

# Daily Market Outlook



4<sup>th</sup> Jan '2011

Global Equity Indices		
World Indices	Last Traded	Change
BSE Sensex	20,561.05	0.25%
S&P Nifty	6,157.60	0.38%
Dow Jones	11,577.51	0.07%
Nasdaq	2,652.87	-0.38%
S&P 500	1,257.64	-0.02%
FTSE 100	5,899.94	-1.19%
CAC 40	3,874.01	1.82%
Nikkei 225	10,228.92	-1.12%
Hang Seng	23,436.05	1.74%
Shanghai	2,808.08	1.76%
Taiwan Taix	9,025.30	0.59%

BSE Sector Indices		
Indices	Last Traded	Change
AUTO	10,218.25	-0.17%
BANKEK	13,454.28	0.56%
Con. Durables	6,454.64	1.54%
Capital Goods	15,483.23	0.44%
FMCG	3,693.03	0.24%
HealthCare	6,763.34	0.43%
IT	6,816.98	-0.11%
METAL	17,959.50	2.07%
OIL&GAS	10,598.82	-0.02%
POWER	3,004.83	0.54%
PSU	9,516.36	0.59%
REALTY	2,870.59	0.50%
TECK	4,049.39	0.07%

## Market Summary

Indian market opened with good gains but surrendered most of the gains in the final hour of the session and closed just with marginal gains. Metals appeared as major gainers while IT and AUTO stood weak. IT and Auto remained under pressure throughout the day. The Sensex closed at 20561, up 52 points from its previous close, and Nifty closed at 6157, up 23 points. The CNX Midcap index was up 0.7% and the BSE Smallcap index was up 1.8%. The market breadth was positive with advances at 1010 against declines of 300 on the NSE. Top gainers included TATASTEEL, STER, RELINFRA, JAIPRA, HDFCBANK, SAIL and SESAGOA; Top losers are listed as NTPC, WIPRO, ACC, TCS, SUZLON and BAJAJ-AUTO.

## Market Outlook

In the next session NIFTY may face high resistance around 6180-6190, sustaining above this level may attract more buying while 6060-6080 may act as strong support at zone. Intraday traders are suggested to be bullish only if NIFTY sustains above 6190. Fertilizers-chemical and metals may attract buying while banking and capital goods along with auto sector may face selling pressure.

	LTP	S3	S2	S1	R1	R2	R3
NIFTY	6157	6060	6100	6140	6150	6200	6250
SENSEX	20561	20000	20286	20444	20666	20900	21000



## Trading Strategy:-

S.N.	TRADE	SCRIP SYMBOL	ENTER	STOP LOSS (Rs)	TARGET (Rs)
1	Buy	Banknifty fut	Above 11975	11925	12025-12075
2	Sell	Nifty Fut	Below 6150	Above 6175	6125-6110
3	Sell	Hdfcbank fut	Below 2384	Above 2397	2370-2340
4	Buy	Maruti Fut	Above 1453	Below 1439	1467-1476
5	Sell	Drreddy Fut	Below 1660	Above 1674	1645-1622
6	Buy	Tatachem (Rs.)	Around 398-400	Below 390	412-420
7	Buy	Gujnrecoke (Rs.)	Above 70	Below 68.5	71.5-74
8	Buy	IOC (Rs.)	Around 353	Below 350	358-363

Note: \*\* Follow all calls after 5 minutes from opening bell.

\*\*Traders are suggested to follow strictly the stop loss given in each call

## FII's and DII's Activities (in Rs Cr.)

Date	FII's & DII Flow (BSE+NSE)		
	FII's	DII's	Net Inflow
30-Dec-10	2352.7	-848.29	1504.41
29-Dec-10	605	-170.34	434.66
28-Dec-10	149.4	-265.36	-115.96
27-Dec-10	266.3	-113.89	152.41
24-Dec-10	35.6	-296.56	-260.96
23-Dec-10	-99.9	-88.63	-188.53

## Expected Bullish Stocks

RCF	NFL	BHUSANSTEEL	JINDALSTEL	STER	TATASTEEL
JSWSTEEL	JINDALSWH	GODREJIND	NAGARCONS	MTNL	JAIPRA
PUNJLLOYD	YESBANK	ISPAT	ALOK	CENTURYTEX	JETAIRWAYS

## Expected Bearish Stocks

ACC	GRASIM	DRREDDY	SUNHARMA	BANKBARODA	M&M
TATAMOTORS	BAJAJ-AUTO	UNIPHOS	BEL	RECLTD	MCDOWEL
ABB	LT	BHEL	DLF	HDIL	UNITECH

## Follow-up for Technical Calls given as on 3<sup>rd</sup> Dec'10

S.N.	TRADE	SCRIP SYMBOL	ENTER	STOP LOSS	TARGET	RESULT
1	Buy	Bank Nifty Fut	Above 11862	Below 11800	11925-11970-12060	1 <sup>st</sup> target hit
2	Buy	Titan Fut	Above 3550	Below 3520	3580-3610	Not executed
3	Buy	ICICI Bank Fut	Above 1155	Below 1142	1170-1188	High made 1162
4	Sell	Tata Motors Fut	Below 1300	Above 1316	1284-1272	Not executed
5	Sell	Dr Reddy Fut	Below 1660	Above 1674	1645-1622	Not executed
6	Buy	Educomp Fut	Above 540	Below 533	547-559	1 <sup>st</sup> target hit
7	Buy	TCS (Rs.)	Above 1180	1160	1200-1210	Not executed
8	Buy	TataSteel (Rs.)	Above 685	Below 675	695-705	Both target hit

### Fundamental Picks

Investors with a horizon of 6-12 months can consider following scrips for their investment. These companies have potential to give higher returns than index over a long term.

