



# Market Outlook

19<sup>th</sup> Aug '2010

## Technical View of the Market



Huge buying over BANKING, METALS, AUTO and IT STOCKS led INDIAN indices to good gains in the final hour of the session. SENSEX closed at 18257, up 208 points and Nifty at 5479, up 65 points from the previous close. CNX MIDCAP index was up 0.8% and BSE SMALLCAP index was up 0.7%. The market breadth was positive with advances at 776 against declines of 506 on the NSE. Top gainers included HINDALCO, TATAMOTORS, HDFC, HDFCBANK, ONGC, SUNPHARMA, HCLTECH and RANBAXY. Top losers are listed as RCOM, RIL, M&M, CIPLA, BHARTIARTL, SUZLON, IDEA and SIEMENS.

	LTP	S3	S2	S1	R1	R2	R3
NIFTY	5479	5370	5410	5440	5510	5555	5580
SENSEX	18257	17810	17910	18000	18320	18500	18700

## Next Day Trading Session:


In the next session NIFTY might face minor resistance around 5510, sustaining above this level it is likely to test 5440. Traders may note that 5555 may act as a strong resistance level. Traders are suggested to buy at dips taking 5440 as STOPLOSS in NIFTY SPOT. BANKING, PHARMA and METALS may attract buying.


## Trading Strategy:-

S.N	TRADE	SCRIP SYMBOL	ENTER	STOP LOSS	TARGET
1	BUY	NIFTY FUTURE	AROUND 5453-5463	5427	5510-5530
2	BUY	BANKNIFTY FUT	AROUND 10825-10835	10780	10910-10980
3	BUY	AUROPHARMA FUT	ABOVE 1020	1000	1040-1054
4	BUY	ONGC FUT	ABOVE 1295	1280	1310-1330
5	BUY	ICICIBANK FUT	AROUND 965-966	951	981-1000
6	BUY	PANTALOONR	ABOVE 487	477	497-505
7	BUY	INDUSIND BANK	ABOVE 229	223	235-241
8	BUY	APOLLOTYRE	AROUND 68-68.50	65.90	72-74

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

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

EXPECTED BULLISH STOCKS 		
HEROHONDA	ROLTA	TATACHEM
TCS	AXISBANK	HDFCBANK
RANBAXY	SUNPHARMA	M&M
TATAMOTORS	CHAMBLFERT	KOTAKBANK
JETAIRWAYS	ADANIANT	JINDALSTEL
HINDALCO	MPHASIS	RCF

EXPECTED BEARISH STOCKS 		
RELIANCE	EDUCOMP	ABAN
SUZLON	ABIRLANUVO	RCOM
NALCO	OBC	TULIP
IDEA	CIPLA	RELCAPITAL
RNRL	SIEMENS	BANKINDIA

### 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.

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
Bartronics India Ltd	DIC India Ltd	Dena Bank Ltd	Nectar Lifesciences Ltd
GEI Industrial Systems Ltd	TNPL	Indoco Remedies Ltd	JK Paper Ltd
Ballarpur Industries Ltd	Aarti Drugs	Balkrishna Ltd.	McNally Bharat
Ess Dee Aluminium	Hyderabad Industries	Monnet Ispat	Biocon
Alembic	Visaka Industries	Munjaj Showa	Jindal Saw Ltd

Find the detailed report through:-

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

- ✓ Dena Bank has achieved its target of Rs. 108
- ✓ Visaka Industries has achieved its target of Rs. 180
- ✓ Man Industries has achieved its target of Rs. 90
- ✓ 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
17-Aug	Housing Starts	Jul	546K	555K	537K	Increased
17-Aug	Building Permits	Jul	565K	573K	583K	Decreased
17-Aug	PPI	Jul	0.20%	0.20%	-0.50%	Increased
17-Aug	Core PPI	Jul	0.30%	0.10%	0.10%	Increased
17-Aug	Industrial Production	Jul	1.00%	0.60%	-0.10%	Increased
17-Aug	Capacity Utilization	Jul	74.80%	74.50%	74.10%	Increased
18-Aug	Crude Inventories	14-Aug	-	NA	-2.99M	-
19-Aug	Initial Claims	14-Aug	-	475K	484K	-
19-Aug	Continuing Claims	7-Aug	-	4500K	4452K	-
19-Aug	Leading Indicators	Jul	-	0.20%	-0.20%	-
19-Aug	Philadelphia Fed	Aug	-	7.5	5.1	-

