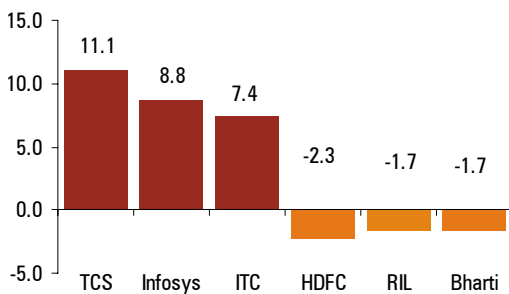


Index Snapshot

BSE Sensex	19,092.1	209.8	1.1
CNX S&P Nifty	5,724.1	69.3	1.2
BSE 100	9,944.2	106.3	1.1
BSE 500	7,404.5	68.5	0.9
Dow Jones	11,837.9	50.6	0.4
Nasdaq	2,765.9	10.6	0.4
Hang seng	24,302.1	148.1	0.6
Nikkei	10,547.4	28.7	0.3

What's moving the Nifty?



Institutional Activity

January 18, 2011	FII's (Cash)	DII's
Net flows (Rs cr)	72.5	-26.2

*Provisional figure from BSE

Market Breadth

	Adv.	%	Dec.	%	Unch.	Total
BSE	1526	51.0	1368	45.7	100	2994
NSE	755	52.2	641	44.3	51	1447
Total	2281	51.4	2009	45.2	151	4441

Market Turnover

(Rs. Cr)	18-Jan	17-Jan	14-Jan
BSE Cash	3,055	3,052	3,148
NSE Cash	11,403	11,361	12,744
NSE F&O	122,851	126,368	210,495
Total	137,310	140,781	226,388

Technical Picture

	Intraday	Short Term
Trend	UP	Down
Trend Reversal	5695	5830
Support	5695-5670	5550
Resistance	5730-5755	5830
20 Days SMA		5938
200 days SMA		5609

Calls for the day

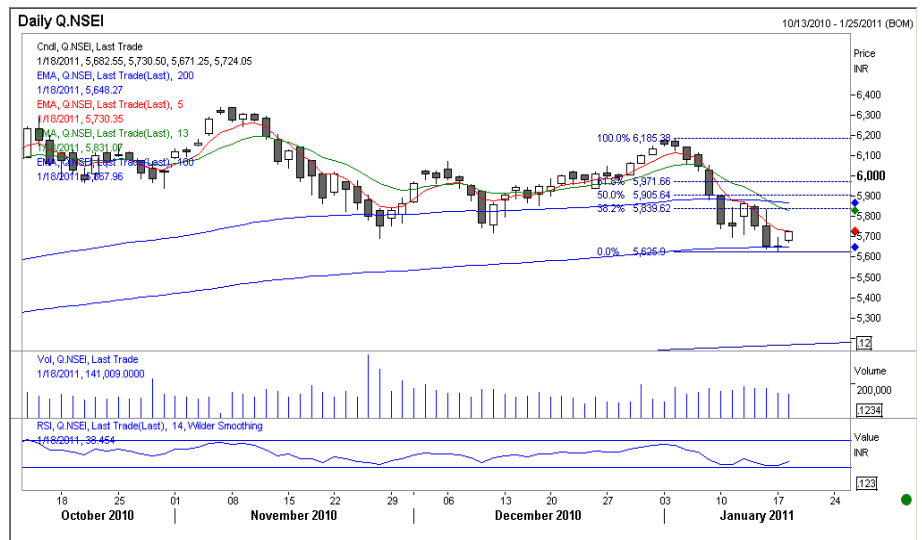
- Buy Jindal SAW above 224
- Buy Yes Bank above 259.80
- Sell KS Oil below 41.80
- Sell On Mobile Global below 250

Market Snapshot

- The equity indices inched higher over 1% during the day as the earnings season gains momentum. The Nifty gained 69 points to close at 5724.05 while Sensex closed at 19092.05, up 210 points. Midcap and small cap indices also managed to close marginally in the green, although overall market breadth remained flattish
- All sectoral indices managed to close in the green barring oil & gas, with leadership from IT and metals gaining over 2% each

