

## MOST Market Action

11 April, 2007

Market Trend		Consolidation		
<p>The resistance level for Nifty Futures is 3885. This level is expected to provide strong resistance, as it is the falling trendline resistance, retracement level and intermediate point. The support zone for Nifty Futures is between 3780 and 3760. As the trading volumes are on lower side, the uptrend continuation may be seen.</p>		<b>Market Trends - Sensex</b>		
		<b>Trend</b>	<b>Direction</b>	<b>Reversal</b>
		Major	UP	11,444
		Intermediate	Down	13,740
	Minor	Down	13,400	
For INVESTORS				
<p>BUY IOC MBP 515</p> <p>Recent fall is a good opportunity to buy for investment. Crude price declined nearly 8% from \$66 per barrel to \$61.63 per barrel positive for IOC We expect IOC to record FY07 net profit of Rs 7.7 b on the back of relatively low fuel marketing under recoveries, despite weaker refinery margin. New PX/PTA plan would have been a key contributor, given the strong PX prices and margin. The stock is trading at 10x FY08E earnings and 1.2x FY08 book value.</p>		<b>MOST Top Investment Picks</b>		
		<b>Scrip Name</b>	<b>MBP</b>	
		IOC	515	
		SAIL	130	
		Mangalam Cement	205	
GMR Infra	385			
For POSITIONAL TRADERS (Technical)				
Options Strategy		(Initiated on 10.04.2007)		
NIFTY: CALENDAR SPREAD	BUY	NIFTY APR FUTURES @ 3815-16	Lot Size	50
	SELL	NIFTY MAY FUTURES @ 3814-15	Margin	Rs. 8000 (ap)
<p>The difference between April and May Nifty futures should increase to 18-20 by April expiry. The objective is to capture the discount in Nifty futures. The return is almost risk free.</p>			Max Profit	Rs. 800-1000
			Annun return	120% risk free
FOR POSITIONAL TRADERS				
Futures / Cash Markets		Price	Stop Loss	Target
Trading Portfolio F&O :- Buy TISCO FUTURES ( * - indicates revised stop loss )		465	478*	525
TRADING PORTFOLIO F&O :- BUY SATYAM FUTURES		447	430	478

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