

Market Statistic:

TRADE STATISTICS FOR 05-March-2007

Product	No. of Contracts	Turnover (Rs. cr.)*
Index Futures	863,726	15,629.22
Stock Futures	513,511	12,799.37
Index Options	335,506	6,421.03
Stock Options	22,862	556.65
Total	1,735,605	35,406.27

OPEN INTEREST – Gainers.

Scrip ID	OI Futures	% Chg	Price	% Chg
HCLTECH	4166825	13.57	625.6	2.86
TITAN	1597968	13.42	811.75	-0.02
SRF	6831000	12.06	116.95	-7.19
TATAMOTOR	4469376	11.65	726.6	-1.80
ABB	247600	10.34	3358.9	0.22

OPEN INTEREST - Losers.

Scrip ID	OI Futures	% Chg	Price	% Chg
BEML	127250	(16.28)	1046.05	2.98
KOTAKBANK	650650	(11.65)	433.15	4.89
TVSMOTOR	8115450	(11.03)	57.85	6.93
BOMDYEING	411000	(10.16)	465.25	2.57
TATATEA	820050	(9.80)	575.5	1.19

FII Derivatives Statistic For the date :060307

	Buy	Sell	OI at end of the Day		Inflow / Outflow
			Contract	Amount	
INDEX FUTURES	2223.35	885.42	740643	13490.31	1337.92
INDEX OPTIONS	609.31	143.33	378064	6910.35	465.98
STOCK FUTURES	642.01	396.72	618081	14628.96	245.30
STOCK OPTIONS	0.00	4.25	1757	37.80	-4.25
					2044.94

FII Derivatives Statistic For the date :050307

INDEX FUTURES	2111.46	2199.00	779591	13852.15	-87.54
INDEX OPTIONS	387.17	161.81	344358	6157.98	225.37
STOCK FUTURES	642.19	688.27	616808	14299.21	-46.07
STOCK OPTIONS	5.34	12.06	1607	32.79	-6.72
					85.03

FII Derivatives Statistic For the date :020307

INDEX FUTURES	1471.49	1518.28	750662	13871.89	-46.79
INDEX OPTIONS	283.03	175.38	326855	6090.53	107.65
STOCK FUTURES	628.07	536.91	616577	14999.44	91.16
STOCK OPTIONS	0.00	1.81	2067	43.07	-1.81
					150.21

Reckoning Put/Call Ratio

Scrip ID	PCR OI	PCR Vol.
NIFTY	0.96	1.17
RELIANCE	0.32	0.67
TATASTEEL	0.21	0.15
HINDLEVER	0.08	0.03
SAIL	0.14	0.10

Market Wrap-up:

Nifty gained ground on Tuesday to close at 3655.65. The F&O segment of the market saw increase in turnover as compared to previous trading session.

The market turnover increased by 3.32 percent in terms of number of contracts traded vis-à-vis previous trading day and increased 4.55 percent in terms of rupees.

The PCR OI of market was at 0.17 and in NIFTY; has changed from 0.92 to 0.96. At the same time, PCR VOL in NIFTY has changed to 1.17.

On a scrip specific note scrips like HCLTECH, TITAN, SRF, TATAMOTORS & ABB were the major gainers in futures open interest, while BEML, KOTAKBANK, TVSMOTOR, BOMDYEING & TATATEA were the amongst some to shed the Futures Open Interest.

On the option open interest front, NIFTY led the pack 190353 contracts of position open in CALL and 183882 contracts in the PUT side. On the scrip side, RELIANCE led the pack with 9084 contracts in CALL and 2954 Contracts in PUT as open interest followed by TATASTEEL with 3515 contracts of open position in CALL and 749 contracts of open position in PUT.

In terms of Volumes 1735605 contracts were traded on NSE. Nifty accounted for 68.99 percent of the total traded contracts RELIANCE 3.76 percent while RCOM contributed 1.34 percent to the total turnover.

