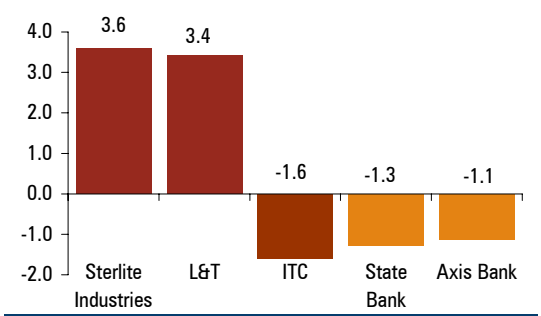


**Index Snapshot**

BSE Sensex	20,543.1	135.4	0.7
CNX S&P Nifty	6,186.5	40.7	0.7
BSE 100	10,947.6	82.3	0.8
BSE 500	8,243.5	65.0	0.8
Dow Jones	10,944.7	22.9	0.2
Nasdaq	2,024.6	-18.1	-0.9
Hang seng	22,880.4	84.6	0.4
Nikkei	9,691.4	11.3	0.1

**What's moving the Nifty?**



**Institutional Activity**

October 6, 2010	FII's (Cash)	DII's
Net flows (Rs cr)	1,842.4	-976.5

\*Provisional figure from BSE

**Market Breadth**

	Adv.	Dec.	Unchanged	Total
BSE	1452	1562	86	3100
NSE	623	746	52	1421

**Technical Picture**

	Intraday	Short Term
Trend	Up	Up
Trend Reversal	6120	5900
Support	6150-6125	5900
Resistance	6205-6225-6240	6240
20 Days SMA		5952
200 days SMA		5275

**Calls for the day**

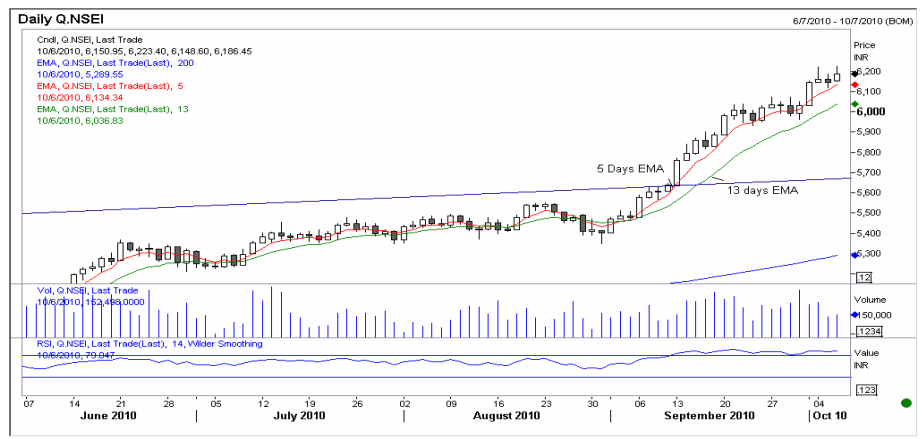
1. Buy Bharat Electronics above 1875.50
2. Buy HDIL above 267.50
3. Sell Hind Unilever below 303
4. Sell Nagarjuna Const. below 159.30

**Market Snapshot**

- Domestic equity indices ended higher for the day after volatile trade. The Nifty ended at 6186.45, 0.66% higher whereas the Sensex closed at 20,543.08, up 0.66% or 135 points. BSE Mid Cap and Small Cap indices gained further 1%. The market breadth was positive
- Realty and metals were in the driving seat with gains in excess of 2% each. Oil & gas also lent some support with 1% gains while the FMCG space continued to witness profit booking