Market outlook

- The Nifty traded with a positive bias after a strong opening and rallied towards the fag end of the session to test 5730 levels, thereby retracing late Friday's fall (5833-5624)
- Action over the past three sessions, resulted in a bullish 'Morning Doji star' candlestick pattern. Formation of such a pattern after a decline and precisely at 200 day EMA deserves attention. The pattern suggests that a new uptrend may be emerging. Low of this pattern at 5624 remains an important support from short-term perspective
- On the flip side, we need to witness faster retracement of the last leg of the fall, which is absent so far. The Nifty has only retraced Friday's fall by 50% and has spent two full sessions to retrace the same while the fall itself only consumed 1 1/2 hours. This indicates that the structure is still weak. Therefore, the sustainability of the current bounce remains questionable
- On an immediate basis, the Nifty could face a hurdle first at 5730, which is the value of the 5 day EMA and then at 5855, which is the 61.8% retracement of Friday's fall. Supports are at 5695 (61.8% retracement of Tuesday's rally) and 5670 levels (lows of Tuesday)
- The 14 day RSI has managed to move higher and shows some positive divergence on the daily chart indicating some strength
- Nifty spot has supports at 5695, 5670 and resistances at 5730, 5755



Strategy for the day

- We expect the market to open flat on the back of flat Asian cues
- Create short positions in the Nifty if it resists at 5742
- One can consider long positions if the Nifty sustains above 5690
- Maintain a strict stop-loss in intraday trades based on the above strategy

CMP : 223.00

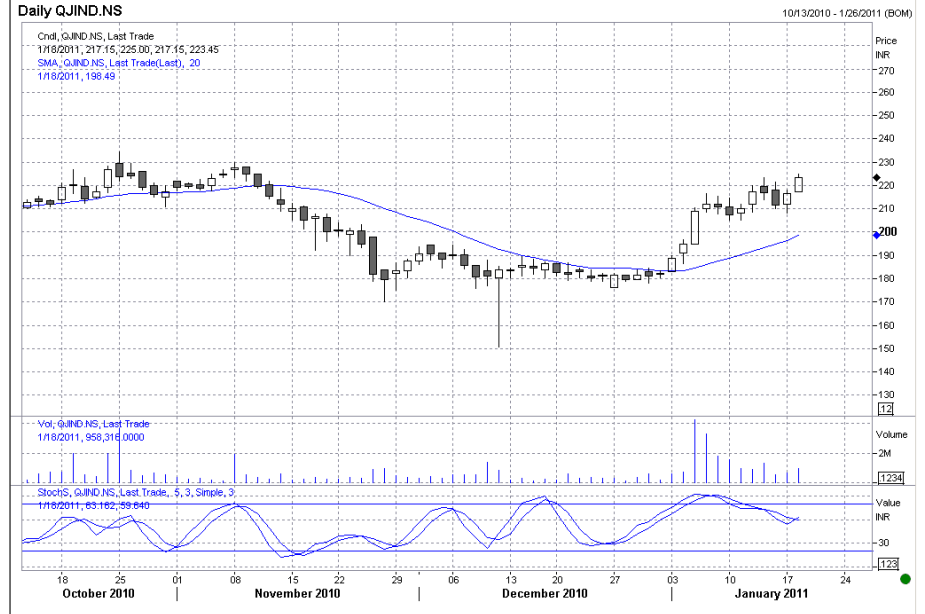
Comment : Higher bottom on daily chart and bullish crossover in stochastic oscillator

Action : Buy above 224

Targets : 229.25/232/Higher

Stop-loss : 221.35

Jindal Saw (SAWPIP)



CMP : 258.05

Comment : Bullish hammer candlestick on daily chart and positive divergence in 14 period RSI

Action : Buy above 259.80

Targets : 265.80/268/Higher

Stop-loss : 256.8

Yes Bank (YESBAN)



