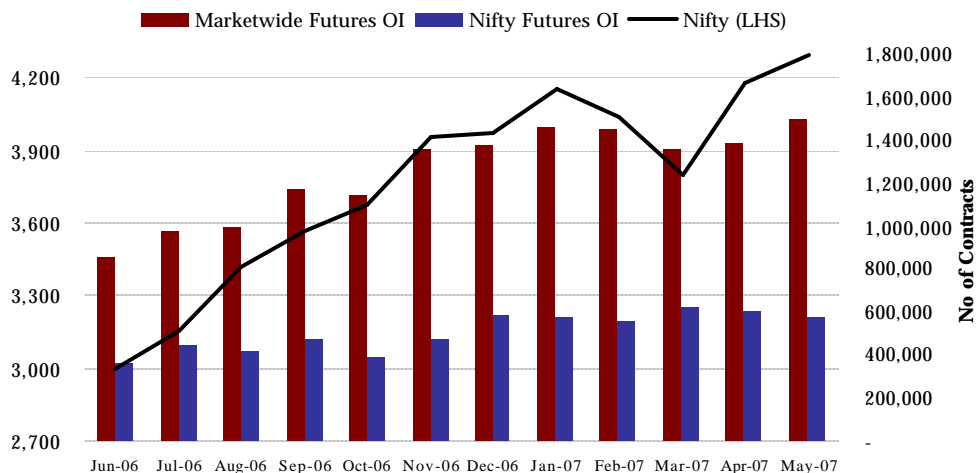


ROLLOVER ANALYSIS

Chart 1: Market-wide OI (Expiry Day): Strong Market-wide rollovers



Market-wide rollovers

Continuing the previous day's momentum, aggressive rollovers were witnessed on the expiry day with nearly 83% of total open positions getting rolled to June series as against 63% yesterday. These rollovers are inline with the previous expiry but surly on a higher base with current market-wide open interest standing at INR 380bn as against INR 332bn in the previous expiry.

The average rollover cost (average of positives) jumped to 115 bps from 80 bps today indicating aggressive long positions getting rolled into the next series. Rollover cost for 107 out of 186 stocks crossed 100 bps levels today. The total market wide rolled open interest of 1,500,875 contracts is 8.74% higher than that rolled in previous expiry.

Among the recently added 31 F&O Stocks, aggressive long positions got rolled with an average rolled cost of 125bps (average of positives) and nearly on an average of 79% positions getting rolled in the June series. (Sterling Biotech being an exception with just 29.75% positions getting rolled)

Nifty Rollovers

Aggressive short positions in Nifty got rolled today resulting in the discount to further widen to 31bps as against 26bps yesterday and 10bps on Monday. Nifty rolled positions rose to 74% from 59%. However the total rolled open interest of 581,670 contracts is 4% lower than that rolled on the previous expiry. The fall of 19% in the open interest on the last day is lesser than the average fall of 24% seen on the last day. Nifty roll cost, which ranged between -10 to -25 bps for the first 3 days of the expiry week, went into a discount of -31bps today. In value terms, Nifty OI of INR 124 bn is equal to the rolled OI in previous expiry.

Focus Sectors

Strong Rollovers: Construction, Cement, Banking
 Weak Rollovers: Sugar, Oil & Gas, Pharma

Focus Stocks

Strong Rollovers: JStainless, Indiainfo, Lupin, Andhra Bank, Aban, Jetairways, Patni, Jindal steel, Hindalco, Satyam Computers.
 Weak Rollovers: Sterling Biotech, Shree Cement, Hero Honda, Mahseamles, Balranchin, Colgate