**Market outlook**

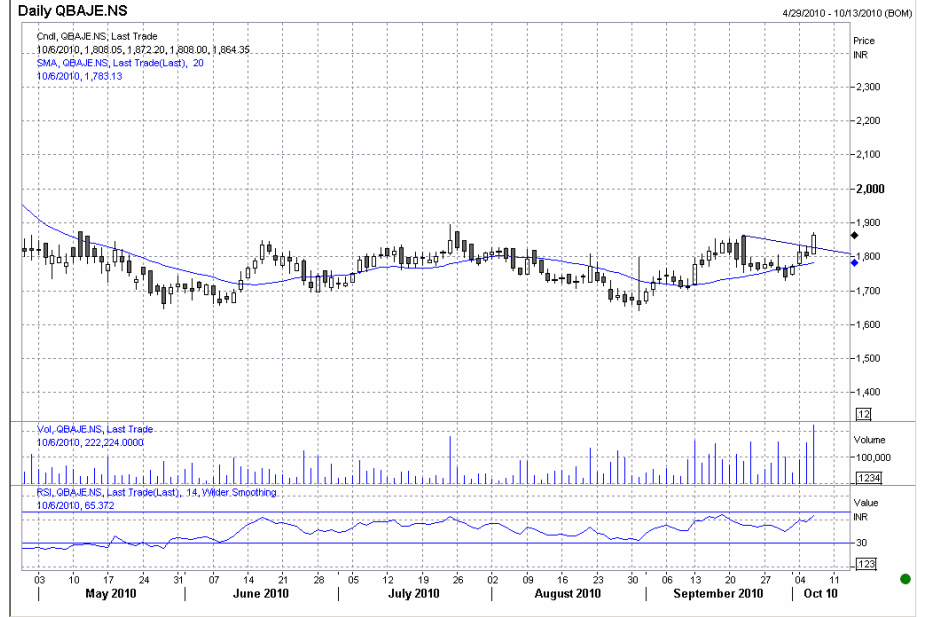
- The Index opened on a strong note but failed to sustain above 6200 mark and gave up early gains. However, in the noon session the index made a smart recovery to end higher
- The daily chart is displaying a small bull candle with higher high and higher. However, higher shadow indicates nervousness around 6200
- As mentioned in our earlier note, Nifty is approaching key price and time resistance zone. Price wise, 6240-6303 range remains important hurdles whereas time wise current up move is achieving 61.8% ratio to the first leg of the up move from May lows
- Short-term moving averages continued to rise up wards. The 5 DEMA is at 6134 and 13 DEMA at 6036. The 14 day RSI is in the overbought territory with current reading at 79.05
- The short-term uptrend would remain intact so long as the Nifty trades above 6060 levels. Resistance for a similar time frame is around 6240, 6303 levels
- For the coming session, Nifty has critical hurdle around 6205. Sustainability above this level could take the index to 6225/6240/6270 levels whereas failure to sustain this level would invite selling pressure
- Nifty spot has supports at 6150, 6125 and resistances at 6205, 6225, 6250



**Strategy for the day**

- We expect the market to open flat on the back of flat Asian and global cues
- Create short positions in the Nifty if it resists at 6245
- One can consider long positions if the Nifty sustains above 6185
- Maintain a strict stop-loss in intraday trades based on the above strategy

### Bharat Electrical (BHALE)



CMP : 1874.45

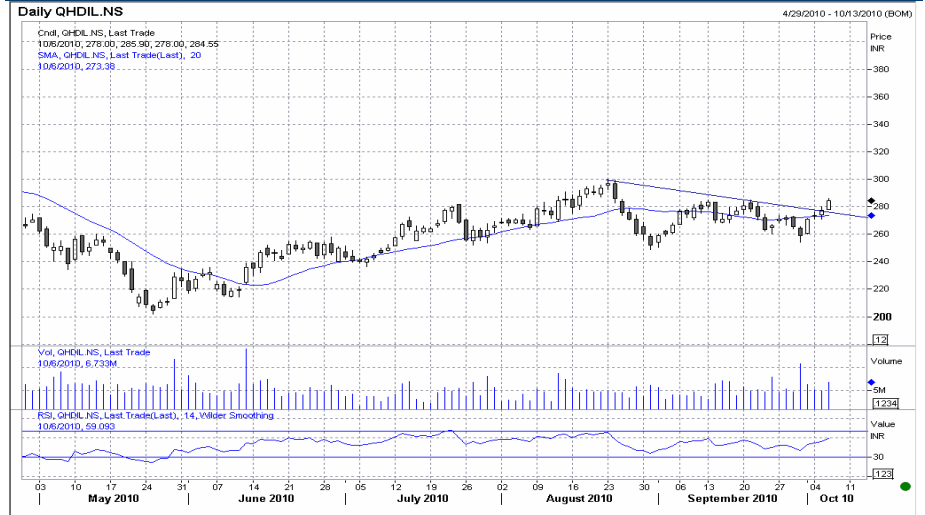
Comment : Breakout from sideways consolidation with high volumes and RSI in buy mode

