



Market Outlook

20th Oct '2010

Technical View of the Market



Heavy selling pressure in the final hour caused Indian indices to shed all earlier gains and turned into red. REALITY and IT faced major selling pressure accompanied by profit booking in METALS and BANKING. SENSEX closed at 19983, down 185 points from its previous close, and Nifty closed at 6027, down 48 points. The CNX MIDCAP index was down 0.03% and the BSE SMALLCAP index was up 0.1%. The market breadth was negative with advances at 610 against declines of 680 on the NSE. Top gainers included HEROHONDA, CIPLA, ACC, MARUTI, ICICIBANK, GAIL, DRREDDY and AMBUJACEM. Top losers are listed as INFOSYSTCH, HINDALCO, DLF, TATASTEEL, SBIN, IDFC and SESAGOA. **The FII's were net buyers with buying amounting to Rs.107.12cr (prov cash market fig.)**

	LTP	S3	S2	S1	R1	R2	R3
NIFTY	6027	5920	5960	5990	6040	6096	6130
SENSEX	19983	19500	19700	19840	20000	20300	20550

Next Day Trading Session:

In the next session NIFTY is expected to get support around 5990-5960. TRADERS may take long position at dips but below 5960 NIFTY may see severe fall, hence close stop loss should be taken while taking long position. IT and METALS may face selling while PHARMA may attract some buying.

Trading Strategy:-

S.N	TRADE	SCRIP SYMBOL	ENTER	STOP LOSS	TARGET
1	BUY	NIFTY FUT	AROUND 5950-5960	5940	5990-6040
2	SELL	BANKNIFTY FUT	BELOW 12235	12280	12180-12121
3	SELL	MARUTI FUTURE	BELOW 1485	1505	1465-1445
4	SELL	JSWSTEEL FUT	BELOW 1288	1303.10	1273-1253
5	SELL	INFOSYSTCH FUT	BELOW 2980	3011.10	2950-2920
6	SELL	HDFCBANK	BELOW 2355	2381	2325-2300
7	BUY	FEDERALBANK	ABOVE 462	455	469-475
8	SELL	JETAIRWAYS	BELOW 785	793	777-768-750

NOTE: ** FOLLOW ALL CALLS AFTER 5 MINUTES FROM OPENING BELL.

**TRADERS ARE SUGGESTED TO FOLLOW STRICTLY THE STOP LOSS GIVEN IN EACH CALL

FOLLOW UPS FOR 19th OCT 2010 CALLS

S.N	TRADE	SCRIP SYMBOL	ENTER	STOP LOSS	TARGET	RESULT
1	SELL	NIFTY FUT	AROUND 6165-6175	6200	6125-6090	BOTH TARGET ACHIEVED
2	BUY	BANKNIFTY FUT	ABOVE 12600	12550	12650-12700	STOPLOSS TRIGGERED**
3	BUY	DRREDDY FUT	ABOVE 1630	1614	1646-1660	1 ST TARGET ACHIEVED 1652 HIGH
4	BUY	INDIANB FUT	ABOVE 303	299	307-312	NOT EXECUTED
5	BUY	IBREALEST FUT	AROUND 206	202.40	209.50-213	BOTH TARGET HIT
6	BUY	PETRONET	ABOVE 126	122	130-135	NOT EXECUTED
7	BUY	BAJAJ-AUTO	ABOVE 1533	1515	1550-1570	1 ST TARGET HIT
8	BUY	ICICIBANK	AROUND 1105-1108	1090	1127-1140	BOTH TARGET ACHIEVED

EXPECTED BULLISH STOCKS

BIOCON	FEDERALBANK	GAIL
OIL	LUPIN	DRREDDY
BAJAJ-AUTO	HEROHONDA	AMBUJACEM
JAIN IRRIGATION	CENTRALBANK	SINTEX
GSPL	AHSOKLEYLAND	JINDALSWL
IVRCLINFRA	CIPLA	PIRHEALTH

EXPECTED BEARISH STOCKS

HDFC	PANTALONR	CENTURYTEX
APIL	LICHSGFIN	RELCAPITAL
JSWSTEEL	WIPRO	ALBK
INDIANB	RECLTD	INFOSYSTCH
IRB	HDIL	DLF

Fundamental View: Fairwealth Research Team

Fundamental Picks

Investors who have a horizon of 6-12 months can buy the following companies. The companies have potential to give higher returns than index over a long term.

TT Ltd	Sangam India Ltd	Garware Polyester Ltd	TRIL
Kajaria Ceramics Ltd	Sutlej Textiles Ltd	Orient Ceramics Ltd	First Leasing Ltd
Shivam Autotech Ltd	UTV Software Communications 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	Aarti Drugs
Monnet Ispat	Biocon	Visaka Industries	Munjal Showa
Jindal Saw Ltd			

Find the detailed report through:-

<http://www.fairwealth.in/Research.aspx?Type=Fundamental>

- ✓ DIC India Ltd has achieved its target of Rs. 340
- ✓ GEI Industrial Systems Ltd has achieved its target of Rs. 170
- ✓ Dena Bank has achieved its target of Rs. 108
- ✓ 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

GLOBAL SCENARIO:

