



**RESEARCH HEAD**  
**M.R.LALITHA**

**Research Analysts:**  
Devarajan.S  
Hari Prasad.B  
Janet Alice Rani

**WEEKLY MARKET OUTLOOK**

19/09/2009

INDEX FUTURES (WoW)		
Indices	Price % Change	OI % Change
NIFTY	2.8%	-15.2%
BANKNIFTY	5.6%	23.6%
CNXIT	3.8%	6.1%

\*From 11th September '09 to 18th September '09

NIFTY - OPTIONS INDICATORS			
Date	PC Ratio (OI)	Implied Volatility	
		Call Options	Put Options
14-Sep	1.84	31.86	30.31
15-Sep	2.10	28.83	30.24
16-Sep	2.20	27.41	28.17
17-Sep	2.38	26.76	27.06
18-Sep	2.46	25.65	26.07

TOP OPEN INTEREST GAINERS (WoW)	
Company	OI % Change
JINDALSTEL	419%
ASIANPAINT	171%
CONCOR	100%
INDIANB	48%
JINDALSAW	48%

TOP OPEN INTEREST LOSERS (WoW)	
Company	OI % Change
GTL	-82.77%
GLAXO	-82.13%
ULTRACEMCO	-65.91%
M&M	-54.85%
BHARATFORG	-53.38%

\*From 11th September '09 to 18th September '09

GROWTH IN DERIVATIVES MARKET (WoW)		
Product	% Change in Volume	% Change in Turnover
INDEX FUTURES	-19.06%	-13.58%
STOCK FUTURES	40.75%	42.44%
INDEX OPTIONS	4.72%	7.16%
STOCK OPTIONS	11.63%	13.61%

\*From 11th September '09 to 18th September '09



**IF LIQUIDITY DIES OUT, NIFTY MIGHT TOP OUT.....WAIT & WATCH...!!!**

Among the International markets, the US FEDERAL RESERVE will meet on 22<sup>nd</sup> & 23<sup>rd</sup> Sep, 2009, which would dictate the market trend in the coming week, where as technically, European Index FTSE is likely to trade on optimistic face. ASIAN shares HANG SENG would remain in uptrend, while SHANGHAI COMPOSITE & NIKKEI may be gloomy.

Positive news (robust advance tax payouts, strong liquidity and firm global markets) continued to trigger the domestic market once again on topside through out the week. The NIFTY crossed the psychological level of 5000 for the first time since May 21, 2008 suggesting NIFTY has been creating strong pillar for the long term among its 50 stocks. On the INDEX F&O front, the weekly average implied volatility of CALL & PUT options have dropped by 10.85% & 5.48% respectively and this signal is developing a confidence on positive side among traders. Further, gigantic put writing has brought the PUT-CALL ratio to 2.04 and suggesting market is overbought and long traders are advised to trade cautiously. The trend for the next week would remain cheerful with bout of volatility ahead of F&O market expiry on 24<sup>th</sup> Sep, 2009. The immediate resistance for NIFTY is seen at 5060 levels. But we expect, NIFTY before testing 5120 levels, profit booking may drag to 4828 and 4786 levels as RSI is a leading indicator and is showing some weakness is developing in the market on higher side.

**WATCH OUT:** The short-term traders can follow a closer support of 4730 levels. If NIFTY trades below 4730 on daily closing basis and then SIMPLE CORRECTION ELLIOTT WAVE PATTERN would be applicable.

NIFTY formed IMPULSE ELLIOTT WAVE PATTERN and an impulse pattern is always followed by a corrective pattern. The corrective pattern can be grouped into two different categories: simple correction and complex corrections. The above NIFTY weekly chart shows that, if NIFTY breaks 4730 levels on daily closing basis, then NIFTY could form simple correction pattern and then NIFTY can be expected to form wave A on the downside. The wave A would be at 4450 levels (roughly 50% retracement from 52 week high). We observed that, the Wave 5 rally has not got huge enthusiasm among the traders as Wave 3 rally, as the strength of NIFTY futures average volume in the Wave 5 rally declined by around 11 percent, when compared to the Wave 3 rally. Finally, when the strength of buying interest (Liquidity) dies out among the traders, then the market might top out and enter a new phase, which could drag wave A to 4325 levels.



**Weekly change in indices**

Indices	11-Sep	18-Sep	% Change
NIFTY	4829.55	4975.95	3.03%
SENSEX	16264.30	16741.30	2.93%
BSE MIDCAP	5921.61	6171.23	4.22%
BSE SMALLCAP	7101.27	7373.64	3.84%

**World indices**

Indices	11-Sep	18-Sep	% Change
DOW JONES	9,605.41	9,820.20	2.24%
NASDAQ	2,080.90	2,132.86	2.50%
FTSE 100	5,011.50	5,172.90	3.22%
NIKKEI 225	10,444.33	10,370.54	-0.71%
HANGSENG	21,161.42	21,623.45	2.18%

