

# Daily Market Outlook



23<sup>rd</sup> Feb '2011

Global Equity Indices		
World Indices	Last Traded	Change
BSE Sensex	18,296.16	-0.77%
S&P Nifty	5,469.20	-0.90%
Dow Jones	12,391.25	0.59%
Nasdaq	2,833.95	0.08%
S&P 500	1,343.01	0.19%
FTSE 100	5,947.75	-1.11%
CAC 40	4,034.67	-1.53%
Nikkei 225	10,664.70	-1.78%
Hang Seng	22,990.81	-2.11%
Shanghai	2,855.96	-2.60%

## Market Summary

Weak Global Cues and Libyan crisis affected Indian market's sentiments negatively. Indices traded under selling pressure throughout the day. Sensex closed at 18296, down 142 points and Nifty at 5469, down 49 points from the previous close. CNX Midcap index was down 1.2% and BSE Smallcap index was down 0.7%. The market breadth was negative with advances at 415 against declines of 885 on the NSE. Top Nifty gainers were RIL, Cairn India and RCom while losers included Ranbaxy, Suzlon Energy and Axis Bank. **The FIs were net sellers with sales worth Rs 386.26cr (prov. cash market fig)**

## Market Outlook

In the next session, NIFTY is expected to trade in the range 5408-5506. F&O expiry being ahead, market is expected to remain highly volatile. NIFTY if sustained below 5402, it may attract heavy selling pressure while above 5506 it may face further resistance at 5556 and 5600. IT and OIL-Gas may attract buying while Auto and Capital Goods may face selling.

BSE Sector Indices		
Indices	Last Traded	Change
AUTO	8,448.72	-1.93%
BANKEX	12,311.27	-1.85%
Con. Durables	5,902.45	1.21%
Capital Goods	12,927.75	-2.12%
FMCG	3,303.41	-0.70%
HealthCare	5,931.19	-0.85%
IT	6,365.37	-0.53%
METAL	15,914.14	-1.16%
OIL&GAS	9,618.20	1.26%
POWER	2,596.00	-0.91%
PSU	8,467.34	-1.24%
REALTY	2,051.37	-0.64%
TECK	3,703.70	-0.57%

	LTP	S3	S2	S1	R1	R2	R3
NIFTY	5469	5311	5348	5402	5506	5556	5600
SENSEX	18296	17870	18000	18180	18550	18700	19000



## Trading Strategy

S.N.	TRADE	SCRIP SYMBOL	ENTER	STOP LOSS (Rs)	TARGET (Rs)
1	Buy	NIFTY Fut	Above 5485	Below 5465	5505-5520
2	Sell	Bank Nifty fut	Below 10760	Above 10810	10700-10600
3	Buy	ICICI Bank fut	Above 1032	Below 1020	1044-1057
4	Sell	Tatasteel Fut	Below 621	Above 627	615-609
5	Sell	Maruti Fut	Below 1169	Above 1182	1155-1144
6	Sell	SBIN Fut	Below 2720	Above 2735	2700-2680
7	Buy	Kalindee (Rs)	Above 150	Below 145	155-160
8	Sell	Bank India (Rs)	Below 433	Above 438	428-422

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

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

## Daily Market Outlook



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

Date	FII's & DII Flow (BSE+NSE)		
	FII's	DII's	Net Inflow / Outflow
Provisional			
22-Feb-11	-386.26	413.99	27.73
21-Feb-11	-245.42	-27.61	-273.03
Actual			
18-Feb-11	244.5	-189.14	55.36
17-Feb-11	86.16	244.4	330.5
16-Feb-11	-230.06	-68.49	-298.55

### Expected Bullish Stocks

JAICORP	CAIRN	HDIL	TITAN	RIL	EXIDE
INDUSIND	TECHM	PATNI	INFOSYSTCH	TCS	GODREJCP
TATAGLOBAL	SOBHA	GSPL	RENUKA	POWERGRID	RELCAPITAL

### Expected Bearish Stocks

JETAIRWAYS	BPCL	HPCL	IOC	KFA	SPICEJET
DLF	UNITECH	IDEA	SUNTV	GESHIP	INDIAINFO
KOTAKBANK	BHEL	LT	TATASTEEL	BHUSANSTL	CUMMINSIND

### Follow-up for Technical Calls given as on 22<sup>nd</sup> Feb 2011

S.N.	TRADE	SCRIP SYMBOL	ENTER	STOP LOSS	TARGET	RESULT
1	Buy	NIFTY Fut	Around 5440-5450	Below 5410	5490-5530	1 <sup>ST</sup> TARGET HIT
2	Sell	Banknifty Fut	Below 11049	Above 11100	11000-10950	NOT EXECUTED
3	Buy	Welcorp Fut	Above 195	Below 190	200-205	HIGH MADE 197.5
4	Buy	Infosystch Fut	Above 3174	Below 3155	3200-3232	NOT EXECUTED
5	Buy	SBIN Fut	Above 2806	Below 2790	2828-2848	NOT EXECUTED
6	Buy	Wipro (Rs)	Around 442-445	Below 436	455-465	1 <sup>ST</sup> TARGET HIT 460 HIGH
7	Buy	HDFC (Rs)	Above 652	Below 646	658-666	NOT EXECUTED
8	Sell	Lichsgfin (Rs)	Around 197	Above 201	190-185	1 <sup>ST</sup> TARGET HIT