US DATA

Date	Statistic	For	Actual	Market Expects	Prior	Remarks
18-Oct	Net Long-Term TIC Flows	Aug	\$38.9B	NA	\$63.3B	Decreased
18-Oct	Industrial Production	Sep	-0.20%	0.20%	0.20%	Decreased
18-Oct	Capacity Utilization	Sep	74.70%	74.80%	74.80%	Decreased
18-Oct	NAHB Housing Market Index	Oct	16	13	13	Improved
19-Oct	Housing Starts	Sep	-	579K	598K	-
19-Oct	Building Permits	Sep	-	565K	571K	-
20-Oct	MBA Mortgage Applications	15-Oct	-	NA	14.60%	-
20-Oct	Crude Inventories	16-Oct	-	NA	-0.416M	-
20-Oct	Fed's Beige Book	Oct	-	-	-	-
21-Oct	Initial Claims	16-Oct	-	455K	462K	-
21-Oct	Continuing Claims	9-Oct	-	4400K	4399K	-
21-Oct	Leading Indicators	Sep	-	0.30%	0.30%	-

World Market Indices

World Indices	Previous Close	Value	%Change
<u>US Markets</u>			
Dow Jones	11,062.78	11,143.69	0.73
Nasdaq	2,468.77	2,480.66	0.48
S&P 500	1,176.19	1184.71	0.72
<u>European Markets</u>			
FTSE 100	5,742.52	5,725.1	-0.3
CAC 40	3,834.5	3,824.07	-0.27
<u>Asian Markets</u>			
Nikkei 225	9,498.49	9,539.45	0.43
Hang Seng Index	23,469.38	23,763.73	1.25
Shanghai	2,955.23	3001.85	1.58
Taiwan Taiex Index	8,060.54	8,046.23	-0.18

**Data is taken at 5.00p.m IST*

Institutional Turnover

Date	FII's	DII's	NET
15/10/2010	654	-1053.45	-399.45
14/10/2010	2894.3	-694.27	2200.03
13/10/2010	3100.4	-1354.81	1745.59
12/10/2010	700.1	-454.52	245.58
11/10/2010	1111.2	-574.81	536.39
8/10/2010	807.5	-1002.01	-194.51
7/10/2010	1700.8	-1193.53	507.27
6/10/2010	2285.4	-976.46	1308.94

**DIIs data is on provisional basis*

Corporate Highlights

Polaris Software Lab has announced its second quarter results. The company's Q2 consolidated net profit was up at Rs 48 crore versus Rs 46.6 crore versus, quarter-on-quarter. Its consolidated net sales were up at Rs 388 crore versus Rs 368 crore, QoQ. Polaris Soft is confident of meeting guidance of 31-33% growth.

Coal India (CIL) has been subscribed 0.74 times (74%) so far on the back of good response from qualified institutional investors (QIBs), as per NSE. The issue has been received bids for 46.92 crore equity shares as against issue size of 63.16 crore shares. The support was led by QIBs; their reserved portion subscribed 1.42 times.

Bharat Petroleum Corp Ltd (BPCL) has made a second natural gas discovery in a block off Mozambique. Exploration well Barquentine drilled to about 5,145 meters, encountered a total of more than 127 net meters of natural gas pay in multiple high quality sands

Forthcoming Results

20-Oct-10				
Agro Tech Foods	Hcl Tech	Lanco Inds	Power Grid Corp	Sree Royal Alkal
Ajmera Rlty	Hindustan Zinc	Landmark Prop	Precious Trad	State Bank Trav
Aksharchem	INDIAB POWER	LG Balakrishnan	Premier	Suryajyoti Spi
Ashok Leyland	Indiabulls Real Est	Lgb Forge	Prime Property	Tanla Solutions
Basf India	Indo Green Proj	Lloyds Finance	Rane Madras	Transformers Rect
Bombay Dyeing	Indoco Remedies	Mahindra Lifesp	Rpg Life	Transpek Fin
Burnpur Cem	Industrial Invest	Merck	Rt Exports	Vip Inds
Canara Bank	Ineos Abs	Motilal Oswal	Sanwaria Agro	Windsor Mach
Ceat	Jubilant Org	Nitin Spinners	SH PRECOTED	Yes Bank
Gujarat Narm Val	Kdl Biotech	Pidilite Inds	Shreejal Info	
Gujarat State Fert	Kotak Mah Bank	Pix Trans	Sicagen India	

Forthcoming Corporate Action

Scrip Name	Ex-Date	Purpose
Elgi Finance	21-Oct-10	Amalgamation
Sezal Glass	21-Oct-10	Stock Split from Rs. 10/- to Re. 1/-
Birla Power	20-Oct-10	BONUS 1:5
Unichem Lab	21-Oct-10	Stock Split from Rs. 5/- to Rs. 2/-
Transport Corp	20-Oct-10	Scheme of Arrangement
Jindal Poly	22-Oct-10	BONUS 1:1
Genus Power	22-Oct-10	Stock Split from Rs. 10/- to Re. 1/-
Savera Inds	25-Oct-10	BONUS 1:1
Celebrity Fash	26-Oct-10	Scheme of Arrangement
Sintex Inds	27-Oct-10	Stock Split from Rs. 2/- to Re. 1/-
Gangotri Iron	29 Oct 2010	Stock Split from Rs. 10/- to Rs. 5/-
Jain Irrigation	29 Oct 2010	Stock Split from Rs. 10/- to Rs. 2/-
Prime Focus	29 Oct 2010	Stock Split from Rs. 10/- to Re. 1/-

Forthcoming dividends

Scrip Name	Ex-Date	Amount
Indo Asian Fuse	20-Oct-10	10
PANTALBNDVR	20-Oct-10	0.9
Pantaloon Retl	20-Oct-10	0.8
C&C Const	21-Oct-10	2.75
Exide Inds	21-Oct-10	0.9
Gati	21-Oct-10	0.4
HCL Tech	22-Oct-10	1
KGN Inds	22-Oct-10	0.01
REI Agro	22-Oct-10	0.1
Tyche Inds	22-Oct-10	0.5

Figures and information taken from www.bseindia.com, www.Bloomberg.com and Capitaline database

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