A look at the volatility indicates there is a considerable amount of increase in volatility of stocks such as VIJAYABANK, LICHSGFIN, GESHIP, ABB & M&M. Implied volatility in Nifty is at 30.08 and Historical volatility is at 38.49

eXpectations:

The NIFTY futures saw a fall in OI 6.28% with prices closing at 3655.65 indicating that lot of short covering took place as market opened with gap as foreign markets recovered which forced bears to cover their positions and weak longs liquidating their positions as market recovered. We feel that till the market doesn't sustain above 3750 levels we may not see aggressive short covering and fresh money coming in the market. The nifty futures discount narrowed again indicating aggressive short covering. The FIIs were buyers in nifty futures to the tune of 1337 crs. The PCR has come up from 0.93 to 0.96 levels indicating some support in the market. The volatility has come down from 34.95 to 30.80 levels indicating some buying support in the market.

Among the Big guns, ONGC saw fall of OI to the tune of 2.93% with prices coming down 0.54% indicating long positions are liquidated in the counter as the counter moved up not showing much of strength whereas RELIANCE saw fall of OI to the tune of 4.37% with prices coming up 3.05% indicating that the counter saw lot of short covering performing in line with the market.

On the TECH front, TCS, INFOSYSTCH, WIPRO saw fall of OI with sharp rise in prices indicating lot of short covering seen in these counters performing in line with market whereas SATYAMCOMP saw rise in OI with rise in price indicating lot of lot positions built up in this counter indicating strength in this counter.

The BANKING counter SBIN saw flat OI with prices going up by 2.64 indicating that shorts covered their positions and fresh long positions built up in the counter which may give some support to the counter whereas ICICIBANK saw fall in OI with prices 3.20% up indicating heavy short covering in the counter performing in line with the market & HDFCBANK saw OI coming up with prices coming down indicating that both bulls and bears were aggressive in this counter.

In the METALS TATASTEEL, SAIL saw fall in OI with prices almost flat indicating liquidation by both bulls and bears in these counters. JSWTEEL saw rise in OI with price rise indicating that their was buying support in the counter indicating strength in this counter. HINDALCO saw fresh short positions building in indicating further weakness in this counter whereas NALCO saw fall in OI with price rise indicating short covering in this counter and fresh buying happening in this counter indicating strength.

Considering the overall scenario and the markets recovery the market may move up today and we would see bears running for cover if the market sustains above the critical level. Traders are advised not to go short on the market and any position taken today should be with strict stop losses to be adhered to.

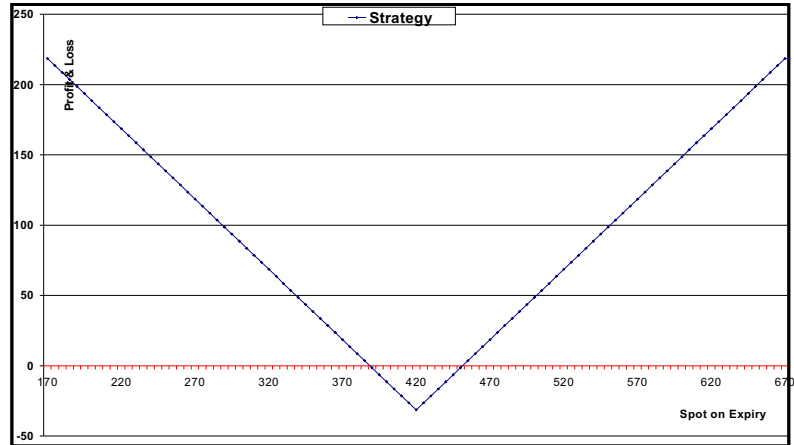
Please Note that Each Strategy Given below suits to different risk profile; please choose suitable one for you on the basis of your risk profile & trading Appetite. Please read the comments mentioned below each strategy before using the strategy.

TATASTEEL: SYN LONG STRADDLE

SELL FU @ 420.00
 BUY 420 CA @15.70
 BUY 420 CA @15.70
 LBEP: 388.60
 Risk: 21195.00

UBEP:451.40
 Profit Potential: UNLIMITED

(For strategy details refer adjacent table).



