



Local equity markets slipped back into the correction mood today as the local bourses failing to hold onto the psychological support levels snapped the last day of the week with the loss of over 0.50%. Local bourses unwinded all their gains in the second half of the session as the investor's preferred taking their profit off the table before the weekend. Benchmark index on BSE after being in the vicinity of the biggest weekly advance in two months, amidst the reports that foreign investors turned net buyers of the nation's equities for a third time this year, erased all its gains due to fall in heavyweights Reliance Industries, HDFC, TCS, SBI, ITC, BHEL, NTPC and ONGC amidst bleak global cues.

On the global front, US stocks ended a volatile trading day mixed on Thursday as investors were reluctant to make bets a day before a crucial labor market report that could magnify fears the economy is slowing. Asian shares ended mostly lower, with Japanese tech firms and Hong Kong-listed banks remaining among decliners, ahead of key US jobs data due later in the day. Meanwhile, European shares slipped early on Friday, extending this week's sell-off on global growth worries.

However, all the stocks that were abandoned by the investors in the previous trading session staged a smart comeback in today's trade. Shares of Anil Dhirubhai Ambani Group firms staged a smart pullback after a plea was dismissed by a Delhi Court for making Anil Ambani one of the accused in the 2G spectrum scam case. Reliance Communications surged over 4% to be the top gainer, Reliance capital advanced 2.6% and Reliance Power gained 2%. However, Reliance Industries after surging 1.5% when the Annual General Meeting commenced, failed to maintain those gains post the event as Mukesh Ambani did not mention any extraordinary initiative. Further, the company also shelved out the plans to foray into power sector. Meanwhile, Maran family-owned Sun TV gained over 4% on the reports of no involvement of the company in the 2G scam. The company denying any involvement in the 2G scam said that allegations were being levied to harm the reputation of the company and its promoters. Shares of Sun TV Network tumbled 27.9 per cent on Thursday after reports stated that the company was a beneficiary of payoffs by an overseas telecom firm

The BSE 30-share Sensex was down 118 points or -0.64% at 18376 while NSE 50-share Nifty ended the day at 5517 down 34 points or -0.61%.

Stocks Performance

ADAG Stocks: RCOM (+4%), Reliance Cap (+2.6%), Rpower (+2%), Reliance Infra (+0.9%)

Reliance Anil Dhirubhai Ambani (ADA) Group stocks jumped after court rejected a plea seeking a probe against Reliance ADA Group Chairman Anil Ambani in a case of alleged rigging of the sale of telecommunication licenses and bandwidth in 2008

Metal Stocks: Hindalco (-2.6%), Welcorp (-2.5%), SAIL (-2.3%), Jindal Steel (-1.6%)

Metal and mining stocks fell after LME, a gauge of six metals traded on the London Metal Exchange, declined 2.2% yesterday.

F&O Update

The benchmark Nifty lost 34 points. VIX stood at 17.61 % decreasing by 2.05% from Thursday's level. PCR (open interest) for Option series is at 1.31 with marginal decrease in Put side and increase in Call side open interest (OI). On put side Maximum OI is at 5400 strike while 5200 strike added maximum open today. We can expect 5400 Level to act as support in near term. June series Call side has maximum OI at 5600 with 5600 strike call saw maximum addition of OI today which indicates immediate resistance at 5600. June Nifty futures closed at 9 points premium to the spot. The market's intermediate trend remains down. The last intermediate bottom for the Sensex was at 17,775, and a breach of that figure would invalidate the other bull market signal as well. There has also been a recent increase in the number of heavily traded stocks falling into major downtrends. There is, therefore, some danger that the bull market that was signaled may be aborted. That danger will recede should an intermediate uptrend develop now.

Top 3 Sensex Gainers:

RCOM (+4%),
LNT (+2.2%),
M&M (+1%)

Top 3 Sensex Losers:

HDFC (-3.0%),
Hindalco (-2.6%),
JP Associate (-2.4%)

Top Sectoral Gainers:

CG (+0.8%),
CD (+0.5%)