CMP : 42.00

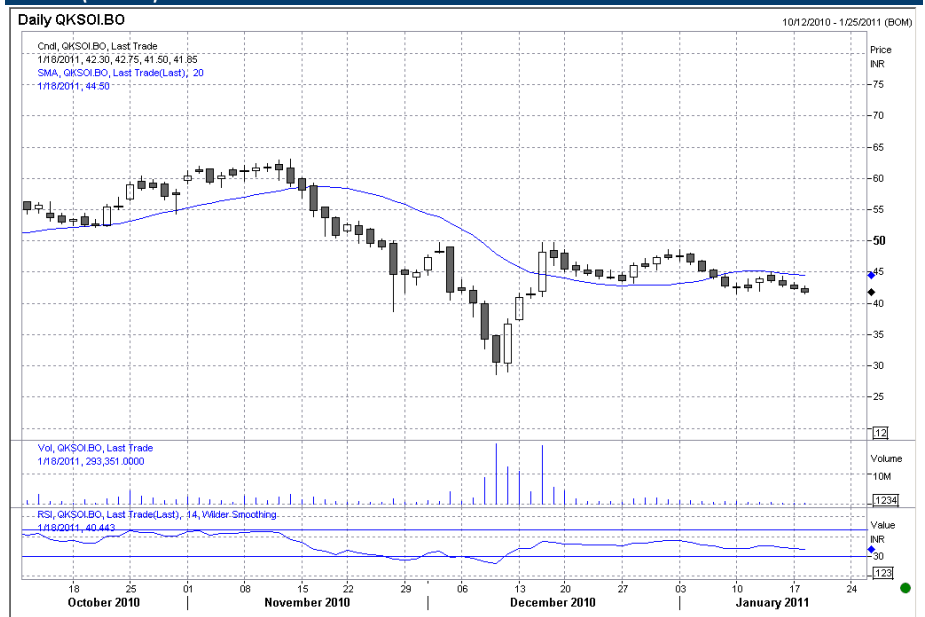
Comment : Lower top on daily chart and taking resistance at 5 day EMA

Action : Sell below 41.80

Targets : 40.70/39.90/Lower

Stop-loss : 42.35

KS Oil (KSOIL)