Action : Buy above 1875.50

Targets : 1898/1910/Higher

Stop-loss : 1863

### Housing Development Infra (HDIL)



CMP : 286.95

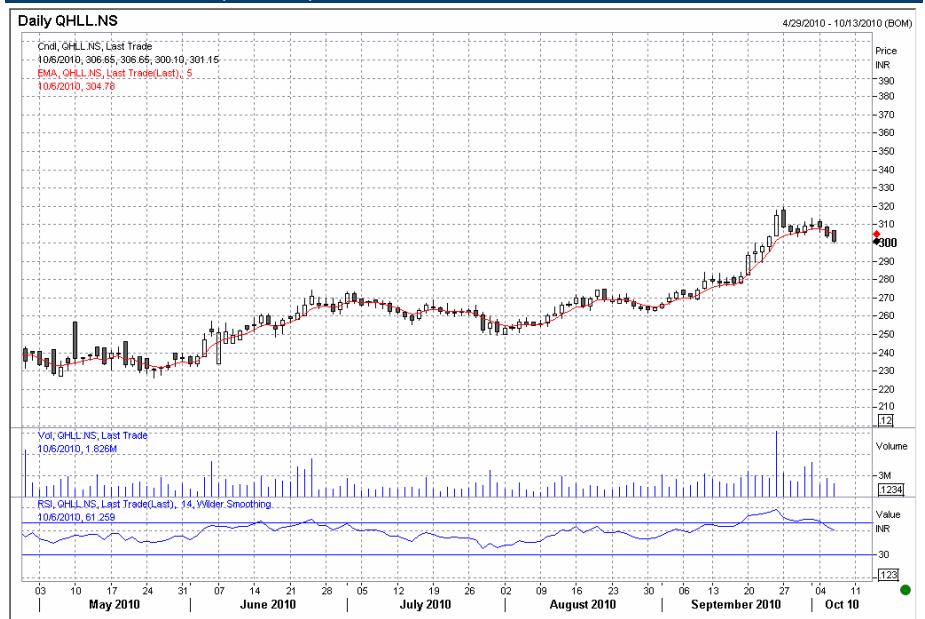
Comment : Trendline break-out in the daily chart and 14 period RSI in buy mode

Action : Buy above 287.50

Targets : 296/299/Higher

Stop-loss : 283.25

### Hindustan Unilever (HINLEV)



CMP : 303.40

Comment : Price below 5 day EMA and 14 period RSI in sell mode

Action : Sell below 303

Targets : 298/296/Lower

Stop-loss : 305.6

CMP : 159.75

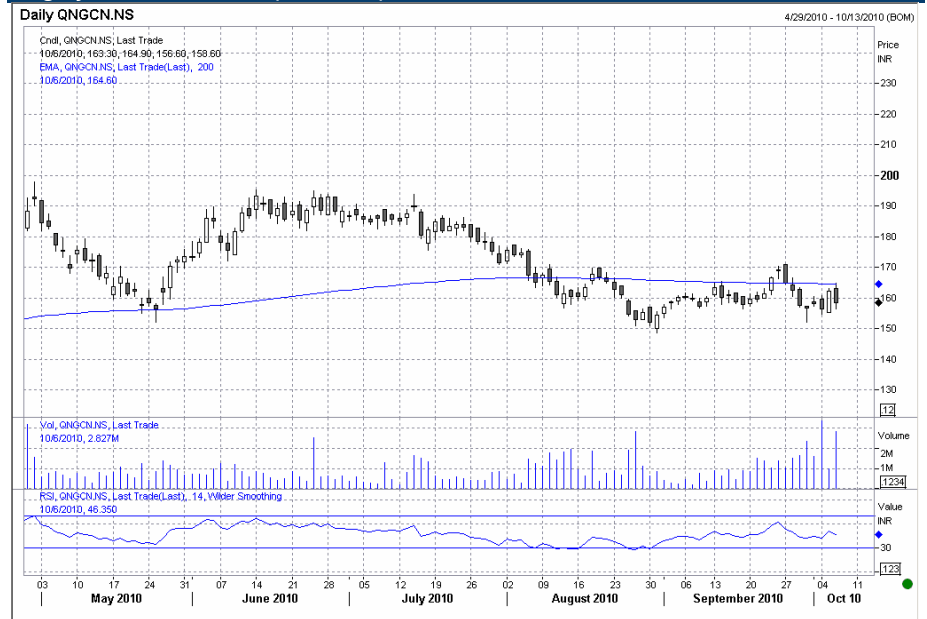
Comment : Taking resistance at 200 day EMA and 14 period RSI in sell mode