**World Market Indices**

World Indices	Previous Close	Value	%Change
<u>US Markets</u>			
Dow Jones	10,302.01	10,405.85	1.01
Nasdaq	2,181.87	2,209.44	1.26
S&P 500	1,079.38	1,092.54	1.22
<u>European Markets</u>			
FTSE 100	5,350.55	5,326.04	-0.46
CAC 40	3,663.13	3,659.35	-0.10
<u>Asian Markets</u>			
Nikkei 225	9,161.68	9,240.54	0.86
Hang Seng Index	21,137.43	21,022.73	-0.54
Shanghai	2,671.89	2,666.30	-0.21
Taiwan Taiex Index	7,931.09	7,924.10	-0.09

\*Data is taken at 5.00p.m IST

**Institutional Turnover**

Fig in Cr.

Date	FII's	DII's	NET
16/08/2010	558.4	-433.91	124.49
13/08/2010	717.2	33.38	750.58

12/8/2010	449.4	-656.05	-206.65
11/8/2010	192.9	23.5	216.4
10/8/2010	613.7	-540.67	73.03
9/8/2010	-58.6	-45.51	-104.11
6/8/2010	829.1	-340.59	488.51

*DII's data is on provisional basis*

### **Corporate Highlights**

**Steel Strips Wheels (SSWL)** has received an export business for nearly 5,000 wheels from two different company's in Germany & UK. One of these company is a leading tyre & wheel assembler catering to the OE trailer market in Europe. The second company caters to after market in Europe.

**Punjab National Bank** has launched 'PNB Festival Bonanza Offer 2010' which is valid from 20 August 2010 to 31 December 2010. Under the said offer, housing loans upto Rs. 50 lakhs will be available at discounted rate of interest of 8.50% under fixed interest rate option (fixed for three years) across all repayment tenors, with a proviso that applicable rate will be base rate in case it crosses 8.5%. Besides, full waiver of processing (upfront) fee & documentation charges. Margin also stands reduced to 15% for housing loans upto Rs. 20 lakhs. A rebate of 0.50% p.a. in rate of interest is also offered to prospective car loan borrowers under fixed option.

**Tantia Constructions** has received a project from Chief Engineer, Metro Railway, Kolkata for execution of civil engineering works of PSC via duct between Noapara and Dum Dum Cantonment and various Civil works at Noapara in connection with integration of Airport Line with Metro Railway for worth Rs. 50.53 crore.

### **Forthcoming Results**

<b>Ballarpur Inds</b>	<b>Jalpac India</b>	<b>MGF</b>	<b>Sunraj Diamond</b>
<b>India Lease</b>	<b>Lincoln Pharma</b>	<b>NCJ Intl</b>	

### **Forthcoming Corporate Action**

Scrip Name	Ex-date	Purpose
<b>Redington India</b>	<b>20-Aug-10</b>	<b>Stock Split from Rs. 10/- to Rs. 2/-</b>
<b>Zodiac Cloth</b>	<b>23-Aug-10</b>	<b>BONUS 1:2</b>

### **Forthcoming Dividends**

Scrip Name	Ex-Date	Amount	Scrip Name	Ex-Date	Amount
<b>Asit C Mehta Fin</b>	<b>20-Aug-10</b>	<b>0.5</b>	<b>BL Kashyap</b>	<b>23-Aug-10</b>	<b>1</b>

