

### Market Statistic:

#### TRADE STATISTICS FOR 07-May-2007

Product	No. of Contracts	Turnover (Rs. cr.)*
Index Futures	288,415	6,184.19
Stock Futures	696,867	22,447.95
Index Options	161,397	3,435.07
Stock Options	42,181	1,372.99
Total	1,188,860	33,440.203

#### OPEN INTEREST – Gainers.

Scrip ID	OI Futures	% Chg	Price	% Chg
ANSALINFRA	563550	45.714286	343.55	2.62
IOB	1873250	21.6475	121.65	1.92
MCDOWELL	1409750	20.697772	1244.35	5.78
BRFL	3614450	19.778963	261.75	8
RNRL	53868100	19.606287	33.2	5.73

#### OPEN INTEREST - Losers.

Scrip ID	OI Futures	% Chg	Price	% Chg
TRIVENI	2094400	-27	58	2
CORPBANK	483600	-15.157895	341.8	0.16
INDIANB	1773200	-10.939227	130.3	1.04
UTIBANK	1158750	-10.930474	566.5	1.93
RELCAPITAL	4576000	-8.4507042	1020	5.27

#### FII Derivatives Statistic For the date :220507

	Buy	Sell	OI at end of the Day		Inflow / Outflow
			Contract	Amount	
INDEX FUTURES	780.52	609.34	674970	14449.16	171.18
INDEX OPTIONS	388.12	423.29	345686	7394.40	-35.17
STOCK FUTURES	835.36	1287.56	690003	19142.52	-452.19
STOCK OPTIONS	0.08	4.49	3856	103.79	-4.41
					-320.59

#### FII Derivatives Statistic For the date :210507

INDEX FUTURES	1028.63	598.24	674144	14380.08	430.39
INDEX OPTIONS	850.37	658.02	338412	7209.70	192.34
STOCK FUTURES	572.86	779.30	671583	18643.58	-206.44
STOCK OPTIONS	0.71	4.50	3786	103.13	-3.79
					412.51

#### FII Derivatives Statistic For the date :180507

INDEX FUTURES	319.76	777.23	668457	14127.83	-457.47
INDEX OPTIONS	23.03	14.70	282722	5957.66	8.33
STOCK FUTURES	518.97	747.05	659045	18198.64	-228.08
STOCK OPTIONS	0.00	5.16	3613	97.98	-5.16
					-682.39

#### Reckoning Put/Call Ratio

Scrip ID	PCR OI	PCR Vol.
NIFTY	1.47	1.58
RELIANCE	0.65	0.41
INFOSYSTCH	0.18	0.10
SBIN	0.68	0.59
TATASTEEL	0.6	0.35

### Market Wrap-up:

Nifty gained on Tuesday to close at 4278.10 up by 0.40%. The F&O segment of the market saw increase in turnover as compared to previous trading session.

The market turnover increased by 3.69 percent in terms of number of contracts traded vis-à-vis previous trading day and increased by 7.52 percent in terms of rupees.

The PCR OI of market was at 0.17 and in NIFTY has changed from 1.47 to 1.48. At the same time, PCR VOL in NIFTY has changed to 1.08.

On a scrip specific note scrips like ANSALINFRA, IOB, MCDOWELL-N, BRFL & RNRL were the major gainers in futures open interest while TRIVENI, CORPBANK, INDIANB, UTIBANK & RELCAPITAL were the amongst some to shed the Futures Open Interest.

On the option open interest front, NIFTY led the pack 288294 contracts of position open in CALL and 428625 contracts in the PUT side. On the scrip side, RELIANCE led the pack with 16239 contracts in CALL and 12175 Contracts in PUT as open interest followed by INFOSYSTCH with 14753 contracts of open position in CALL and 2467 contracts of open position in PUT.

In terms of Volumes 1188860 contracts were traded on NSE. Nifty accounted for 37.47 percent of the total traded contracts RELIANCECAPITAL 5.34 percent while RELIANCE contributed 4.85 percent to the total turnover.

A look at the volatility indicates there is a considerable amount of increase in volatility of stocks such as MCDOWELL-N, BPCL, WIPRO, ALOKTEXT and I-FLEX. Implied volatility in Nifty is at 20.05 and Historical volatility is at 25.93.

### Expectations:

The NIFTY futures saw a rise in OI to the 1.92% with prices up indicating long positions built up in the counter suggesting fresh long positions built up in the market which may further strengthen the market. Market managed to remain above the 4240 levels which may give support to the market. Nifty futures premium disappeared due to liquidation of positions during the last hour and nifty futures closed at 5 points discount to spot nifty. The FII were buyers index futures to the tune of 430 crs and buyers in index options to the tune of 192 crs. The PCR has come up from 1.47 to 1.48 indicates some buying may emerge in the market. The IV is around 20.05 levels indicating some volatile trading sessions ahead.

Among the Big guns, ONGC saw 4.33% rise in OI with prices finally coming down in the and closing near day's low indicating short positions built up in the counter aggressively thus suggesting weakness in the counter. Whereas RELIANCE saw drop of 3.74% in OI with prices moved up and closed near day's high thus suggesting short covering seen in the counter but the built up suggests that their may be consolidation in the counter before taking sharp movement thus suggesting that one should start booking partial profits in the counter.

In the TECH counters, all the majors saw significant built up in OI with prices recovering from lows indicating buying emerging at lower levels which if continues today may force bears to cover their positions aggressively. One should take positions in the IT pack only after looking today's built up and movement in the price.

In the BANKING counters, all the majors saw rise in the positions with prices coming down from highs indicating short positions built up in the counters suggesting some weakness may be seen in the overall BANKING counters.

In the Metal pack, TATASTEEL & SAIL saw marginal rise in OI with prices coming down indicating long positions liquidated in these counters after a sharp rally thus suggesting one should start booking partial profits in these counters. HINDALCO & NALCO saw marginal rise in OI with prices remaining in a narrow range suggesting one should wait for making positions in the counters unless some significant built up is seen in these counters. STER saw rise in OI with prices up indicating long positions built up in the counter.

We feel that the volume and built up in OI suggests that market may show some directional movement as there is good built up in open interest. 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
23-May-07	RCOM	Moderately Bullish	COVERED CALL	BUY FU 523.00 SELL 530 CA @ 13.00 SL - 505	510	3500-5600	14000
	RCOM	Moderately Bullish	BUY CALL	BUY 530 CA @ 13.00	443	9100	UNLIMITED
	RNRL	Moderately Bullish	BUY CALL	BUY 35.00 CA @ 0.95	35.95	6792.5	UNLIMITED
	PARSVNATH	Moderately Bearish	CALL HEDGE	SELL FU 330.00 BUY 330 CA @ 11.00	319	7700	UNLIMITED
	GUJAMCEM	Moderately Bearish	CALL HEDGE	SELL FU @ 116.65 BUY 120 CA @ 2.40	114.2	11856.5	UNLIMITED
	GUJAMCEM	Moderately Bearish	BUY PUT	BUY 115 PA @ 2.55	112.45	5258.1	UNLIMITED

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

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### 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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