May 31, 2007

Sunil Jain
 +91-22-2286 4308
 sunil.jain@edelcap.com

Yogesh Radke
 +91-22-2286 4328
 yogeshradke@edelcap.com

Expiry Day Rollovers

Instrument	Mid/Total Current Expiry	Total OI 31-May-07	Mid OI 31-May-07	Mid/Total Previous Expiry	*Roll Cost 25-May-07	Roll Cost 31-May-07
Jindal Stainless	95%	216,240	205,760	93%	-0.19%	0.06%
India Infoline	93%	22,000	20,490	0%	0.56%	1.58%
Lupin	93%	99,050	91,987	93%	-0.16%	-0.31%
Andhra Bank	92%	17,377	16,043	88%	0.84%	1.67%
Aban Offshore	91%	6,382	5,838	82%	-0.23%	0.69%
JetAirways	91%	10,980	10,044	86%	0.84%	-0.04%
Patni Computer	91%	8,674	7,930	88%	0.48%	0.62%
Jindal Steel & Power	91%	500	457	92%	0.82%	1.52%
Ultratech Cement	91%	4,542	4,148	87%	1.51%	1.09%
IOC	91%	1,116	1,016	80%	-0.54%	1.54%
Nagarjuna Construction	91%	1,438	1,308	84%	-2.51%	0.76%
Dena Bank	91%	3,962	3,600	0%	0.49%	1.11%
S Kumars	91%	9,954	9,026	0%	-0.52%	-1.04%
Oswal Chemicals	91%	5,415	4,909	0%	-1.03%	2.19%
Vijaya Bank	90%	15,732	14,150	83%	1.04%	1.35%
Gateway Distriparks	90%	4,880	4,385	87%	1.69%	0.87%
RNRL	90%	17,293	15,496	0%	1.11%	1.55%
Bank of Baroda	89%	1,348	1,203	93%	0.93%	0.94%
Hindalco	89%	88,008	78,351	93%	0.66%	1.38%
Titan Industries	89%	12,284	10,928	79%	-0.90%	1.07%
Essar Oil	89%	11,776	10,429	90%	0.97%	1.80%
Indian Hotels	88%	2,196	1,942	84%	0.92%	2.04%
Century Textiles	88%	4,414	3,895	88%	0.85%	0.15%
Bajaj Auto	88%	1,216	1,070	83%	0.67%	1.03%
TVS Motors	88%	6,628	5,833	89%	0.98%	1.02%
Bata India	88%	6,227	5,479	77%	0.84%	1.68%
Unitech	88%	12,870	11,300	0%	1.03%	1.00%
Satyam	88%	11,483	10,082	90%	0.91%	1.69%
Kotak Mahindra Bank	88%	3,586	3,148	88%	0.15%	-1.11%
Indusind Bank	88%	86,445	75,845	84%	-0.40%	-0.55%
IVRCL	88%	2,829	2,482	91%	1.11%	0.90%
Karnataka Bank	88%	525	460	84%	0.95%	1.93%
IDBI	88%	53,209	46,670	91%	0.86%	1.26%
FCI Ltd	88%	299,119	262,290	82%	1.05%	1.30%
NDTV	87%	1,005	879	84%	1.17%	1.10%
Sun Pharma	87%	1,600	1,396	78%	0.55%	1.23%
MoserBaer	87%	950	828	0%	0.62%	0.44%
NTPC	87%	3,491	3,043	73%	0.63%	1.57%
Wockhardt	87%	401	349	88%	-0.25%	0.59%
GE Shipping	87%	3,704	3,222	63%	0.74%	1.40%
Matrix Laboratories	87%	2,775	2,411	92%	0.87%	0.54%
Mphasis Ltd	87%	640	555	89%	0.88%	1.17%
MTNL	87%	12,352	10,693	90%	0.82%	1.22%
Tata Chemicals	87%	2,910	2,517	85%	0.68%	1.64%
Chambal Fertilizers	87%	7,649	6,617	90%	0.88%	1.50%
PNB	87%	4,762	4,120	85%	-0.85%	1.21%
Sterlite Optical	86%	1,554	1,344	0%	1.03%	0.73%
Gujarat Amb	86%	21,790	18,829	88%	0.98%	0.90%