**Top Weekly Gainers & Losers in BSE 500**

Weekly Gainers	Close	% Change
BHARAT FORGE	287.10	34.85%
ORCHID CHEMICALS	163.30	31.97%
SPICEJET	33.55	30.80%
JET AIRWAYS	318.65	23.80%
JK TYRE	135.45	22.08%

Weekly Losers	Close	% Change
CALS REFINERIES	0.65	-19.75%
ASHAPURA MINE	49.75	-9.38%
ELDER PHARMA	292.50	-7.64%
GVK POWER	46.15	-7.61%
BRITANNIA	1541.75	-6.33%

SOURCE: Bloomberg

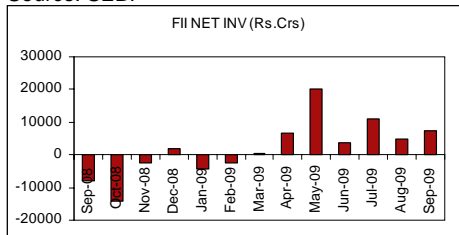
**FII/MF activity**

	(Rs. Cr)
FII inflows/(outflow)*	5315.80
MF inflows/(outflow)**	12.50

\*From 14th Sep to 18th Sep 2009

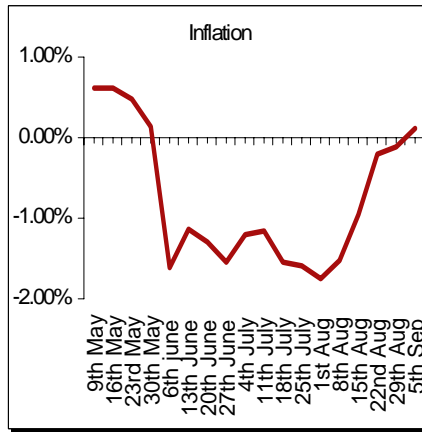
\*\* From 14th Sep to 17th Sep 2009

Source: SEBI

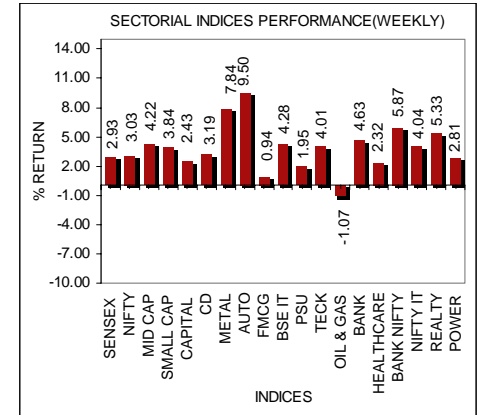


Source: SEBI (till 18th Sep 2009)

**INFLATION**



**SECTORAL INDICES PERFORMANCE**



**COMMODITY WATCH:**

Commodities	Last close	1D	Week	% CHANGE				Description
				1Mth	3Mth	1Yr	3Yr	
<b>PRECIOUS METALS (in \$/OZ)</b>								
Gold	1014.0	0.0	0.9	8.0	8.7	19.2	72.7	Spot trading price
Silver	17.2	-0.3	2.7	22.9	21.1	43.7	54.0	Spot trading price
Platinum	1336.0	0.0	1.4	8.5	10.6	21.1	14.8	Spot trading price
<b>INDUSTRIAL METALS (in USD/MT)</b>								
Aluminium	1966.0	2.0	6.0	0.3	21.2	-21.4	-19.0	3m fwd price
Copper	6385.0	-0.5	1.4	5.5	28.7	-5.4	-12.2	3m fwd price
Lead	2276.0	-0.7	7.6	27.5	37.0	27.9	74.4	3m fwd price
Nickel	17575.0	1.6	2.2	-8.0	18.4	3.4	-31.1	3m fwd price
Zinc	1958.5	1.2	2.0	10.6	26.2	13.9	-38.1	3m fwd price
Tin	14800.0	1.0	4.2	6.4	-2.0	-16.0	68.7	3m fwd price
<b>AGRICULTURE (in USD /lb)</b>								
Coffee	134.1	-0.7	7.0	7.5	9.2	-5.3	-	Arabica coffee (Sep 09)
Sugar	22.6	-0.5	6.3	3.5	42.4	59.6	-	Raw sugar (May 09)
Rubber (INDEX)	350.3	-	2.8	4.3	2.4	-26.4	10.9	WPI Index for raw rubber
<b>OTHERS (in USD/bbl)</b>								
Brent Crude Oil	70.9	-0.9	3.5	-2.9	-3.1	-30.1	-	1m fwd price
WTI Crude Oil	71.9	-0.8	3.8	1.2	-2.0	-27.8	-	1m fwd price
<b>BALTIC Dry Index</b>	<b>2390.0</b>	<b>-1.0</b>	<b>-4.1</b>	<b>-13.8</b>	<b>-40.6</b>	<b>-50.8</b>	<b>-43.9</b>	Freight Index

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❖ FUNDAMENTAL REPORTS	❖ MACRO ECONOMIC REPORTS

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