Action : Sell below 159.30

Targets : 155.75/154.75/ Lower

Stop-loss : 161.25

### Nagarjuna Construction (NAGCON)



Source: Reuters

#### Previous Day's Performance

Praj Ind	Buy above 79.50	81.20/82/+	Target 2 Almost Achieved	2.69%
RCOM	Buy above 179.50	183/185/+	Stoploss triggered	-0.94%
Voltas	Sell below 243.30	239.5/237.5/-	No trade	0.00%
ONGC	Sell below 1398.50	1386/1380/-	Closed at 1395.55	0.17%

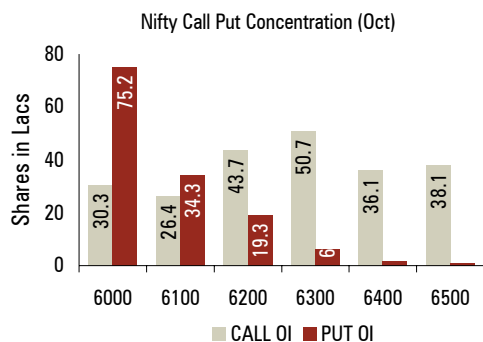
Stock profits: Avg 0.64 % per trade

(Cum. Profits over last 132 day 365.56 %)

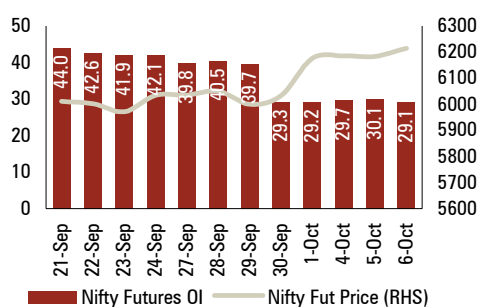
Strike Rate for the day: 2/3

(Cum. Strike Rate over 132 day: 278/403 (€

### Nifty Options OI Distribution



### Nifty OI vs. Future Price



### Nifty Active Strikes

Strike	Call (%)		Put (%)	
	OI chg	IV	OI chg	IV
6100	-3.4	19.9	14.1	20.1
6200	-3.1	19.1	29.3	19.1
6300	12.1	18.2	23.3	17.9
6400	19.5	17.6	16.1	16.5
6500	38.1	17.0	4.9	15.3

### Top OI Gainers

Symbol	OI (lots)	%Chg	Price	%Chg
SCI	3,408,000	110.63	193.30	14.34
ZEEL	3,924,000	34.25	296.55	-2.74
NEVELILIG	4,012,000	30.51	176.00	5.11
ABGSHIP	1,406,000	28.99	286.85	6.32
UNIPHOS	7,212,000	21.29	189.20	1.75

### Top OI Losers

Symbol	OI (lots)	%Chg	Price	%Chg
RELMEDIA	2,435,000	-41.38	279.10	-5.26
FEDERALBNK	1,888,000	-11.49	425.85	0.70
AREVAT&D	3,257,000	-9.75	317.55	4.20
JPASSOCIAT	34,042,000	-7.66	138.05	5.83
RECLTD	4,796,000	-6.66	381.90	0.39