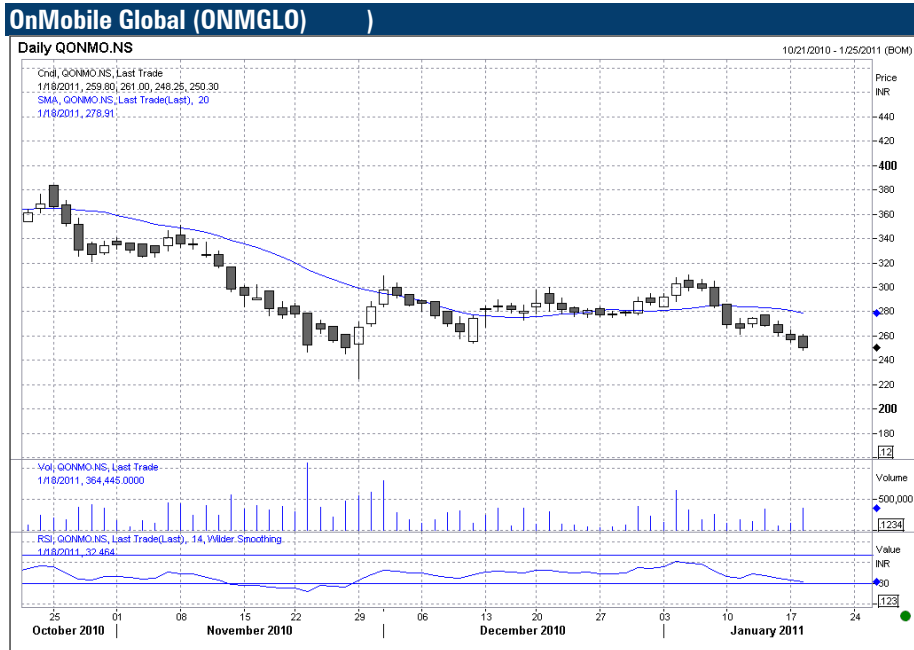
CMP : 251.65

Comment : Price decline with volume and 14 period RSI in sell mode

Action : Sell below 250

Targets : 244.80/242/Lower

Stop-loss : 252.6



Source: Reuters

Previous Day's Performance

Cipla	Buy above 348.50	356/360/+	Target 1 Achieved	2.15%
Crompton Greaves	Buy above 290	296.5/299/+	Gain:290 to 293.30	1.13%
Chambal Fertilizer	Sell below 74	71.8/70.6/-	Stoploss triggered	-1.48%
ONGC	Sell below 1166	1144/1134/-	Stoploss triggered	-0.99%

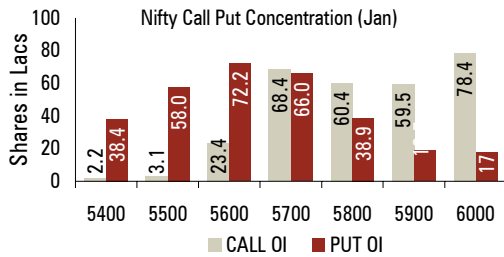
Stock profits: Avg 0.20 % per trade

(Cum. Profits over last 203 day : 584.06 %)

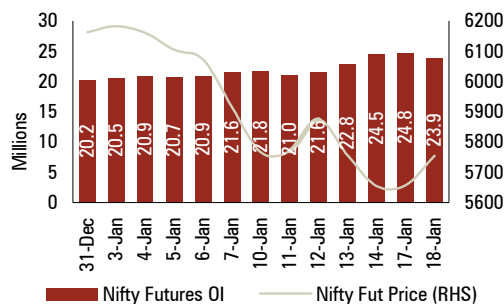
Strike Rate for the day: 2/4

(Cum. Strike Rate over 203 day: 417/623 (67 %))

Nifty Options OI Distribution



Nifty OI vs. Future Price



Nifty Active Strikes

Strike	Call (%)		Put (%)	
	OI chg	IV	OI chg	IV
5500	-23.4	19.1	-0.6	21.8
5600	-24.7	18.9	-13.8	20.5
5700	-0.2	18.1	-5.4	19.0
5800	0.3	17.7	-7.4	17.4
5900	-0.9	17.8	-12.1	17.4

Top OI Gainers

Symbol	OI (lots)	%Chg	Price	%Chg
EXIDEIND	2,090,000	62.77	137.8	-10.95
HCLTECH	2,058,000	12.98	488.8	2.59
JINDALSA	4,379,000	10.22	223.5	3.16
ASHOKLEY	15744000	9.49	58.1	-1.61
INDIANB	1,872,000	8.33	204.4	-0.73

Top OI Losers

Symbol	OI (lots)	%Chg	Price	%Chg
SAIL	10,492,000	-6.58	162.0	3.09
SUNTV	150,500	-5.64	518.2	2.46
CHAMBLFERT	14,404,000	-5.51	75.2	1.42
CIPLA	3,646,000	-5.18	354.6	2.25
IDFC	18,582,000	-4.91	159.2	2.61

Derivative Comments

- The Nifty experienced pressure at every rise almost in the entire session before sharp covering prompted the close at the day's high. Fresh longs coupled with short covering were observed in banking and metal stocks during the day
- FII's were net buyers in the cash segment to the tune of ₹ 72 crore while they were net buyers in index futures (₹ 89 crore) and stock futures (₹ 405 crore)
- India VIX declined sharply to 21.46 levels (down 8.95%) from 23.57 levels
- Long closure was seen at Put strikes across the board. Put option 5600 (23127 lots) and 5700 strikes (7575 lots). At the same time, Call option saw marginal changes in open interest levels at ATM 5700-strike (-286 lots) and 5800-strike (345 lots). We expect 5600 levels as a strong support for the index in near term
- We expect 5600 levels to be strong support for the index in near term
- The Nifty is likely to trade in the range of 5690-5750. The trading strategy would be to create short positions if the Nifty resists at around 5742 levels for targets of 5732 and 5700. On the other hand, one can also create long positions if the Nifty takes support at around 5690 levels

