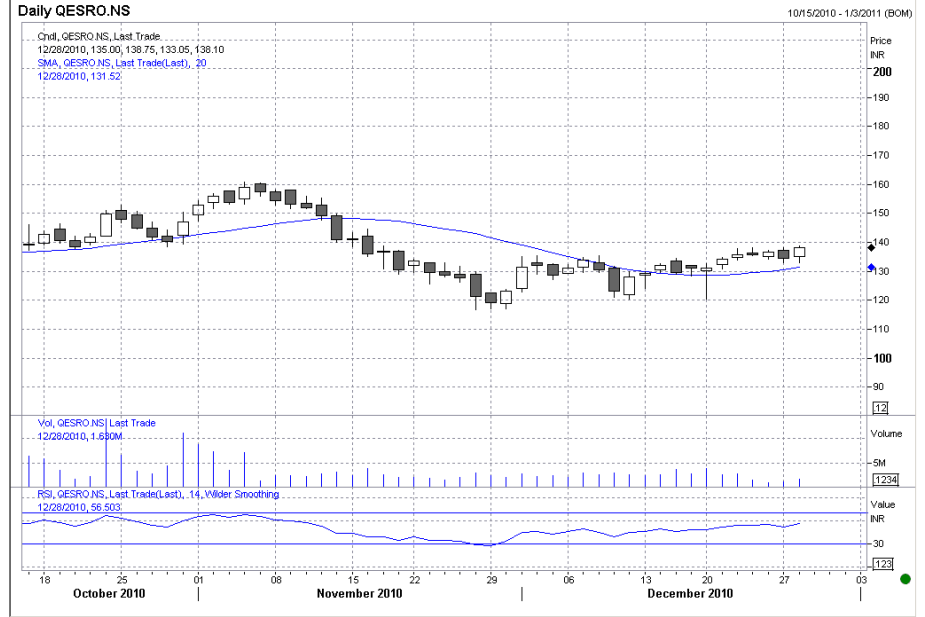
Comment : Breakout from sideways trading range and 14 period RSI in buy mode

Action : Buy above 138.75

Targets : 142.75/144/Higher

Stop-loss : 136.75

Essar Oil (ESSOIL)



CMP : 171.85

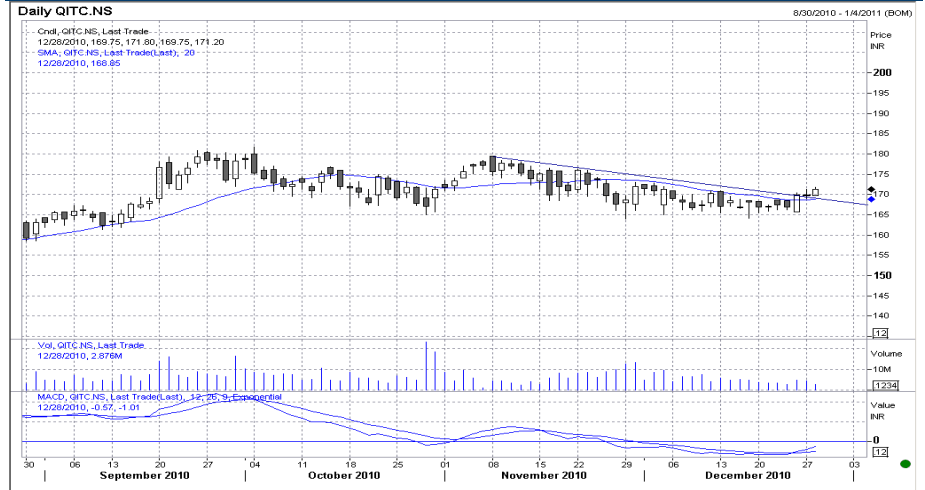
Comment : Trendline breakout on daily chart and positive crossover in MACD

Action : Buy above 172.25

Targets : 176/177.25 /Higher

Stop-loss : 170.4

ITC (ITC)



