

## Daily Technical Analysis

1st December, 2010

- The Nifty uptrend continued for the 2nd day, as the previous Friday closing of 5750 provided immediate support.
- The 14 day RSI is at 42 and needs to cross the equilibrium zone around 50 for an intermediate uptrend.
- The short-term bias is DOWN with reversal at 5893 ( 10dma).
- The medium-term bias is DOWN with reversal at 6065 ( 50dma).

Technical Idea of the Day:

Buy Tata Motors above 1245, with stop loss at 1165.

Buy NTPC above 186, with stop loss at 174.

Buy SBI above 3000, with stop loss at 2825.

Buy Wipro above 424, with stop loss at 407.

### Nifty Daily Chart



## Daily Derivatives

1st December, 2010

### Derivatives Last Session

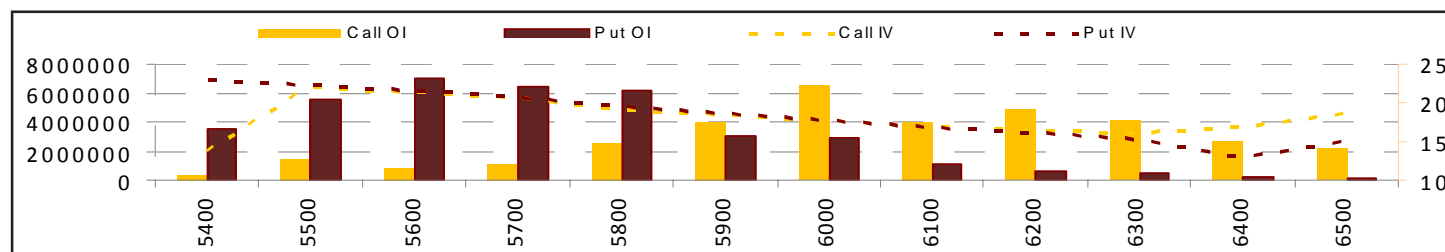
Nifty	VIX	20.7	Spot	5862 (+32)	Near Month	27 (+13)	Mid Month	52 (+17)
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### Futures

Nifty futures added over 0.7mn shares taking to open interest up to 26.6mn shares.

Stock futures open interest stands at 2.04bn shares after addition of 25mn shares. Among sectors Telecom & PVT banking stocks saw meaningful increments.

### Nifty Options



Instrument	Index Fut	Index Opt	Stock Fut	Stock Opt	Total
Open Interest*	178.9	574.6	373.1	40.1	1166.7
FII **	Buy 7	Buy 6.7	Buy 5.3	Sell 0.7	Buy 18.3
FII O I (#Contracts)	626292	1638584	1299414	16314	

Cumulative FII positions as on Nov 29, 2010 is 39.64%

### Outlook for Today

Nifty futures saw additions with rise in premium indicating creation of fresh longs.

Stock futures saw overall improvement in Premium indicating confidence coming into market. Specifically IDEA, TVS Motor and OBC look good for trading long.

Nifty Options December series saw reduction in implied volatility indicating the stability expected around current levels. Broad range for Nifty remains at 5600-6100.

Heaviest Build-Up in Nifty Options	Call	6000	OI 6555850	Put	5600	OI 7080350
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\*Open Interest excludes LEAPS worth ₹ 136bn \*\* FII data for Nov 29

### Only Options

Sell Nifty 6100 CE @ 40 SI 60

Buy SBI Dec 3050 CE @ 80 SI 65

Sell Hindalco 230 CA @ 2.4 SI 4

Sell Ranbaxy 620 CA 7 SI @ 11

Buy Idea 75 CA @ 2.9 SI 1.5

Follow -UP

Book Profit in 2950 Call @ 125

Exit DLF 340 CA @ 5

Exit Nifty 6000 CE @ 72



## Follow Up - Open Recommendation

1st December, 2010

Date	Scrip	Reco	Price	Lot	Close	Target	Stop Loss	MTM +/-	Remarks
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### BTST

30-Nov-10	IDEA	BUY	72.6	4000	72.7	78	70	400	HOLD
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### Positional Call

22-Nov-10	BHARTI AIRTEL	BUY	336	1000	331	390	303	(5,000)	HOLD
30-Nov-10	NTPC	BUY	184	1000	185.1	200	174	1,100	HOLD
30-Nov-10	SBI	BUY	2986	125	2988	3260	2825	250	HOLD
30-Nov-10	TATA MOTORS	BUY	1209	250	1244	1295	1215	8,750	HOLD
30-Nov-10	WIPRO	BUY	421	833	421.7	449	407	583	HOLD

### Option Strategy

30-Nov-10	NIFTY 5800 CE	SELL	141	50	178.3	340	120	(1,865)	HOLD
30-Nov-10	NIFTY 5800 PE	SELL	124	50	90.7			1,665	HOLD

### Postional Closed

22-Nov-10	NIFTY	SELL	5795	50	5865	5670	5865	(3,500)	SL
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\* Trailing Stop Loss, SL - Stop Loss Triggered; TSLT - Trailing Stop Loss Triggered; BP - Booked Profits; BL - Booked Loss;  
 SQF - Squared Off; TA - Target Achieved ; PPT - Protect Profit Triggered