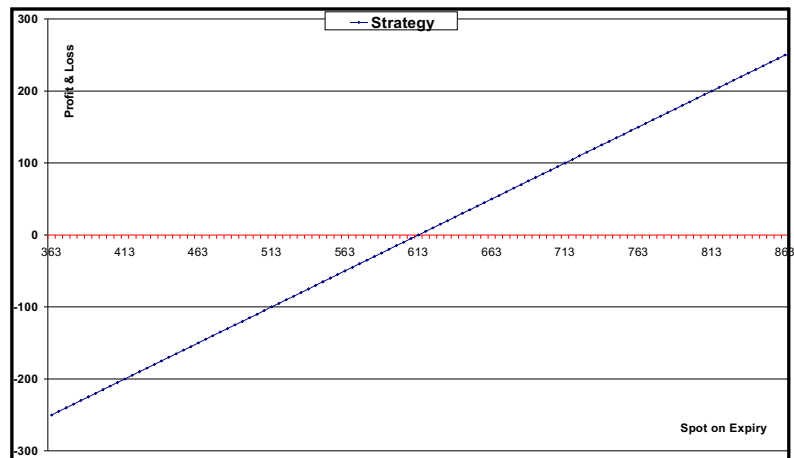
In the above strategy risk is high but it offers gain on both side movements (thus best for playing in volatile market). The maximum risk as shown is more of theoretical in nature (because if we square off this strategy in time say in 3-5 days) the loss can be reduced to as low as 10% of indicated risk.

HCLTECH: BUY FUTURE

BUY FU @ 612-614
 SL-598
 Risk: 4875.00

TGT-643
 Profit Potential: 9750.00

(For strategy details refer adjacent table).



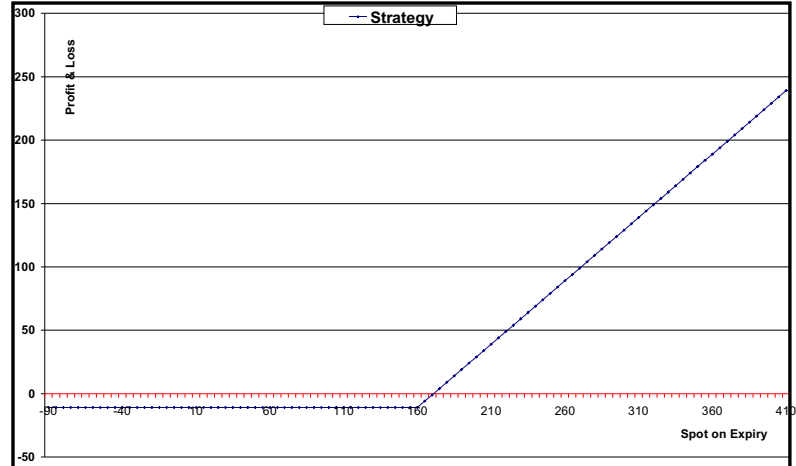
The above strategy is considered to be a high risk strategy as it involves one action of selling a future. In this strategy client must adhere to strict stop loss and target as mentioned above.

INDIACEM: PUT HEDGE

BUY FU @ 163.80
 BUY 160 PA @ 7.15
 BEP-
 Risk: 15877.50

Profit Potential: UNLIMITED

(For strategy details refer adjacent table).



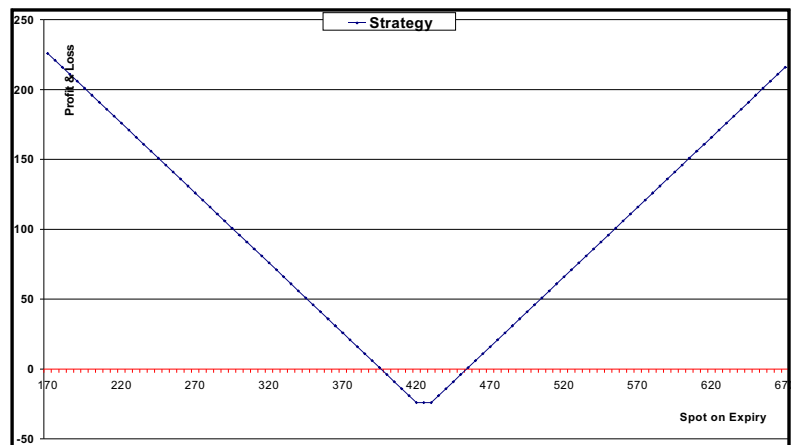
In the above strategy the risk is pre defined as maximum risk given; this strategy is quiet safe and has attractive risk reward ratio. If there is a change in price of future option price has to be adjusted accordingly.

