



### Indices

Indices	Today's close	% chg
Sensex	17,833	2.14
Nifty	5,352	2.20
S&P CNX 500	4,461	1.80
BSE 500	7,163	1.99
BSE Mid-Cap	7,317	2.80
BSE Small-Cap	9,270	1.83
BSE Auto	8,368	2.25
BSE Health	5,749	0.74
BSE FMCG	3,208	-0.31
BSE IT	5,477	4.56
BSE PSU	9,468	0.24
BSE Bankex	11,060	3.72
BSE Oil & Gas	10,633	-0.77
BSE Metal	14,837	3.16
BSE Cons Dur	4,987	5.39
BSE Cap Good	14,652	1.09
BSE Realty	3,263	4.08
BSE Power	3,129	-0.32

- > [From Our Technical Desk](#)
- > [From The Dealing Desk](#)
- > [Statistical Data](#)

### From Our Technical Desk

#### Positive weekly close

On w-o-w basis, Nifty has closed with a gain of 100 odd points. Moreover, the "moving average convergence divergence" oscillator has still not turned bullish. In addition to this our previous swing high of 5366 is yet to see a penetration. So until and unless we do not see a close above 5366, we will stick to our negative bias, in anticipation of a double top formation in the coming session. However if 5367 is taken out on closing basis then 5500-5550 would remain next logical targets on the channel.

### Levels to Watch

	Sensex	Nifty
21 EDMA	17,466	5,249
55 EDMA	17,289	5,190
Swing High	17,919	5,366
Swing Low	15,960	4,786

### Trend Tracker

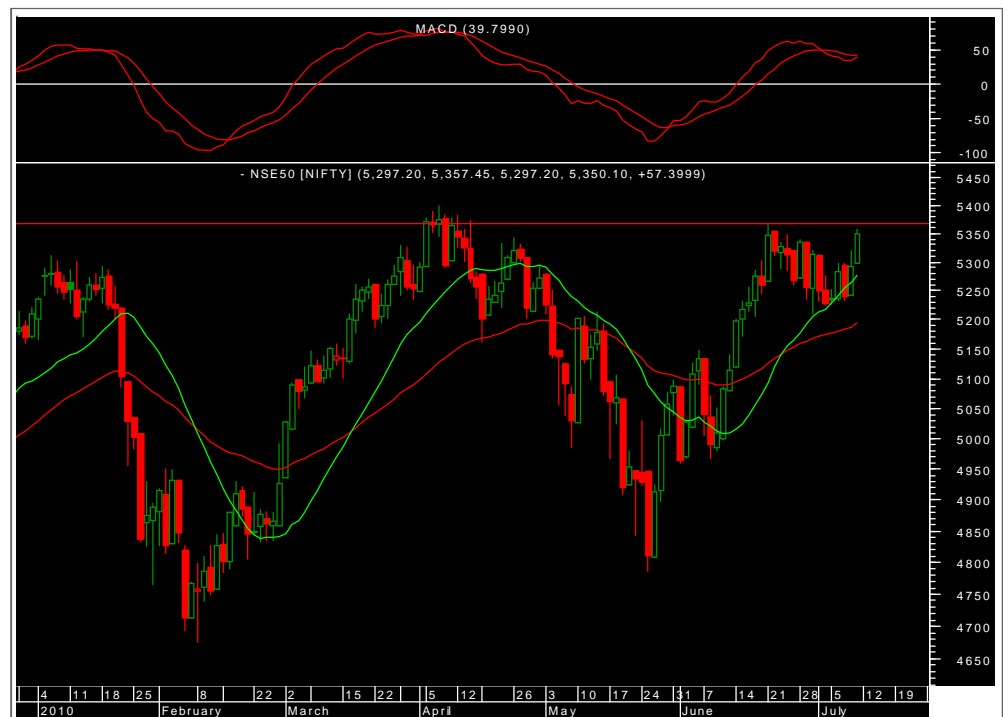
	Up/ Down	Sensex/ Nifty	Sensex/ Nifty
		Target	Reversal
ST	↓	16,900/5,060	17,920/5,370
MT	↓	16,200/4,900	18,050/5,400

ST: 0-14 days.