CMP : 1293.70

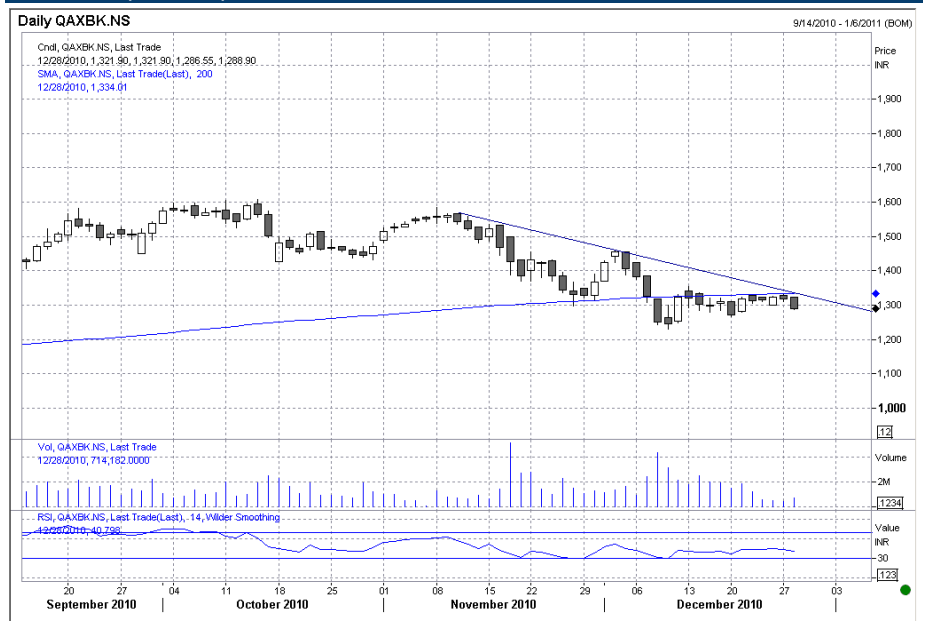
Comment : Taking resistance at 200 SMA and trendline breakdown on daily chart

Action : Sell below 1292

Targets : 1272/1263/Lower

Stop-loss : 1302.6

Axis Bank (UTIBAN)



CMP : 366.80

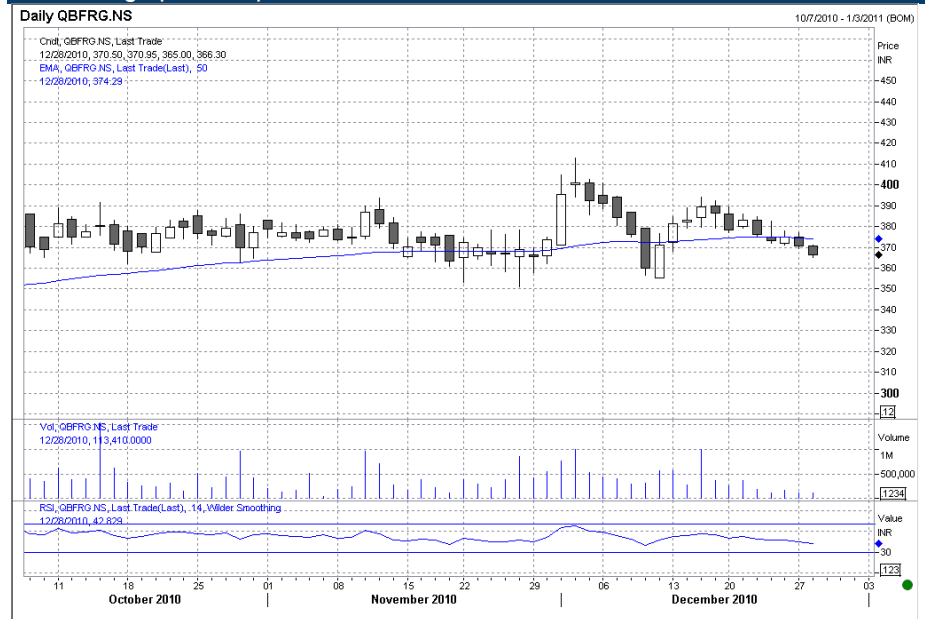
Comment : Price below 50 days EMA and 14 period RSI in sell mode

Action : Sell below 365.50

Targets : 357/354/Lower

Stop-loss : 369.8

Bharat Forge (BHAFOR)



Source: Reuters

Previous Day's Performance

Mphasis BFL	Buy above 682	697/705/+	Stoploss triggered	-1.05%
Cipla	Buy above 372.25	379.5/382/+	Stoploss triggered	-1.01%
Indiabull Realestate	Sell below 125.80	121.8/120.5/-	Closed at 125.80	0.00%
IDBI	Sell below 161.70	157.7/156.5/-	Closed at 159.55	1.32%

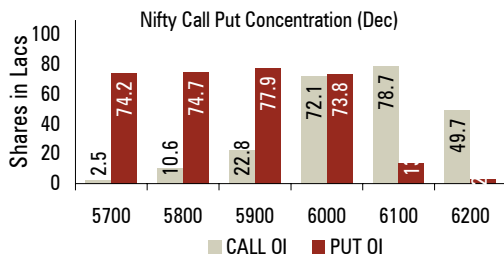
Stock profits: Avg -0.25 % per trade

(Cum. Profits over last 188 day : 545.61 %)

