

16th May, 2007

Market Statistic:

TRADE STATISTICS FOR 07-May-2007

Product	No. of Contracts	Turnover (Rs. cr.) *
Index Futures	386,165	8,008.05
Stock Futures	524,033	15,592.13
Index Options	116,027	2,415.12
Stock Options	29,638	895.23
Total	1,055,863	26,910.53

OPEN INTEREST – Gainers.

Scrip ID	OI Futures	% Chg	Price	% Chg
INDHOTEL	6492500	25.81	146.55	5.31
CORPBANK	607200	19.91	319.85	1.84
SUZLON	1780000	15.27	1137.35	-9.12
PATNI	1379300	14.70	480.6	-2.00
VIJAYABANK	7845300	14.39	50.4	2.75

OPEN INTEREST - Losers.

Scrip ID	OI Futures	% Chg	Price	% Chg
MATRIXLABS	2216250	(27.54)	227.95	1.69
TRIVENI	2425500	(15.32)	54.5	(1.72)
RENUKA	892000	(13.65)	540.05	(5.25)
NAGARFERT	36358000	(11.97)	22.5	(1.97)
GUJAMBCEM	14543286	(8.68)	123.4	(0.25)

FII Derivatives Statistic For the date :150507

	Buy	Sell	OI at end of the Day		Inflow / Outflow
			Contract	Amount	
INDEX FUTURES	820.02	706.72	732756	15143.56	113.30
INDEX OPTIONS	113.28	41.49	291990	6015.43	71.79
STOCK FUTURES	494.75	787.73	608358	16576.91	-292.98
STOCK OPTIONS	0.73	6.10	3240	86.14	-5.37
					-113.26

FII Derivatives Statistic For the date :140507

INDEX FUTURES	1163.64	447.63	751208	15562.60	716.01
INDEX OPTIONS	271.94	75.23	288465	5963.00	196.71
STOCK FUTURES	639.86	754.61	600522	16402.47	-114.75
STOCK OPTIONS	0.13	6.33	3030	79.57	-6.20
					791.77

FII Derivatives Statistic For the date :110507

INDEX FUTURES	851.52	1030.45	778703	15893.08	-178.93
INDEX OPTIONS	137.05	265.23	281827	5744.55	-128.18
STOCK FUTURES	397.76	593.67	584354	15684.59	-195.91
STOCK OPTIONS	0.73	5.16	2839	72.16	-4.43
					-507.45

Reckoning Put/Call Ratio

Scrip ID	PCR OI	PCR Vol.
NIFTY	1.19	0.93
RELIANCE	0.32	0.55
INFOSYSTCH	0.26	0.07
RPL	0.33	0.19

Market Wrap-up:

Nifty lose on Tuesday to close at 4120.30 down by 0.34%. The F&O segment of the market saw decrease in turnover as compared to previous trading session.

The market turnover decreased by 4.61 percent in terms of number of contracts traded vis-à-vis previous trading day and decreased by 4.04 percent in terms of rupees.

The PCR OI of market was at 0.17 and in NIFTY has changed from 1.18 to 1.19. At the same time, PCR VOL in NIFTY has changed to 0.93.

On a scrip specific note scrips like INDHOTEL, CORPBANK, SUZLON, PATNI & VIJAYABANK were the major gainers in futures open interest while MATRIXLABS, TRIVENI, RENUKA, NAGAFERT & GUJAMBCEM were the amongst some to shed the Futures Open Interest.

On the option open interest front, NIFTY led the pack 274030 contracts of position open in CALL and 326638 contracts in the PUT side. On the scrip side, RELIANCE led the pack with 17769 contracts in CALL and 5860 Contracts in PUT as open interest followed by INFOSYSTCH with 7776 contracts of open position in CALL and 2026 contracts of open position in PUT.

In terms of Volumes 1055863 contracts were traded on NSE. Nifty accounted for 47.05 percent of the total traded contracts RELIANCE 3.49 percent while SBIN contributed 3.37 percent to the total turnover.