## Fundamental Picks

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

<b>HDFC BANK</b>	<b>Axis Bank</b>	<b>STATE BANK OF INDIA</b>	<b>ICICI BANK</b>
<b>Larsen &amp; Toubro Limited</b>	<b>BHEL</b>	<b>Aurobindo Pharma Ltd</b>	<b>TRIL</b>
<b>Bhushan Steel</b>	<b>SAIL</b>	<b>TATA Steel</b>	<b>JSW Steel</b>
<b>McNally Bharat</b>	<b>Coal India</b>	<b>HCC</b>	<b>KPR Mills</b>
<b>Sangam India Ltd</b>	<b>Garware Polyester Ltd</b>	<b>TT Ltd</b>	<b>Kajaria Ceramics Ltd</b>
<b>Sutlej Textiles Ltd</b>	<b>Banswara Syntex Ltd</b>	<b>Orient Ceramics Ltd</b>	<b>Shivam Autotech Ltd</b>
<b>UTV Software Ltd</b>	<b>RSWM Ltd</b>	<b>Genus Power Ltd</b>	<b>United Phosphorus Ltd</b>
<b>Nahar Spinning Mills Ltd</b>	<b>Mphasis Ltd</b>	<b>Allied Digital Services Ltd</b>	<b>DIC India Ltd</b>
<b>Dena Bank Ltd</b>	<b>GEI Industrial Systems Ltd</b>	<b>TNPL</b>	<b>Indoco Remedies Ltd</b>
<b>JK Paper Ltd</b>	<b>Ballarpur Industries Ltd</b>	<b>Arti Drugs</b>	<b>Monnet Ispat</b>
<b>Biocon</b>	<b>Visaka Industries</b>	<b>Munjal Showa</b>	<b>Jindal Saw Ltd</b>

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

- TATA Steel has achieved its target of 708

## Corporate Highlights

- The country's largest car-maker **Maruti Suzuki India** launched a diesel variant of its SX4 sedan at an introductory price of Rs 7.74-8.62 lakh (ex-showroom, Delhi). The company expects the new variant to be as successful as other diesel cars from MSI's stable. Swift, DZIRE and Ritz are the three other cars from the company that are available in diesel variants. MSI claims that the SX4 diesel will give a mileage of 21.5 km per litre. The SX4 also comes in petrol and CNG variants.
- ADA flagship firm **Reliance Communications (RCom)** has launched third generation (3G) services in Kashmir. Last year, in December, RCom launched 3G services in Delhi, Mumbai, Kolkata, Chandigarh, Punjab, Jammu and Rajasthan.
- The Additional Solicitor General (ASG) of India has held **Idea Cellular** in violation of merger and acquisition norms and suggested stringent penalties, including a Rs. 300 crore fine and cancellation of 3G spectrum licences in four circles and 2G licences in six circles.
- **Kingfisher Airlines Ltd** won't start selling global depository receipts (GDR) to raise up to \$350 million (Rs.1,579 crore) until its stock recovers and market conditions improve, raising concerns at some vendors as their payments are linked to the issue. The Mumbai-based carrier had planned a GDR issue soon after December but that's been stalled by the slump in its shares.

## Economic Highlights

The country's food subsidy bill is expected to jump by 27% to Rs 74,231 crore in the 2010-11 fiscal. This is due to a rise in support price and higher procurement and distribution of food grains via ratio shops. Last year, the government's food subsidy bill stood at Rs 58,242.45 crore. "The amount allocated for food subsidy during 2010-11 is Rs 59,354.56 crore. Based on the actual offtake, an additional requirement of Rs 14,877.63 crore has been sought for the current year," Food Minister K V Thomas said.

## Forthcoming Results

23-Feb-11	ABB	Alfa Laval	Gujarat Pipavav	Simbhaoli Sug
	Albright & Wilson	Bata India	Shree Digvijay	SKF India
	Vatsa Edu			

## Forthcoming Corporate Actions

Scrip Name	Ex-Date	Purpose
GCV Services	23-Feb-11	Stock Split from Rs. 10/- to Rs. 5/-
Bhandari Hos	24 Feb 11	BONUS 7:20
Hexaware Tech	24 Feb 11	BONUS 1:1
Nicco Parks	24 Feb 11	Stock Split from Rs. 10/- to Re. 1/-

## Forthcoming dividends

Scrip Name	Ex-Date	Action
Indo Rama Syn	23-Feb-11	Interim Dividend
Loyal Textile	23-Feb-11	Interim Dividend
Hatsun Agro	24-Feb-11	Interim Dividend
Hexaware Tech	24-Feb-11	Final Dividend
Natco Pharma	24-Feb-11	Interim Dividend
Pratibha Inds	24-Feb-11	Interim Dividend

## Global Scenario: US Data

Date	Statistic	For	Actual	Market Expects	Prior	Remarks
22-Feb	Case-Shiller 20-city Index	Dec	-	-2.40%	-1.59%	-
22-Feb	Consumer Confidence	Feb	-	67	65.6	-
23-Feb	MBA Mortgage Index	18-Feb	-	NA	-9.50%	-
23-Feb	MBA Mortgage Purchase Index	18-Feb	-	NA	-9.50%	-
23-Feb	Existing Home Sales	Jan	-	5.23M	5.28M	-
24-Feb	Initial Claims	19-Feb	-	410K	410K	-
24-Feb	Continuing Claims	12-Feb	-	3900K	3911K	-
24-Feb	Durable Orders	Jan	-	3.00%	-2.30%	-
24-Feb	Durable Orders ex Transportation	Jan	-	0.60%	0.80%	-
24-Feb	FHFA Housing Price Index	Dec	-	NA	0.00%	-
24-Feb	New Home Sales	Jan	-	310K	329K	-
24-Feb	Crude Inventories	19-Feb	-	NA	0.86M	-

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.com).

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