Bhushan Steel	SAIL	TATA Steel	JSW Steel
McNally Bharat	Coal India	HCC	KPR Mills
Sangam India Ltd	Garware Polyester Ltd	TT Ltd	Kajaria Ceramics Ltd
Sutlej Textiles Ltd	Banswara Syntex Ltd	Orient Ceramics Ltd	Shivam Autotech Ltd
UTV Software Ltd	RSWM Ltd	Genus Power Ltd	United Phosphorus Ltd
Nahar Spinning Mills Ltd	MphasiS Ltd	Allied Digital Services Ltd	DIC India Ltd
Dena Bank Ltd	GEI Industrial Systems Ltd	TNPL	Indoco Remedies Ltd
JK Paper Ltd	Ballarpur Industries Ltd	Arti Drugs	Monnet Ispat
Biocon	Visaka Industries	Munjal Showa	Jindal Saw Ltd
TRIL			

Find the detailed report on - <http://www.fairwealth.in/Research.aspx?Type=Fundamental>

- ✓ DIC India Ltd has achieved its target of Rs. 340
- ✓ First Leasing Ltd has achieved its target of Rs. 92
- ✓ GEI Industrial Systems Ltd has achieved its target of Rs. 170
- ✓ Dena Bank has achieved its target of Rs. 108
- ✓ Ballarpur industries has achieved its target of Rs 43
- ✓ Visaka Industries has achieved its target of Rs. 180
- ✓ Aarti drugs has achieved its target of Rs 135
- ✓ Indoco Remedies has achieved its target of Rs 465, call given at Rs. 388
- ✓ Riddhi Siddhi Gluco Biols has achieved its target of 258, call given at 216
- ✓ Ess Dee Aluminium has achieved its target of Rs 520
- ✓ TNPL has achieved its target of Rs. 115
- ✓ TATA Steel has achieved its target of 708

### Corporate Highlights

- **Larsen & Toubro (L&T)**, India's leading construction and engineering company, bagged orders worth Rs 1,103 crore in its Railway Business Unit from power plant developers for construction of 'Merry-Go-Round' Systems and construction of railway lines to link power plant sites to the main line rail network. The orders include a Rs 365-crore order from Maithon Power Ltd, a joint venture of Tata Power and Damodar Valley Corporation, for construction of 21 km rail link in Maithon, Jharkhand.
- RPG group firm **KEC International** has bagged three substation orders worth Rs 980 crore from Kazakhstan Electricity Grid Operating Company (KEGOC) and Power Grid Corporation of India (PGCIL).
- **JSW Steel Ltd**, India's No. 3 producer of the alloy, has raised prices by Rs 1,400-1,700 a tonne, or 4-5%, across various grades. The price increases, which are in line with rising input costs, will take effect immediately.

## Economic Updates

India's exports in November rose by 26.5% to USD 18.8 billion on year-on-year basis, prompting the government to exude confidence that the outbound shipments will touch USD 215 billion this fiscal. Last November the exports stood at USD 14.9 billion. Imports grew by 11.2 per cent in November to USD 27.7 billion. The trade balance in the month was USD 8.9 billion.

## Forthcoming Results

04-Jan-11	Triumph Intl			
05-Jan-11	Galaxy Conso			

## Forthcoming Corporate Actions

Scrip Name	Ex-Date	Purpose
Dynacons Sys	06 Jan 2011	Scheme of Arrangement
Prism Info	06 Jan 2011	Stock Split from Rs. 10/- to Re. 1/-
Balaji Dist	07 Jan 2011	Scheme of Arrangement
Tulsi Extr	07 Jan 2011	BONUS 1:10

## Forthcoming dividends

Scrip Name	Ex-Date	Amount
INDIA NIPPON	04 Jan 2011	Interim Dividend
INDIANIVESH	05 Jan 2011	Final Dividend
Esab India	06 Jan 2011	2nd Interim Dividend
Tata Coffee	06 Jan 2011	Interim Dividend
NELCO	07 Jan 2011	Dividend
NELCO	07 Jan 2011	Special Dividend

## Global Scenario: US Data

Date	Statistic	For	Actual	Market Expects	Prior	Remarks
3-Jan	Construction Spending	Nov	-	0.20%	0.70%	-
3-Jan	ISM Index	Dec	-	57.3	56.6	-
4-Jan	Factory Orders	Nov	-	-0.40%	-0.90%	-
4-Jan	Auto Sales	Jan	-	3.7M	3.8M	-
4-Jan	Truck Sales	Jan	-	NA	5.5	-
4-Jan	Truck Sales	Jan	-	5.3M	5.5M	-

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5-Jan	MBA Mortgage Purchase Index	31-Dec	-	NA	-18.60%	-
5-Jan	Challenger Job Cuts	Dec	-	NA	-3.30%	-
5-Jan	ADP Employment Change	Dec	-	100K	93	-
5-Jan	ISM Services	Dec	-	55.7	55	-
5-Jan	Crude Inventories	1-Jan	-	NA	-1.26M	-
6-Jan	Initial Claims	1-Jan	-	405K	388K	-
6-Jan	Continuing Claims	25-Dec	-	4070K	4128K	-

Figures and information are taken from [www.bseindia.com](http://www.bseindia.com), [www.Bloomberg.com](http://www.Bloomberg.com) and [capitaline database](http://capitaline database).

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