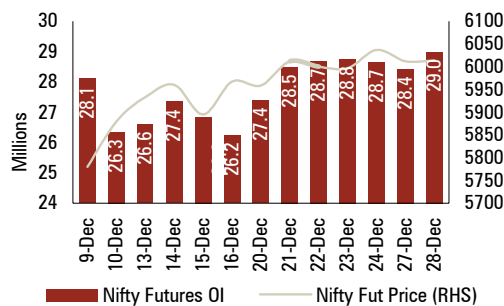
Strike Rate for the day: 1/3

(Cum. Strike Rate over 188 day: 390/572 (68 %))

Nifty Options OI Distribution



Nifty OI vs. Future Price



Nifty Active Strikes

Strike	Call (%)		Put (%)	
	OI chg	IV	OI chg	IV
5800	-14.6	19.8	-2.1	26.9
5900	-17.4	17.7	4.2	22.7
6000	5.0	16.5	0.7	17.4
6100	-5.5	17.2	-16.8	14.0
6200	-3.0	20.8	-8.3	19.8

Top OI Gainers

Symbol	OI (lots)	%Chg	Price	%Chg
BANKINDIA	3,001,500	32.60	428.4	-1.80
HEXAWARE	7,076,000	20.50	112.4	4.71
HINDOILEXP	3,662,000	20.03	223.6	9.37
ADANIANT	1548500	19.71	624.8	0.55
SINTEX	3,188,000	17.29	178.8	-0.83

Top OI Losers

Symbol	OI (lots)	%Chg	Price	%Chg
IDEA	19,192,000	-13.60	68.6	1.11
RPOWER	26,702,000	-11.62	153.9	0.69
SUZLON	90,764,000	-8.56	52.1	2.66
ISPATIND	74,526,000	-7.76	23.1	0.00
ZEEL	7,796,000	-6.84	139.8	2.23

Derivative Comments

- The Nifty traded rangebound through out the session and closed about flat
- We saw minor unwinding in most Nifty strikes. However, we saw addition in 6000 Call (6810 lots) and 5900 Put (6274 lots)
- FII's were net sellers in index futures and stock futures to the tune of ₹ 218 crore and ₹ 375 crore, respectively
- Profit to short rollovers stand at 29 points (previous 28 points)
- Expect the Nifty to trade volatile on account of the expiry week. However, selling pressure is likely to be there at higher levels on account of subdued options data and selling by FII's in stock futures and index futures
- The Nifty is likely to trade in the range of 5990-6050. The trading strategy would be to create long positions if the Nifty takes support at around 5997 levels for targets of 6015 and 6030. On the other hand, one can also create short positions if the Nifty resists at around 6044 levels

Stock Observation

- OI addition:** We saw long build-up in Tata Power, Moser Baer, Wipro Ltd and HDFC Bank whereas short build-up was seen in Ambuja Cement and SAIL
- OI shedding:** We saw short covering in Mercator Lines, Reliance Communications and India Cements. Long closure was seen in Bharat Forge, IVRCL Infra, Alok Textiles and Indiabulls Real Estate