Instrument	Mid/Total Current Expiry	Total OI 31-May-07	Mid OI 31-May-07	Mid/Total Previous Expiry	Roll Cost 25-May-07	Roll Cost 31-May-07
Idea Cellular	86%	12,686	10,947	76%	-0.63%	-3.01%
Syndicate Bank	86%	1,330	1,147	76%	0.68%	-0.11%
Alstom Projects	86%	13,206	11,394	0%	0.89%	0.53%
Jaiprakash Associates	86%	3,611	3,112	90%	0.80%	1.39%
Gujarat Narmada Fert	86%	27,278	23,482	79%	-0.43%	0.99%
Cipla	86%	46,700	40,194	78%	0.24%	1.70%
Deccan Aviation	86%	2,879	2,477	0%	0.94%	1.38%
Hotel Leela	86%	1,808	1,554	0%	0.68%	0.99%
Praj Industries	86%	4,733	4,066	83%	0.70%	1.37%
Alok Industries	86%	56,749	48,709	76%	0.93%	0.98%
HPCL	86%	5,505	4,723	86%	-1.13%	-2.95%
Jai Prakash Hydro	86%	13,794	11,831	87%	0.80%	1.08%
SBI	86%	26,324	22,549	84%	0.67%	1.27%
Lanco Infra	86%	3,681	3,151	88%	0.89%	1.49%
Nagarjuna Fertilizers	85%	131,787	112,607	83%	-0.32%	-0.42%
Nicolas Piramal	85%	1,511	1,290	70%	0.77%	1.24%
Bharat Earth Movers	85%	176	150	75%	0.95%	1.40%
Punj Lloyd	85%	113,847	96,903	88%	0.97%	-0.34%
Corporation Bank	85%	326	278	72%	-0.44%	1.28%
I-Flex	85%	474	403	84%	0.71%	0.70%
Adlabs Films	85%	547	464	0%	0.88%	0.66%
Cummins India	85%	972	825	60%	0.93%	1.61%
Aurobindo Pharma	85%	1,985	1,683	89%	0.26%	0.83%
Ashok Leyland	85%	228,691	193,610	87%	-0.90%	0.45%
Everest Kanto Cylinder	85%	1,634	1,383	0%	0.10%	-0.10%
Parsvnath Developers	84%	14,728	12,390	91%	-0.77%	-3.25%
Rajesh Exports	84%	322	271	0%	0.87%	0.82%
JSW Steel	84%	3,233	2,714	88%	0.84%	-0.49%
India Cements	84%	8,961	7,518	90%	0.85%	0.56%
REL	84%	23,184	19,428	77%	1.05%	0.37%
Crompton Greaves	84%	395	331	78%	0.84%	1.56%
M&M	84%	17,358	14,541	75%	0.84%	1.40%
Escorts India	84%	18,014	15,045	79%	-0.56%	1.46%
Tata Tea	83%	1,076	897	75%	0.92%	1.21%
Tata Teleservices	83%	28,447	23,714	83%	0.63%	1.59%
Petronet LNG	83%	7,877	6,558	0%	0.04%	-0.21%
SCI	83%	366	305	84%	0.86%	1.28%
GTL Ltd	83%	4,608	3,836	81%	0.87%	2.20%
Ranbaxy	83%	3,214	2,672	71%	0.72%	0.81%
Arvind Mills	83%	41,624	34,598	84%	1.01%	0.91%
Amtek Auto	83%	755	626	87%	-1.51%	1.33%
Strides Arcolab	83%	71	59	78%	1.20%	1.43%
United Phosphorus	83%	9,849	8,155	0%	-0.02%	1.12%
Tata Motors	83%	1,740	1,436	78%	1.04%	1.25%
Grasim	82%	1,110	915	70%	0.58%	1.26%
Neyveli Lignite	82%	5,310	4,371	77%	0.96%	0.10%
Aditya Birla Nuvo	82%	231	190	0%	0.72%	0.64%
Hindustan Construction	82%	15,560	12,802	83%	0.59%	1.26%

Mid/Total: Current Mid Open Interest/Total Open Interest 5 days back

*Rollover Cost: Cost of rolling over the near month future to the next month

Expiry Day Rollovers Contd....