Chennai Petro	20-Aug-10	12	Coastal Road	23-Aug-10	0.7
Daiichi Kark	20-Aug-10	2	Financial Tech	23-Aug-10	2
DPTL	20-Aug-10	4	Hindustan Oil	23-Aug-10	0.5
Garden Silk	20-Aug-10	1.8	Kilburn Engr	23-Aug-10	1.5
MM Forgings	20-Aug-10	1.5	Polyspin Expo	23-Aug-10	1
Orient Cerm	20-Aug-10	2	Tilaknagar Inds	23-Aug-10	2.5
Shardul Sec	20-Aug-10	1.2	TRIMURTHI DR	23-Aug-10	0.03
Aadi Inds	23-Aug-10	0.5	UP Hotels	23-Aug-10	4
Basant Agro	23-Aug-10	0.06	Vikas Globalone	23-Aug-10	0.5

Figures and information taken from [www.bseindia.com](http://www.bseindia.com), [www.Bloomberg.com](http://www.Bloomberg.com) and Capitaline database

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### FAIRWEALTH SECURITIES LTD.

H.O.: Plot No. 651-652, Udyog Vihar, Phase-5, Gurgaon 122001 (Haryana)

Phone: 0124-3024400, Fax: 0124-3024474

Website: [www.fairwealth.in](http://www.fairwealth.in) . Email: [info@fairwealth.in](mailto:info@fairwealth.in)

•Delhi: UG-3, Somdutt Chambers, 9 Bhikaji Cama Place, New Delhi-110066, Ph: 46091111(50 line) •Mumbai: Unit No. 12, 2<sup>nd</sup> Floor, Sonawala, Apollo Building, Mumbai Samachar Marg, Above Oriental Bank of Commerce, Fort, Mumbai-400001(Maharashtra), Ph:022-26200053 •Chennai: Rahab Tower, First Floor, New No: 522, Old No: 706, P H Road, Aminji Karai, Chennai-600029, Ph-044-42698796, 42698834, 32218508 •Kolkatta: No.182, 3<sup>rd</sup> Floor, Tobacco Jouse, Old Court House Street, Kolkatta, WB-700001, Ph- 033-40119500-02-03 •Bangalore : Shop No - 54, 1<sup>st</sup> floor, 12<sup>th</sup> Main Road, 27<sup>th</sup> Cross Road, 6<sup>th</sup> Block Jaynagar, Bangalore, Karnataka - 560011, Ph-080-41172604/605 •Ahmedabad: 206, Peoples Plaza, Near Memnagar Fire Station, Navrangapura, Ahmedabad-380009, Ph - 079 - 27911126. •Bhubaneswar: Plot No.559, Ground floor, Sahid Nagar, Bhubhaneswar, Orissa-751007, Ph-0674-3261555, 2542820 •Dehradun: 56, 1st Floor, City Centre, Rajpur Road, Dehradun, Uttranchal, Ph-0135-6450127,2742995 ,2742996 •Haryana: SCO - 250, Sector-16, Panchkula, Haryana-134109, Ph-0170-25057614,15,17 •Hyderabad: Shop No 8, Ground floor, Meridian Plaza, Besides Lal Bunglow, Green Lands, Road Ameerpet, Hyderabad - 500016, Ph-040-40037218 •Indore : 101-102, Kalyan Palace, Opp.Sheesh Mahal, Cloth Market, Indore, MP-452001, Ph- 0731-425007-09, 3076891 •Ludhiana: Shangai Towers 13, 3 rd floor, Ferpze Gandhi Market, Ludhiana-141001, Ph-0161-3985900,3985950 •Lucknow : 24, 1st Floor, Mahavir Plaza, B.N.Road, Lal Bagh, Lucknow, U.P.-226001, Ph- 0522-4082901-02-03 •Rajasthan:411, fourth floor, Ganpati Plaza, M.I.Road, Jaipur, Rajasthan-302002, Ph-0141-4073710 •Raipur: 1<sup>st</sup> Floor, Gauri Shankar Apartment, Main Road Satti Bazar, Raipur, Chattishgarh-492001, Ph- 0771-4243200,02