# Please Watch for Followup Alerts provided on the Trading Screen / Call your MOSL Advisor

## Pivot Table

1st December, 2010

Co. Name	Close	Low	S2	S1	PP	R1	R2	High
Nifty	5,863	5,768	5,717	5,790	5,841	5,914	5,965	5,892
Sensex	19,521	19,218	19,057	19,289	19,450	19,682	19,842	19,610
ACC	982	968	955	969	982	995	1,008	995
AMBUJACEM	140	133	129	135	139	145	149	142.9
AXISBANK	1,368	1,315	1,283	1,326	1,358	1,400	1,432	1390
BAJAJ-AUTO	1,576	1,548	1,529	1,552	1,572	1,595	1,615	1591
BHARTIARTL	356	337	325	341	352	367	378	363
BHEL	2,210	2,141	2,114	2,162	2,189	2,237	2,264	2216
BPCL	676	663	654	665	674	685	694	682.7
CAIRN	316	307	302	309	314	322	327	320
CIPLA	344	335	331	337	342	348	353	346
DLF	307	280	269	288	299	317	328	309
DRREDDY	1,786	1,770	1,753	1,770	1,786	1,803	1,819	1803
GAIL	488	485	477	482	491	496	505	499
HCLTECH	405	388	381	393	400	412	418	406
HDFC	686	678	669	677	687	695	705	696
HDFCBANK	2,280	2,259	2,215	2,248	2,291	2,323	2,366	2334
HEROHONDA	1,968	1,929	1,853	1,911	1,986	2,043	2,119	2061.9
HINDALCO	208	196	191	199	204	213	217	209
HINDUNILVR	297	294	291	294	297	300	303	300
ICICIBANK	1,149	1,128	1,115	1,132	1,144	1,161	1,173	1157
IDFC	187	178	175	181	184	190	194	188
INFOSYSTCH	3,040	3,012	2,974	3,007	3,045	3,078	3,115	3082.7
ITC	172	166	163	167	170	174	177	173
JINDALSTEL	636	615	598	617	634	653	670	650.8
JPASSOCIAT	110	103	100	105	108	113	117	111.7
KOTAKBANK	478	455	446	462	471	487	496	480
LT	1,951	1,917	1,896	1,923	1,944	1,971	1,992	1964.9
M&M	767	757	743	755	769	781	796	784
MARUTI	1,421	1,376	1,356	1,389	1,409	1,441	1,461	1429
NTPC	185	178	175	180	183	187	190	185
ONGC	1,246	1,226	1,217	1,232	1,241	1,255	1,264	1250
PNB	1,218	1,153	1,127	1,172	1,199	1,244	1,271	1225
POWERGRID	95	92	91	93	94	96	97	95
RANBAXY	573	566	560	566	573	579	586	579
RCOM	131	123	119	125	129	135	139	133
RELCAPITAL	651	628	615	633	646	664	677	659
RELIANCE	986	981	964	975	992	1,003	1,020	1008.7
RELINFRA	845	810	793	819	836	862	879	853
RPOWER	160	154	150	155	158	163	166	162

Co. Name	Close	Low	S2	S1	PP	R1	R2	High
SAIL	176	173	170	173	177	180	184	180.2
SBIN	2,995	2,855	2,805	2,900	2,950	3,045	3,095	3000
SESAGOA	307	303	297	302	307	312	318	313
SIEMENS	775	738	724	750	763	789	802	777
STER	161	158	156	158	160	163	165	162
SUNPHARMA	453	442	437	445	450	458	463	455
SUZLON	48	45	43	45	47	49	51	48.35
TATAMOTORS	1,242	1,163	1,136	1,189	1,217	1,270	1,297	1244
TATAPOWER	1,291	1,281	1,264	1,278	1,294	1,307	1,323	1310
TATASTEEL	586	574	568	577	583	592	598	589
TCS	1,080	1,053	1,040	1,060	1,073	1,093	1,106	1086
WIPRO	419	412	406	412	418	425	431	425

### Pivot Point: Intra-Day Trading tool.

**PP** : Pivot Point : This is trigger point for Intra Day buy/sell based on the price range of the previous day.

**R1** : Resistance one : 1st Resistance over PP. **R2** : Resistance two : 2nd Resistance over R1.

**S1** : Support one : 1st support after PP. **S2** : Support Two : 2nd support after S1.

As per the tool, the trader should take BUY position just above PP and keep the stop loss of PP and the first target would be R1. If R1 is crossed then R2 becomes the next target with the stop loss at R1.

Similarly if price goes below PP the trader should SELL and keep the PP as Stop loss and the first target would be S1.

If S1 is crossed then S2 becomes the next target with the stop loss at S1.

This is an intra-day tool. The key to use of this tool is the use of STOP LOSS.

**Intra-Day Trading** : In general people on the street want to make big bucks overnight and resort to day trading. Day trading is like fighting a battle and to win a battle you need to be equipped with the winning tools. Here we present some of the rules one must adhere to win or to survive.

- Determine the amount one can afford losing in a day.
- Do not bet entire amount on a single trade. Divide the amount you can lose in few equal numbers of trades.
- Stop trading for the day if you have lost the entire amount you allocated for the day.
- Keep reasonable profit to loss ratio. Profit expected from the trade must be higher than the amount you are ready to lose on the trade. The ratio of 1.5 to 2 is advisable. Do not enter the trade if this condition is not satisfied.
- Always trade with the trend. Never enter into a trade which is against the larger trend. Avoid trading for the minor pullback or correction.
- Keep reasonable stop loss levels and follow them very strictly.
- Never let a profit turn into losses, means keep trailing stop loss.
- Do not get emotional with the fundamentals in day trading.

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