STOCK	CLOSE	S1	S2	S3	R1	R2	R3	TREND
Sensex	20025.42	19974.65	19929.70	19884.75	20028.95	20056.15	20083.30	-ve
Nifty	5996.00	5981.85	5968.20	5954.55	5996.20	6003.35	6010.50	-ve
ACC	1087.30	1087.70	1082.75	1077.85	1097.55	1102.50	1107.50	+ve
Andhra Bk	147.35	145.95	145.05	144.20	147.60	148.45	149.30	-ve
Arvind	64.80	64.65	64.25	63.80	65.50	66.15	66.80	+ve
Bajaj Auto	1467.00	1466.40	1461.55	1456.75	1476.00	1480.45	1484.95	+ve
Bajlaji tel	40.25	39.80	39.60	39.40	40.40	40.70	40.95	-ve
BOB	889.45	887.15	882.45	877.75	896.55	900.55	904.50	+ve
BOI	426.80	422.05	418.90	415.70	428.50	431.75	435.00	-ve
BEL	1725.00	1709.05	1699.65	1690.30	1724.00	1731.45	1738.95	-ve
BPCL	664.00	662.30	660.75	657.60	665.35	666.90	670.10	Neutral
Bhel	2296.95	2290.95	2279.00	2267.00	2314.90	2321.90	2328.85	+ve
Canara bk	646.40	641.45	637.55	633.65	647.90	651.10	654.30	-ve
Century	415.20	412.55	410.55	408.55	415.90	417.60	419.25	-ve
Cipla	371.15	370.85	368.85	366.90	374.85	376.90	378.95	+ve
Dr Reddy	1689.75	1683.90	1675.90	1661.50	1699.90	1707.90	1722.25	Neutral
Gail	506.00	503.20	500.70	498.25	506.45	508.10	509.75	-ve
Geometric	75.00	74.40	72.40	70.40	78.45	79.10	79.80	+ve
Grasim	2320.60	2317.10	2308.10	2299.15	2335.05	2342.65	2350.30	+ve
Ambuja cem	142.85	141.30	140.05	138.80	143.25	144.25	145.20	-ve
HCL tech	459.50	457.90	455.20	452.50	463.30	465.00	466.75	+ve
Hdfc Bk	2256.15	2251.40	2238.00	2224.65	2278.20	2286.75	2295.35	+ve
HDFC	700.40	699.80	697.65	695.45	704.10	706.65	709.20	+ve
Hero honda	1944.90	1942.10	1933.85	1925.60	1958.60	1966.10	1973.60	+ve
Hexaware	112.20	111.45	109.85	108.25	114.65	115.50	116.30	+ve
Hindalco	237.50	235.70	234.35	233.00	237.75	238.75	239.80	-ve
HUL	294.40	292.95	292.30	291.60	294.75	295.65	296.55	-ve
HPCL	393.00	389.30	386.45	383.65	394.40	396.95	399.50	-ve
Hinduja TMT	371.30	369.25	367.30	363.95	373.20	375.15	378.50	Neutral
IDBI	159.15	157.45	156.50	155.55	159.60	160.70	161.75	-ve
I flex	2294.65	2276.25	2263.45	2250.60	2293.65	2302.35	2311.00	-ve
IOC	347.65	343.60	341.65	339.70	349.15	351.90	354.70	-ve
Infotech	167.20	166.85	165.40	163.95	169.75	171.90	174.00	+ve
Infy	3382.65	3380.65	3374.05	3367.45	3393.90	3402.60	3411.30	+ve
ITC	171.20	171.05	170.55	170.05	172.10	172.65	173.20	+ve
Jindal saw	179.45	178.50	177.00	175.45	179.70	180.30	180.90	-ve
KPIT	141.85	141.85	138.20	134.50	149.20	150.00	150.75	+ve
L & T	1939.75	1929.50	1918.65	1907.80	1942.50	1949.00	1955.50	-ve
Lic housing	941.35	937.90	933.75	928.55	946.25	950.45	955.60	Neutral
M & M	764.35	762.90	758.50	754.10	771.75	774.45	777.20	+ve
Maruti	1395.20	1390.50	1385.50	1380.20	1400.45	1405.45	1410.70	Neutral
Mastek	186.75	187.15	185.65	184.15	190.15	193.15	196.15	+ve
MTNL	53.35	53.35	53.15	52.95	53.75	54.10	54.50	+ve
Nalco	380.95	379.40	377.45	375.25	383.25	385.15	387.35	Neutral
NTPC	196.50	195.55	194.75	194.00	196.60	197.15	197.70	-ve
ONGC	1289.90	1284.35	1281.75	1279.20	1291.00	1294.35	1297.70	-ve
OBC	397.25	392.05	388.20	384.30	398.85	402.25	405.65	-ve
Polaris	180.15	179.45	177.80	176.20	182.70	184.55	186.45	+ve
PNB	1216.80	1215.00	1209.30	1203.60	1226.45	1233.40	1240.35	+ve
Ranbaxy	589.95	587.70	583.10	578.55	596.85	599.50	602.15	+ve
Rel infra	796.20	788.85	782.65	776.45	797.05	801.15	805.25	-ve
Reliance	1047.90	1040.20	1035.80	1031.40	1048.90	1053.30	1057.65	-ve
Rolta	152.40	152.45	151.75	151.00	153.90	155.20	156.55	+ve
Sail	176.70	176.20	175.30	172.90	178.05	178.95	181.35	Neutral
Satyam	67.40	67.10	66.75	66.30	67.80	68.10	68.60	Neutral
SCI	131.25	131.15	130.95	130.30	131.50	131.65	132.30	Neutral
SBI	2728.50	2714.00	2707.55	2701.10	2734.00	2744.00	2754.00	-ve