A look at the volatility indicates there is a considerable amount of increase in volatility of stocks such as JSWSTEEL, DIVISLAB, GESHIP, WOCKPHARMA and BEL. Implied volatility in Nifty is at 24.8 and Historical volatility is at 28.53.

Expectations:

The NIFTY futures saw a drop in OI to the 1.54% with prices remaining in a very narrow range suggesting both bulls and bears are aggressive in the market as market not ready to neither go above 4150 levels nor go below 4090 levels. Though nifty futures closed at 7 points premium to spot nifty suggesting fresh buying coming in nifty at lower levels. The FII buyers index futures to the tune of 113crs and buyers in index options to the tune of 71crs. The PCR has come up from 1.18 to 1.19 indicates some buying may emerge at lower levels in the market. The IV is around 24.80 levels indicating some volatile trading sessions ahead.

Among the Big guns, ONGC saw 0.27% rise in OI with prices closing in red indicating selling pressure emerging in the counter suggesting further weakness may be seen in the counter. Whereas RELIANCE saw 7.21 % rise in OI with prices coming down indicating selling pressure emerging in the counter at higher levels indicating weakness in the counter. The counter may see further built up of positions before taking any sharp and directional move which in turn may help to get clue about market's direction.

In the TECH front, INFOSYSTCH, TCS, WIPRO & SATYAMCOMP saw rise in OI with prices coming down indicating selling pressure emerging in these counters suggesting some weakness may be seen in these counters. All the IT pack saw across the board selling with either fresh short positions built up or longs liquidating their positions thus indicating some weakness may be seen further.

In the BANKING counters, all the majors saw buying with OI either going up or down indicating we saw short covering as well long positions built up in the BANKING counters. SBIN saw 2.98% rise in OI with prices closing on higher side indicating fresh money coming in the counter and fresh long positions built up suggesting further strength in the counter. ICICIBANK saw fall in OI with prices up indicating shorts covering their positions aggressively in the counter as well as long positions built up in the counter suggesting further strength in the counter. HDFCBANK saw drop in OI with prices up indicating short covering seen in the counter.

In the metal pack TATASTEEL & SAIL saw marginal drop in OI with prices coming down indicating profit booking happening in these counters after a sharp rally thus we may see some consolidation before any sharp movement. HINDALCO & NALCO saw drop in OI with prices almost flat indicating liquidation of positions by both bulls and bears. STER saw rise in OI with prices coming up indicating long positions built up in this counter suggesting further strength in the counter.

We feel that the volume and built up in OI suggests that market may show some consolidation before taking any sharp movement on either side. Market may show weakness only if it closes below 4100 levels where we may see fresh short positions built up in the market. Market may show strength if it closes above 4150 levels where we may see fresh long positions built up in the market and short covering in the market. One should trade with strict stop losses to be adhered too.

Strategies for the Day(16th May 2007) :-

Company Name	VIEW	DIFFERENT STRATEGIES	ACTION	BEP	RISK	REWARD
PETRONET	Moderately Bullish	BULL CALL SPREAD	BUY 52.50 CA @ 1.85 SELL 55 CA @ 1.20	53.15	2860	8140
ABAN	Bullish	BUY FUTURE	BUY FU @ 2438-2442 SL: 2410, TGT: 2500		6000	12000
INDHOTEL	Moderately Bullish	COVERED CALL	BUY FU 147.50 SELL 150 CA @ 3.50 SL: 140	144	7000-8750	10500
HINDPETRO	Moderately Bullish	BULL CALL SPREAD	BUY 310 CA @ 5.70 SELL 320 CA @ 2.50	313.2	4160	8840
Moderately	Bullish	BUY CALL	BUY 310 CA @ 5.70	315.7	7410	Unlimited
RNRL	Moderately Bullish	BULL CALL SPREAD	BUY 32.50 CA @ 1.65 SELL 35 CA @ 0.85	33.3	5720	12155
	Moderately Bullish	BUY CALL	SELL 35 CA @ 0.85	35.85	6077.5	Unlimited
SATYAMCOMP	Moderately Bearish	CALL HEDGE	SELL FU @ 454.50 SELL 460 CA @ 12.00	442.5	10500	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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