Instrument	Current Expiry	Total OI 31-May-07	Mid OI 31-May-07	Previous Expiry	Roll Cost 25-May-07	Roll Cost 31-May-07	Instrument	Current Expiry	Total OI 31-May-07	Mid OI 31-May-07	Previous Expiry	Roll Cost 25-May-07	Roll Cost 31-May-07
IOB	82%	7,847	6,451	87%	0.21%	0.77%	Chennai Petroleum	77%	655	504	47%	-0.02%	1.88%
Tata Power	82%	4,070	3,345	80%	0.21%	0.62%	McDowell & Co	77%	2,460	1,890	87%	0.63%	1.15%
MRPL	82%	109,506	89,926	88%	0.59%	1.02%	IDFC	76%	104,804	79,925	84%	0.53%	0.72%
Hinduja TMT	82%	559	459	82%	0.89%	-0.32%	ZEE LTD	76%	2,605	1,975	75%	0.70%	1.54%
BHEL	82%	475	390	72%	0.44%	-1.08%	Relta India	76%	136	103	0%	0.85%	1.25%
Infosys	82%	3,953	3,245	72%	0.15%	0.16%	Union Bank	76%	21,597	16,310	83%	0.78%	1.39%
Polaris	82%	13,651	11,180	83%	1.04%	0.75%	ICICI Bank	75%	2,451	1,850	76%	0.71%	1.65%
Allahabad Bank	82%	6,115	5,008	75%	1.02%	1.67%	HLL	75%	3,767	2,842	74%	0.41%	0.04%
Patel Engineering	82%	1,332	1,090	0%	0.86%	0.98%	Pantaloon Retail	75%	938	705	0%	-0.10%	0.07%
Dabur India	82%	5,156	4,212	80%	-1.26%	1.88%	Maruti	75%	9,298	6,946	84%	-0.10%	1.21%
Sun Tv	82%	211	172	79%	1.27%	1.52%	Siemens	74%	811	603	65%	0.87%	1.44%
Bank of India	81%	5,289	4,298	66%	0.90%	1.38%	NIFTY	74%	257,750	191,562	72%	0.75%	0.74%
RCOM	81%	100,009	81,218	78%	0.00%	-0.10%	GAIL	74%	18,514	13,740	73%	-0.13%	0.95%
UTI Bank	81%	2,348	1,905	83%	0.16%	0.80%	HDFC	74%	5,981	4,439	73%	0.82%	1.08%
Glaxosmithkline	81%	1,821	1,478	82%	0.60%	1.47%	Suzlon	74%	745	548	73%	1.22%	0.62%
LT	81%	3,937	3,189	81%	0.31%	2.15%	Peninsula Land	73%	965	702	0%	0.45%	1.11%
Kesoram Industries	81%	1,084	878	0%	0.33%	0.76%	Reliance	73%	4,602	3,347	73%	0.95%	1.79%
Tatasteel	81%	9,351	7,550	74%	1.03%	0.96%	Wipro	72%	7,091	5,120	69%	1.12%	1.35%
Gujarat Alkalies	81%	12,068	9,727	89%	-1.20%	-3.47%	ACC	72%	4,921	3,553	83%	0.48%	1.14%
Bajaj Hindustan	80%	11,846	9,517	88%	0.61%	1.89%	Triveni Engineering	72%	2,076	1,497	79%	-0.71%	-9.22%
Reliance Capital	80%	7,851	6,301	88%	0.98%	1.11%	Mahindra Gesco	72%	747	538	0%	0.77%	1.99%
Indian Bank	80%	193	154	44%	1.15%	1.58%	Educomp Solutions	72%	711	512	0%	-0.56%	-1.59%
AIA Engineering	80%	203	162	0%	0.88%	1.14%	VSNL	72%	13,318	9,580	67%	1.03%	1.09%
J & K Bank	80%	210	168	34%	0.66%	1.49%	RPL	72%	337,814	242,758	85%	0.36%	1.26%
Orchid Chemicals	80%	629	503	89%	0.85%	0.90%	HDFC Bank	72%	507	363	78%	-0.45%	1.43%
Bharat Forge	80%	8,364	6,686	85%	-1.95%	-3.30%	Divi's Lab	71%	354	252	79%	-1.56%	-4.29%
BPCL	80%	2,429	1,940	77%	0.90%	1.18%	Shree Renuka Sugars	71%	2,524	1,791	60%	-1.32%	0.46%
TCS	80%	863	688	72%	1.24%	0.85%	Bongaigaon Refinery	71%	7,076	5,018	86%	-0.34%	-1.89%
Caim India	80%	13,589	10,823	91%	1.54%	1.83%	ONGC	71%	12,441	8,820	71%	-1.80%	1.25%
GMR Infrastructure	79%	2,526	1,999	76%	0.85%	1.17%	Ballarpur Ind.	71%	5,099	3,596	75%	1.11%	1.13%
Bombay Rayon Fashions	79%	29,828	23,613	0%	-0.80%	-2.37%	Sobha Developers	70%	1,830	1,289	78%	0.38%	0.82%
Dr Reddy's	79%	6,198	4,906	86%	0.82%	0.80%	LIC Housing Finance	70%	9,763	6,866	86%	0.68%	1.05%
Birla Corporation	79%	757	598	0%	-0.35%	1.51%	IIC	70%	1,808	1,260	63%	0.73%	1.38%
SRF Ltd	79%	13,785	10,875	87%	1.14%	0.88%	National Alum	69%	308	212	69%	1.07%	1.10%
Voltas	79%	9,663	7,611	94%	0.58%	1.15%	Sesa Goa	68%	604	408	79%	1.18%	0.76%
Ansal Prop & Infra	78%	1,734	1,361	0%	1.06%	1.92%	HCL Tech	67%	19,981	13,296	70%	0.72%	1.20%
BEL	78%	1,531	1,201	79%	0.37%	1.31%	Colgate Palmolive	66%	656	431	70%	-0.87%	2.39%
Federal Bank	78%	579	454	75%	1.36%	0.81%	IPCL	63%	3,314	2,082	71%	1.00%	1.55%
CESC Ltd	78%	581	455	77%	0.87%	0.87%	Canara Bank	63%	4,732	2,958	82%	0.79%	1.14%
Financial Technologies	78%	148	115	0%	0.80%	1.20%	Balrampur Chini	61%	21,856	13,397	90%	1.06%	0.30%
Power Finance Corp	78%	14,600	11,416	88%	-0.09%	1.40%	Maharashtra Seamless	61%	304	186	81%	-0.74%	1.99%
Sterlite Ind.	78%	3,349	2,613	67%	0.91%	1.23%	Bank Nifty	61%	71	43	66%	1.00%	1.47%
Bharti Artl	78%	8,314	6,474	83%	0.87%	1.43%	CNX IT	55%	446	245	56%	0.89%	-0.17%
ABB Ltd	78%	1,086	845	73%	0.87%	0.23%	Hero Honda	51%	3,835	1,963	70%	0.43%	0.61%
Oriental Bank	78%	3,707	2,878	90%	0.24%	0.97%	Shree Cements	39%	130	51	0%	0.85%	0.89%
SAIL	78%	36,885	28,613	72%	0.64%	0.94%	Sterling Biotech	30%	14,734	4,384	0%	-0.09%	1.26%
Bombay Dyeing	77%	1,035	800	81%	0.62%	1.31%							