MT: 14-45 Days.

### Nifty Intraday Levels to Watch

	Support	Resistance
Nifty	5,341/5,335	5,366/5,375



Equity Advisory Desk

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## Sectoral Speak

### BSE Metal

Last week BSE Metal outperformed the broader markets and finally closed at 14837 with a gain of 3.16% on w-o-w basis. On the daily chart this index had already retraced 38.20% of the recent fall from 15636 to 14298, thus now going forward this index has resistance at 14967 and 15125 which are 50% and 61.80% retracement level of the above mentioned fall. However downside the level of 14298 will play as a support for this index.



### BSE Bankex

Last week BSE Bankex index had already retraced 61.80% of the recent fall from 11127 to 10600, thus going forward this index has resistance at 11127 and in the coming days if this index starts trading above the mention level then we will witness sharp upside move.



## Technical Recommendations

### EPT Calls

Date	Stocks	Action	Reco. Price	Stop- Loss	Target	CMP	% Chg	Comment
04-Jun-10	Herohonda	Sell	2,002.70	2,123.60	1,881/1,751	<b>2,017.00</b>	-0.71%	
25-Jun-10	BOB	Sell	682.00	731.10	636/591	<b>715.55</b>	-4.69%	
29-Jun-10	LIC Housing	Sell	1,005.00	1,116.10	941/831	<b>996.10</b>	0.89%	
29-Jun-10	Nifty July	Sell	5,260.00	5,380.00	5,000/4,875	<b>5,353.00</b>	-1.74%	
08-Jul-10	MRPL	Buy	84.50	79.40	94/104	<b>84.70</b>	0.24%	
08-Jul-10	Banco Prod	Buy	111.00	107.40	118/124	<b>113.45</b>	2.21%	
09-Jul-10	Renuka	Buy	71.85	67.40	79/85	<b>71.00</b>	-1.18%	
09-Jul-10	UCO Bank	Buy	81.00	78.00	85.60/90.00	<b>80.65</b>	-0.43%	

### EMT Calls

Date	Stocks	Action	Reco. Price	Stop- Loss	Target	CMP	% Chg	Comment
29-Jun-10	ICICI Bank	Sell	846.20	882.10	813/795	<b>877.60</b>	-3.58%	
30-Jun-10	LT	Sell	1,795.00	1,844.00	1,740/1,690	<b>1,821.00</b>	-1.43%	
02-Jul-10	BHEL	Sell	2,394.20	2,490.10	2,300/2,247	<b>2,400.00</b>	-0.24%	
07-Jul-10	Hindalco	Sell	141.50	146.00	136/132.50	<b>146.00</b>	-3.08%	Stop-loss triggered
09-Jul-10	Tatasteel	Buy	496.50	481.00	512/525	<b>495.40</b>	-0.22%	
09-Jul-10	LILT	Buy	67.65	65.80	69.85/71.50	<b>67.15</b>	-0.74%	
09-Jul-10	Cairn	Buy	302.50	295.00	311.50/319	<b>300.80</b>	-0.56%	

## From The Dealing Desk

### Trading Ideas

- Remain stock specific from current levels.
- Trading ideas which we like are **Tata Steel (Target Rs524)**, **Ranbaxy (Target Rs508)**, **Rcom (Target Rs233)** and **Maytas Infra (Target Rs240)**. Traders maintain stop loss accordingly.

### Investment Ideas

Strategy should be to accumulate investment idea like **Voltas**.