SATYAMCOMP: SYN LONG STRADDLE

SELL FUT @ 1263.65
 BUY 1260 CA @42.30
 BUY 1260 CA @42.30
 LBEP: 1182.70
 Risk: 12142.50

UBEP:1344.60
 Profit Potential: UNLIMITED

(For strategy details refer adjacent table).



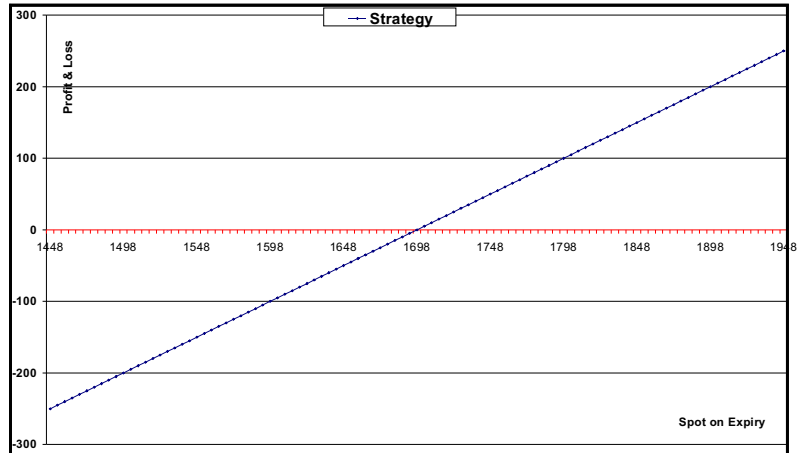
In the above strategy risk is high but it offers gain on both side movements (thus best for playing in volatile market). The maximum risk as shown is more of theoretical in nature (because if we square off this strategy in time say in 3-5 days) the loss can be reduced to as low as 10% of indicated risk.

SESAGOA: BUY FUTURE

BUY FU @ 1696-1700
SL-1668
Risk: 4500.00

TGT-1758
Profit Potential: 9000.00

(For strategy details refer adjacent table).



The above strategy is considered to be a high risk strategy as it involves one action of selling a future. In this strategy client must adhere to strict stop loss and target as mentioned above.

Strategy & Trading tracking Arena:

Scrip Name	Strategy	Strategy Date	Revised Recommendation
RCOM	BULL CALL SPREAD	23/02/2007	CONTINUE
ITC	BULL CALL SPREAD	01/03/2007	CONTINUE
NATIONALUM	CALL HEDGE	01/03/2007	CONTINUE
HINDLEVER	CALL HEDGE	01/03/2007	CONTINUE
IFCI	BULL CALL SPREAD	02/03/2007	CONTINUE

Research Team

D. D. Sharma - Head
ddsharma@rathi.com

Pramit Sabharwal
Sr. Technical Analyst /
Sr. Derivative Analyst
pramitsabharwal@rathi.com

Ashish Chaturmohta
Derivative Analyst
derivatives_desk@rathi.com

DISCLAIMER: This report has been issued by Anand Rathi Securities Limited (ARSL), which is regulated by SEBI. The information herein was obtained from various sources; we do not guarantee its accuracy or completeness. Neither the information nor any opinion expressed constitutes an offer, or an invitation to make an offer, to buy or sell any securities, options, future or other derivatives related to such securities ("related investment"). ARS and its affiliated may trade for their own accounts as market maker/ jobber and /or arbitrageur in any securities of this issuer(s) or in related investments, and may be on the opposite side of public orders. ARS, its affiliates, directors, officers, and employees may have a long or short position in any securities of this issuer(s) or in related investment banking or other business from, any entity mentioned in this report. This research report is prepared for private circulation. It does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive this report. Investors should seek financial situation and the particular needs of any specific investing in any securities or investment strategies discussed or recommended in this report and should understand that statements regarding future prospects may not be realized. Investors should note that income from such securities, if any, may fluctuate and that each security's price or value may rise or fall. Past performance is not necessarily a guide to future performance. Foreign currency rates of exchange may adversely affect the value, price or income of any security or related investment mentioned in this report.