*Rollover Cost: Cost of rolling over the near month future to the next month
Sorted on Descending order of Mid/Total OI

Edelweiss Securities

14th Floor, Express Towers,
Nariman Point, Mumbai- 400 021
Board: (91-22) 2286 4400
Email: research@edelcap.com



Naresh Kothari – 2286 4246

Head, Institutional Equities

Vikas Khemani – 2286 4206

Head, Institutional Equities

INDIA RESEARCH	SECTOR	INSTITUTIONAL SALES
Shriram Iyer - 2286 4256	Head – Research	Nischal Maheshwari - 2286 4205
Gautam Roy - 2286 4305	Airlines, Textile	Rajesh Makharia - 2286 4202
Ashutosh Goel - 2286 4287	Automobiles, Auto Components	Vikrant Oak - 4019 4712
Vishal Goyal, CFA - 2286 4370	Banking & Finance	Shabnam Kapur - 2286 4394
Revathi Myneni - 2286 4413	Cement	Abhijit Chakraborty - 4019 4823
Sumeet Budhraj - 2286 4430	FMCG	Balakumar V - (044) 4263 8283
Harish Sharma - 2286 4307	Infrastructure, Auto Components, Mid Caps	Ashish Agrawal - 2286 4301
Priyanko Panja - 2286 4300	Infrastructure, Engineering, Telecom	Nikhil Garg - 2286 4282
Hitesh Zaveri - 2286 4424	Information Technology	Swati Khemani - 2286 4266
Parul Inamdar - 2286 4355	Information Technology	Neha Shahra - 2286 4276
Priyank Singhal - 2286 4302	Media, Retail	Priya Ramchandran - 2286 4389
Prakash Kapadia - 4097 9843	Mid Caps	Anubhav Kanodia - 2286 4361
Niraj Mansingka - 2286 4304	Oil & Gas, Petrochemicals	Tushar Mahajan - 2286 4439
Nimish Mehta - 2286 4295	Pharmaceuticals, Agrochemicals	Harsh Biyani - 2286 4419
Manika Premsingh - 4019 4847	Economist	Nirmal Ajmera - 2286 4258
Sunil Jain - 2286 4308	Alternative & Quantitative	Ankit Doshi - 2286 4671
Yogesh Radke - 2286 4328	Alternative & Quantitative	Dipesh Shah - 2286 4434

Email addresses: firstname.lastname@edelcap.com

e.g. naresh.kothari@edelcap.com

unless otherwise specified

RATING INTERPRETATION

Buy	Expected to appreciate more than 20% over a 12-month period	Reduce	Expected to depreciate up to 10% over a 12-month period
Accumulate	Expected to appreciate up to 20% over a 12-month period	Sell	Expected to depreciate more than 10% over a 12-month period
Trading Buy	Expected to appreciate more than 10% over a 45-day period	Trading Sell	Expected to depreciate more than 10% over a 45-day period

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