### Derivative Comments

- After opening strong, the Nifty traded weak and became flat in late noon. However, markets witnessed buying in the last one and a half hour of trade and the Nifty closed up 0.66%
- FII buying is still persisting in the cash segment and they bought stocks to the tune of Rs 1842 crore while DIIs were sellers to the tune of Rs 976 crore. FIIs created short positions to the tune of Rs 1117 crore in stock futures while they were buyers in the index futures segment to the tune of Rs 286 crore. Such significant buying in cash segment and selling in stock futures could be due to cash future arbitrage and delivery based buying in selective mid caps
- PCR-OI has improved at 6100 from 1.10 to 1.30. The market is likely to take support here on dips. However, PCR-OI at 6200 is yet to improve and is currently at 0.44, which means the Nifty may continue to face hurdles at higher levels
- We expect the Nifty to trade range bound on the back of insignificant change in options data, mixed cues by FIIs, and by looking at the PCR-OI at 6100 and 6200 strike
- The Nifty is likely to trade in the range of 6180-6250. The trading strategy would be to create long positions if the Nifty takes support at around 6185 levels for targets of 6220 and 6240. On the other hand, one can also create short positions if the Nifty resists at around 6245 levels

### Stock Observation

- OI addition: The Nifty is likely to trade in the range of 6180-6250. The trading strategy would be to create long positions if the Nifty takes support at around 6183 levels for targets of 6200 and 6248. On the other hand, one can also create short positions if the Nifty resists at around 6250 levels
- OI shedding: The Bank Nifty is likely to trade in the range of 12630-12890. Trade long till it holds 12630 else short positions can be assumed for target of 12630