STOCK	CLOSE	S1	S2	S3	R1	R2	R3	TREND
Syndicate	124.65	123.25	122.25	121.30	124.80	125.55	126.35	-ve
Tata che	387.80	385.10	383.10	381.10	388.50	390.20	391.95	-ve
Telco	1268.90	1252.35	1245.35	1238.35	1274.35	1285.35	1296.30	-ve
Tata Pow	1335.70	1330.65	1321.40	1312.15	1349.15	1354.90	1360.65	+ve
Tata tea	109.55	108.15	107.00	105.85	109.55	110.25	111.00	-ve
TCS	1146.35	1146.05	1143.35	1140.65	1151.50	1156.80	1162.10	+ve
Tisco	665.00	663.65	661.90	657.75	667.15	668.95	673.10	Neutral
UBI	327.10	327.10	325.85	324.65	329.55	330.30	331.10	+ve
Tata com	248.80	248.60	246.25	243.90	253.30	254.85	256.45	+ve
Wipro	491.35	491.10	488.30	485.50	496.75	498.40	500.05	+ve

NOTES:

- The Sell below / above price is a key technical level which decides the trend for the day
- Once the Call is initiated, an appropriate Stop Loss trigger should be Put for the trade
- Once into position, Put trailing stops to preserve your profits
- Be careful if the counter achieves the target immediately after opening
- The strategies are valid only for the date mentioned at the top
- Positions should be squared off by the end of the day
- Only stocks in derivatives segment have been considered for daily trading
- Chart shows 50 days on NSE cash market, with 5/8/13/21 day EMAs, volumes & 5-day Slow Stochastics
- The vertical grids show weeks, horizontal grids are price-aligned
- The writer may have position in the stocks discussed
- The strategies are based on intra-day volatility, suggesting a two-way approach intra-day
- Medium to long-term prospects of a stock does not have any bearing on the daily view

MOST IMP: The follow-up and performance review table of the strategies indicates the profit opportunity that was available in the strategies. Individual profits may vary, depending upon the entry and exit price and stop losses.

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Research Product	Perspective	Frequency	Time frame	Avg. Returns objective	Location on ICICIdirect.com
Pre-market open view					
<u>Daily Technical</u>	Features three stocks with a trading outlook for the day based on short-term technical trends considering key technical indicators & statistical information.	Daily	1 Day	2 – 3 %	Home page-Trading recommendation, Research page-Technical recommendations
<u>Daily Derivative</u>	Trading strategy for a day in the futures & options segment based on news events, market trends, technical & other factors governing movements in stocks.	Daily	1 Day	2 - 3%	Home page-Trading recommendation, Research page-Technical recommendations, Trading Page - Scroller
<u>Momentum Pick</u>	Provide trading strategy for a day based on technical and derivative outlook.	Daily	1 Day	2- 3%	Internal Mailer
<u>Advanced Derivative Strategies</u>	Provides simplified Derivative strategies such as Spreads and Covered calls	Daily			iClick-2-Gain
Intra-day Technical recommendations					
<u>BTST Calls</u>	Based on short term technical trends and stock specific news/news expectations.	Daily	1 – 2 Days	1 - 2%	Trading Page - iCLICK-2-GAIN
<u>Margin Calls</u>					
<u>Derivative Calls</u>					
Weekly recommendations					
<u>Weekly Calls</u>	Features stocks with a trading outlook for a week based on short-term technical trends considering key technical indicators & statistical information.	Weekly	1-7 days	4 – 5%	Home Page & Research Page
<u>Weekly Technicals</u>	Features market outlook for the coming week with focus on one of the sector which may outperform broader markets.	Weekly	1-7 days	4 – 5%	Internal Mailer
<u>Weekly Derivatives</u>	Trading opportunities in futures & options segment based on derivatives data like, overall market trend, volatility & open interest positions of securities.	Weekly	1-7 days	4 – 5%	Home Page, Research Page & Trading page -Scroller
Short -Medium term recommendations					
<u>Stocks on move</u>	Covers stocks which are likely to show significant upward movement in the next 15 days due to change in trader sentiment.	Fortnightly – every alternate Wednesday	> 7-15 days	5 – 7%	Home page, Research page & Trading page - Scroller iCLICK-2-GAIN
<u>Monthly Technicals</u>	Trading outlook for a month based on medium-term technical trends considering key technical indicators & statistical information.	Monthly	30 days	10%	Home Page & Research Page
<u>Value Pick</u>	Short term trading recommendation based on technical set-up and favourable risk/reward.				iClick-2-Gain
<u>Rollover Analysis</u>	Features High Dividend Yielding Stocks for assured returns on investment				Internal Mailer