Stock Observation

- OI addition:** We saw addition of fresh long positions in stocks like Tata Motors and TCS. At the same time, fresh short additions were seen in the stocks like Exide Industries and OnMobile
- OI shedding:** We saw closure of short positions in SAIL, Cipla and IDFC while long closure was seen in Bank Baroda

STOCK	CLOSE	S1	S2	S3	R1	R2	R3	TREND
SENSEX	19092.05	19070.4	19023.6	18976.8	19163.95	19236.65	19309.35	+ve
NIFTY	5724.05	5716.35	5701.50	5686.70	5745.95	5768.10	5790.20	+ve
ACC	1029.15	1026.30	1020.05	1013.80	1038.75	1044.65	1050.60	+ve
ANDHRA BANK	125.65	124.75	123.65	122.45	126.90	127.95	129.15	Neutral
ARVIND	59.95	59.50	58.90	57.85	60.75	61.40	62.40	Neutral
BAJAJ AUTO	1294.70	1290.85	1282.90	1274.95	1306.75	1319.85	1333.00	+ve
BALAJI TELE	36.45	36.45	36.25	36.05	36.80	37.20	37.65	+ve
BOB	812.90	796.10	788.90	781.70	817.45	828.15	838.85	-ve
BOI	437.75	437.85	434.90	431.90	443.80	451.85	459.85	+ve
BEL	1688.95	1678.65	1671.55	1664.50	1691.65	1698.15	1704.65	-ve
BPCL	589.40	586.40	583.55	575.20	592.10	594.95	603.35	Neutral
BHEL	2192.50	2192.75	2188.65	2184.55	2200.95	2208.65	2216.35	+ve
CANARA BANK	536.25	536.00	531.75	527.50	544.50	550.85	557.20	+ve
CENTURY TEXT	358.65	356.80	353.85	348.90	362.75	365.75	370.65	Neutral
CIPLA	354.60	353.80	351.40	349.00	358.60	361.40	364.20	+ve
DR.REDDY'S LA	1671.65	1665.95	1651.75	1637.55	1694.40	1709.65	1724.90	+ve
GAIL	478.25	469.15	463.95	458.75	479.15	484.15	489.15	-ve
GEOMETRIC	75.60	74.45	73.50	72.60	75.85	76.55	77.30	-ve
GRASIM	2419.80	2397.85	2385.35	2372.85	2426.35	2440.60	2454.85	-ve
AMBUJA CEMEI	130.80	129.85	128.00	126.15	133.55	134.20	134.80	+ve
HCL TECH	488.75	488.00	483.75	479.50	496.50	501.00	505.55	+ve
HDFC BANK	2109.35	2100.00	2082.65	2065.35	2134.70	2145.55	2156.40	+ve
HDFC	658.35	649.25	641.85	634.45	658.70	663.45	668.20	-ve
HERO HONDA	1786.85	1773.40	1763.90	1751.40	1792.40	1801.90	1814.40	Neutral
HEXAWARE TEI	121.25	121.10	120.30	119.45	122.75	123.65	124.50	+ve
HINDALCO	229.45	229.00	227.75	226.55	231.50	233.75	236.05	+ve
HINDUSTAN UN	301.85	301.05	299.95	298.60	303.20	304.25	305.65	Neutral
HPCL	358.35	355.75	353.05	349.05	361.15	363.80	367.85	Neutral
HINDUJA TMT	321.10	302.40	294.95	287.45	328.50	341.50	354.55	-ve
ICICI BANK	1011.45	1011.65	1005.65	999.70	1023.60	1030.30	1037.05	+ve
IDBI	143.75	143.40	142.60	141.80	144.95	146.95	148.95	+ve
I-FLEX SOLUTIC	2276.30	2278.45	2259.80	2241.15	2315.75	2353.10	2390.50	+ve
IOC	314.00	309.50	306.55	303.60	313.85	316.05	318.20	-ve
INFOTECH ENT	170.75	171.20	169.70	168.20	174.15	175.35	176.50	+ve
INFOSYS	3323.00	3312.95	3291.50	3270.10	3355.80	3378.40	3401.00	+ve
ITC	176.15	175.55	174.40	173.25	177.90	179.75	181.60	+ve
JINDAL SAW	223.45	222.65	220.70	218.75	226.60	229.15	231.75	+ve
KPIT CUMMINS	160.25	158.50	154.15	149.80	167.20	168.55	169.90	+ve
LARSEN & TOU	1684.00	1675.00	1666.90	1648.75	1691.10	1699.15	1717.35	Neutral
LIC HOUSING	155.10	154.85	153.70	152.55	157.15	159.70	162.25	+ve
M & M	746.40	745.80	742.20	738.55	753.10	757.00	760.90	+ve
MARUTI SUZUK	1277.60	1277.25	1273.00	1268.75	1285.75	1292.00	1298.25	+ve
MASTEK	167.80	157.90	155.55	153.20	167.90	172.85	177.85	-ve
MTNL	51.55	51.50	51.35	51.20	51.85	52.10	52.40	+ve
NALCO	380.65	377.25	375.80	374.35	380.60	382.30	383.95	-ve
NTPC	188.60	188.45	187.60	186.80	190.15	191.05	191.95	+ve
ONGC	1170.45	1164.25	1159.40	1152.20	1173.90	1178.75	1185.95	Neutral
OBC	348.05	346.20	343.55	341.20	351.45	354.05	356.40	Neutral
POLARIS	178.50	177.60	175.20	172.85	182.35	183.95	185.60	+ve
PNB	1147.00	1145.35	1138.40	1131.45	1159.25	1170.00	1180.70	+ve
RANBAXY	582.15	580.15	574.20	568.30	592.00	595.70	599.45	+ve
RELIANCE INFR	701.45	681.55	660.40	639.25	708.50	721.95	735.40	-ve
RELIANCE	994.85	991.75	987.25	983.25	1000.75	1005.25	1009.20	Neutral
ROLTA INDIA	143.90	143.80	143.05	142.25	145.40	146.35	147.30	+ve
SAIL	162.00	161.40	160.05	158.75	164.00	165.70	167.45	+ve
SATYAM	65.45	65.25	64.85	64.40	65.95	66.30	66.80	Neutral
SCI	117.25	116.60	115.85	114.35	118.10	118.80	120.30	Neutral