#### **Voltas: CMP @ Rs206**

- Voltas is likely to reap the twin benefits of a revival in the Middle East construction industry and the progression of the domestic industry towards an integrated MEP play. We expect Voltas' international business, which constitutes 40% of total revenues to grow at a 16% CAGR during FY10-12E period as funding concerns ease and construction activity in the Middle East picks up. On the domestic business front, Voltas is well positioned to benefit from the domestic HVAC industry's progression towards integrated MEP. We expect Voltas to leverage on its rich experience in the Middle East and effectively address the domestic opportunity worth Rs529 bn over FY09-12E period. With strong traction expected in both target markets and a strong order bid-pipeline, we expect Voltas' order inflow situation to improve in FY11E (up 24%) and strengthen in FY12E (up 27%) and reach pre-crisis levels. Further, Voltas, being amongst the top three players is also expected to benefit from strong revival in the room-air-conditioning market - expected to grow at +25% from FY11E.
- We expect Voltas revenues to grow at 13% CAGR over FY09-12E period and earnings to grow at 21% CAGR to Rs11.8 per share in FY12E. Voltas also boasts of a strong balance sheet with low DER, low working capital requirement, an asset light business model, strong cash flow generation and strong RoE (27.4% in FY12E).
- We have valued Voltas core business at the average PE multiple of previous cycle (FY04-08 period) - i.e. 18.4X FY12E earnings of Rs11.8 per share or Rs217. We have not valued Voltas at the near term valuations (FY06-08 period) on account of high exposure to international markets. We value Voltas on SOTP based **target price of Rs234** (Core business - Rs217, Real estate - Rs9 and cash equivalents - Rs7) and initiate a BUY recommendation.

## Statistical Data

## Derivatives Update

	08-Jul-2010		09-Jul-2010		Changes	
	OI	Value cr.	OI	Value cr.	OI	Value cr.
NIFTY July	3,05,87,400	16,227	3,13,80,100	16,798	7,92,700	571
NIFTY Aug	12,54,200	666	13,59,700	728	1,05,500	62
NIFTY Sep	3,60,550	192	4,02,900	216	42,350	24
MINIFTY July	10,06,920	534	11,84,660	634	1,77,740	100
BANKNIFTY July	15,57,175	1,491	17,43,825	1,690	1,86,650	199
BANKNIFTY Aug	64,025	61	68,475	66	4,450	5
CNX IT July	16,300	10	17,800	11	1,500	1
NFTYMCAP50 July	0	0	0	0	0	0
<b>Index Future Total</b>		<b>19,181</b>		<b>20,143</b>		<b>962</b>
Stock Future June		35,666		36,648		982
Stock Future July		1,146		1,255		109
<b>Stock Future Total</b>		<b>36,812</b>		<b>37,903</b>		<b>1,091</b>
<b>Over All OI</b>		<b>55,993</b>		<b>58,046</b>		<b>2,054</b>

- Nifty Near Month Future Premium to Cash was avg. 3-5 pts.
- Market Turn Over was good to Rs. 84,200 cr. (BSE + NSE + NSE F&O)

## Advance Decline Ratio

Advances	Declines	Unchanged	Ratio
1,575	1,323	120	1.19:1

## Sector updates

Sectors	Realty	Teck	Metal	Bankex
% Change	+2.48%	+2.36%	+1.55%	+1.34%

## Exchange Volumes

Exchange	BSE Cash	NSE Cash	NSE F&O
09-Jul-10	4,264.85	13,648	66,349.48
		<b>Total</b>	<b>84,262.33</b>

## Implied Volatility for ATM Options

Call		Put	
08-Jul	09-Jul	08-Jul	09-Jul
17.80	15.90	18.20	15.95

## Put Call Ratio for (Open Interest)

	08-Jul	09-Jul
Nifty July	1.36	1.40
All Expiry	1.30	1.31

## FII - MF Activity as on 09-Jul-10 (Prov)

	FII (Cr)	DII (Cr)
Cash	1,104	39
F&O	1,634	-
<b>Net</b>	<b>2,738</b>	<b>39</b>
<b>FII</b>		
Ind Fut	1,060	-
Ind Options	53	-
Stock Fut	531	-
Stk Options	-10	-

## World Markets

Indices	Current	Net Change	% Change
Dow Jones	10,198.03	59.04	0.58%
S & P 500	1,077.96	7.71	0.72%
NASDAQ	2,196.45	21.05	0.97%
FTSE	5,132.94	27.49	0.54%
CAC	3,554.48	16.23	0.46%
DAX	6,065.24	29.58	0.49%
Hang Seng*	20,378.66	328.10	1.64%

\* Indices at 7:45 AM

## Currency

Forex	Current	Net Change	% Change
US Dollar*	46.66	-0.20	-0.43%

\* Current levels at that point of time

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