STOCK	CLOSE	S1	S2	S3	R1	R2	R3	TREND
Sensex	20543.08	20548.20	20492.50	20436.75	20659.65	20713.85	20768.05	+ve
Nifty	6186.45	6186.30	6167.60	6148.90	6223.70	6241.95	6260.25	+ve
ACC	1031.25	1027.60	1023.65	1018.10	1035.40	1039.30	1044.90	Neutral
Andhra Bk	171.20	171.60	170.80	170.05	173.20	173.90	174.65	+ve
Arvind	46.90	46.95	46.55	46.15	47.75	48.25	48.75	+ve
Bajaj Auto	1596.35	1596.05	1586.30	1576.55	1615.55	1629.30	1643.05	+ve
Bajlaji tel	55.65	55.60	54.75	53.90	57.25	57.55	57.85	+ve
BOB	923.35	923.30	917.30	911.30	935.30	939.35	943.40	+ve
BOI	574.75	572.65	564.90	557.20	588.10	594.30	600.45	+ve
BEL	1864.35	1856.25	1840.20	1824.15	1888.35	1898.00	1907.60	+ve
BPCL	759.50	757.45	753.55	748.85	765.25	769.10	773.85	Neutral
Bhel	2667.65	2660.00	2652.50	2638.85	2674.95	2682.40	2696.10	Neutral
Canara bk	634.95	636.05	628.50	620.95	651.10	661.90	672.65	+ve
Century	544.05	542.65	538.30	533.90	551.45	555.25	559.05	+ve
Cipla	326.90	323.90	322.35	320.75	327.85	329.85	331.80	-ve
Dr Reddy	1522.65	1520.90	1514.75	1508.55	1533.25	1539.00	1544.75	+ve
Gail	488.65	483.55	482.00	480.45	490.45	493.90	497.35	-ve
Geometric	69.10	69.20	68.50	67.75	70.65	71.10	71.55	+ve
Grasim	2347.00	2344.15	2327.40	2310.65	2377.65	2387.95	2398.25	+ve
Ambuja cem	143.75	143.95	143.25	142.55	145.35	146.20	147.10	+ve
HCL tech	433.75	429.75	426.55	423.35	434.20	436.45	438.70	-ve
Hdfc Bk	2456.75	2452.00	2444.50	2425.90	2467.00	2474.50	2493.10	Neutral
HDFC	745.05	741.35	737.15	730.65	749.75	753.95	760.50	Neutral
Hero honda	1822.85	1822.25	1815.25	1808.25	1836.25	1844.45	1852.70	+ve
Hexaware	79.50	79.55	79.20	78.85	80.25	80.70	81.10	+ve
Hindalco	210.45	210.00	208.20	206.40	213.55	215.70	217.85	+ve
HUL	301.15	298.60	297.15	295.70	301.90	303.55	305.15	-ve
HPCL	516.50	512.05	509.45	506.90	518.00	520.95	523.95	-ve
Hinduja TMT	455.70	449.45	446.25	443.00	456.60	460.15	463.70	-ve
IDBI	161.10	158.15	157.45	156.75	161.20	162.75	164.25	-ve
I flex	2300.25	2270.15	2259.15	2248.15	2300.15	2315.15	2330.15	-ve
IOC	421.70	421.45	419.95	418.45	424.45	426.75	429.00	+ve
Infotech	162.05	161.55	160.10	158.65	164.45	166.40	168.35	+ve
Infy	3103.80	3102.45	3090.90	3079.30	3125.60	3135.85	3146.10	+ve
ITC	172.90	170.15	169.30	168.45	173.25	174.75	176.30	-ve
Jindal saw	217.70	217.95	216.75	215.55	220.35	221.15	221.95	+ve
KPIT	165.30	165.65	164.50	163.30	168.00	169.15	170.30	+ve
L & T	2072.40	2073.20	2068.45	2063.70	2082.70	2096.10	2109.45	+ve
Lic housing	1468.75	1468.60	1458.50	1448.45	1488.75	1501.60	1514.45	+ve
M & M	740.45	731.00	726.30	721.60	742.85	748.80	754.70	-ve
Maruti	1516.70	1517.15	1511.65	1506.15	1528.15	1540.50	1552.85	+ve
Mastek	248.55	248.70	247.20	245.70	251.70	252.90	254.15	+ve
MTNL	66.55	66.30	65.90	65.00	67.10	67.50	68.35	Neutral
Nalco	422.90	421.75	417.10	412.40	431.15	432.60	434.05	+ve
NTPC	216.60	216.30	215.70	214.65	217.50	218.10	219.10	Neutral
ONGC	1385.25	1382.05	1375.45	1362.05	1395.25	1401.85	1415.30	Neutral
OBC	505.95	503.40	497.30	491.20	515.55	519.90	524.25	+ve
Polaris	173.70	173.70	172.75	171.85	175.55	176.60	177.70	+ve
PNB	1316.45	1315.55	1306.45	1297.35	1333.75	1337.95	1342.10	+ve
Ranbaxy	587.25	578.05	573.40	568.80	589.50	595.20	600.95	-ve
Rel infra	1121.30	1121.20	1115.70	1110.25	1132.15	1142.00	1151.90	+ve
Reliance	1044.95	1042.30	1037.30	1032.25	1052.30	1058.80	1065.25	+ve
Rolta	169.85	169.80	169.20	168.55	171.05	171.70	172.30	+ve
Sail	227.55	227.25	226.40	225.50	228.95	231.65	234.30	+ve
Satyam	88.30	88.50	87.40	86.30	90.70	91.25	91.80	+ve
SCI	192.05	190.35	182.45	174.55	206.10	207.75	209.35	+ve
SBI	3233.30	3212.60	3203.10	3193.65	3239.25	3252.60	3265.95	-ve

STOCK	CLOSE	S1	S2	S3	R1	R2	R3	TREND
Syndicate	130.15	130.00	128.90	127.75	132.25	133.30	134.30	+ve
Tata che	414.45	412.35	407.95	403.55	421.10	423.80	426.45	+ve
Telco	1138.70	1136.15	1132.15	1127.75	1144.10	1148.05	1152.45	Neutral
Tata Pow	1403.25	1404.55	1399.70	1394.85	1414.25	1421.30	1428.30	+ve
Tata tea	129.30	129.05	128.35	127.65	130.45	131.65	132.85	+ve
TCS	959.65	959.40	954.95	950.45	968.35	973.30	978.25	+ve
Tisco	678.25	678.20	674.70	671.25	685.15	688.65	692.15	+ve
UBI	402.80	402.45	400.85	399.25	405.70	407.20	408.70	+ve
Tata com	322.10	321.30	319.90	317.70	324.05	325.40	327.60	Neutral
Wipro	464.90	465.15	462.95	460.80	469.50	471.50	473.55	+ve