STOCK	CLOSE	S1	S2	S3	R1	R2	R3	TREND
SBI	2554.55	2550.05	2539.55	2529.05	2571.05	2583.25	2595.45	+ve
SYNDICATE BA	100.45	100.20	99.65	99.10	101.30	102.85	104.45	+ve
TATA CHEMICA	379.10	377.25	375.25	371.55	381.30	383.35	387.00	Neutral
TATA MOTORS	1199.55	1198.15	1191.50	1184.85	1211.45	1220.35	1229.25	+ve
TATA POWER	1332.60	1299.75	1290.30	1280.90	1330.75	1346.25	1361.75	-ve
TATA TEA	104.75	104.35	103.65	102.25	105.70	106.35	107.75	Neutral
TCS	1202.55	1197.25	1186.10	1174.95	1219.50	1232.90	1246.25	+ve
TATA STEEL	632.60	632.70	629.75	626.80	638.60	642.65	646.65	+ve
UBI	315.25	315.35	313.70	312.05	318.60	320.35	322.10	+ve
TATA COMM.	250.65	252.25	249.50	246.80	257.70	259.40	261.10	+ve
WIPRO	478.55	478.25	475.05	471.85	484.65	489.85	495.10	+ve
ZEE	108.05	103.50	100.70	97.95	109.20	112.05	114.90	-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