## NOTES:

- The Sell below / above price is a key technical level which decides the trend for the day
- Once the Call is initiated, an appropriate Stop Loss trigger should be Put for the trade
- Once into position, Put trailing stops to preserve your profits
- Be careful if the counter achieves the target immediately after opening
- The strategies are valid only for the date mentioned at the top
- Positions should be squared off by the end of the day
- Only stocks in derivatives segment have been considered for daily trading
- Chart shows 50 days on NSE cash market, with 5/8/13/21 day EMAs, volumes & 5-day Slow Stochastics
- The vertical grids show weeks, horizontal grids are price-aligned
- The writer may have position in the stocks discussed
- The strategies are based on intra-day volatility, suggesting a two-way approach intra-day
- Medium to long-term prospects of a stock does not have any bearing on the daily view

**MOST IMP:** The follow-up and performance review table of the strategies indicates the profit opportunity that was available in the strategies. Individual profits may vary, depending upon the entry and exit price and stop losses.

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Research Product	Perspective	Frequency	Time frame	Avg. Returns objective	Location on ICICIdirect.com
<b>Pre-market open view</b>					
<a href="#"><u>Daily Technical</u></a>	Features three stocks with a trading outlook for the day based on short-term technical trends considering key technical indicators & statistical information.	Daily	1 Day	2 – 3 %	Home page-Trading recommendation, Research page-Technical recommendations
<a href="#"><u>Daily Derivative</u></a>	Trading strategy for a day in the futures & options segment based on news events, market trends, technical & other factors governing movements in stocks.	Daily	1 Day	2 - 3%	Home page-Trading recommendation, Research page-Technical recommendations, Trading Page - Scroller
<a href="#"><u>Momentum Pick</u></a>	Provide trading strategy for a day based on technical and derivative outlook.	Daily	1 Day	2- 3%	Internal Mailer
<a href="#"><u>Advanced Derivative Strategies</u></a>	Provides simplified Derivative strategies such as Spreads and Covered calls	Daily			iClick-2-Gain
<b>Intra-day Technical recommendations</b>					
<a href="#"><u>BTST Calls</u></a>	Based on short term technical trends and stock specific news/news expectations.	Daily	1 – 2 Days	1 - 2%	Trading Page - iCLICK-2-GAIN
<a href="#"><u>Margin Calls</u></a>					
<a href="#"><u>Derivative Calls</u></a>					
<b>Weekly recommendations</b>					
<a href="#"><u>Weekly Calls</u></a>	Features stocks with a trading outlook for a week based on short-term technical trends considering key technical indicators & statistical information.	Weekly	1-7 days	4 – 5%	Home Page & Research Page
<a href="#"><u>Weekly Technicals</u></a>	Features market outlook for the coming week with focus on one of the sector which may outperform broader markets.	Weekly	1-7 days	4 – 5%	Internal Mailer
<a href="#"><u>Weekly Derivatives</u></a>	Trading opportunities in futures & options segment based on fundamental & technical analysis also incorporates factors such as overall market trend, volatility & open interest positions of securities.	Weekly	1-7 days	4 – 5%	Home Page, Research Page & Trading page -Scroller
<b>Short -Medium term recommendations</b>					
<a href="#"><u>Stocks on move</u></a>	Covers stocks which are likely to show significant upward movement in the next 15 days due to change in trader sentiment.	Fortnightly – every alternate Wednesday	> 7-15 days	5 – 7%	Home page, Research page & Trading page - Scroller iCLICK-2-GAIN
<a href="#"><u>Monthly Technicals</u></a>	Trading outlook for a month based on medium-term technical trends considering key technical indicators & statistical information.	Monthly	30 days	10%	Home Page & Research Page
<a href="#"><u>Value Pick</u></a>	Short term trading recommendation based on technical set-up and favourable risk/reward.				iClick-2-Gain
<a href="#"><u>Rollover Analysis</u></a>	Features High Dividend Yielding Stocks for assured returns on investment				Internal Mailer