

## MOST Market Action

3 May, 2007

Market Trend		POSITIVE		
<p>Nifty Futures resistance level is at 4150 &amp; closing above this level will continue the uptrend upto the earlier high.</p> <p>The low of Friday ( 4025 ) is expected to act as a strong support in intraday correction.</p>	<b>Market Trends - Sensex</b>			
	<b>Trend</b>	<b>Direction</b>	<b>Reversal</b>	
	Major	UP	12,300	
	Intermediate	UP	13,350	
	Minor	UP	13850	
For INVESTORS				
<p>MOST Focus :- BUY AMTEK AUTO ( MBP - 400 ) &amp; NESTLE INDIA ( MBP - 1050 )</p>		<b>MOST Top Investment Picks</b>		
		<b>Scrip Name</b>	<b>MBP</b>	
<p>AMTEK AUTO Strong performance on consolidated basis.</p> <p>consolidated revenues grew 46% YoY to Rs10.8b in 3QFY07, while the consolidated adj. PAT grew 55% YoY to Rs1.1b.</p> <p>Merger of Amtek India is still 18-24 months on the horizon and is expected to happen only after Amtek Auto deploys its cash surpluses in acquisitions and expansions along with their integration.</p> <p>We have revised our EPS estimate of Amtek Auto upwards by 6.9% for FY07 to Rs24.9 to reflect the strong growth momentum of the company.</p> <p>We upgrade FY08 EPS by 10.8% to Rs31.7 and FY09 EPS by 6.2% to Rs36. Stock trades at 15.6x FY07E consolidated EPS, 12.2x FY08E EPS and 10.8x FY09E EPS.</p> <p>NESTLE INDIA Nestlé's 2006 annual report reveals that the bulk of the sales growth in 2006 is due to volume growth and only a moderate product price increases were effected. The continuation of strong demand trend, high base effect of raw material prices and income tax savings. The stock trades at 19.4x CY08 ( E )</p>		AMTEK AUTO	400	
		NESTLE	1050	
For POSITIONAL TRADERS (Technical)				
Options Strategy - A (Initiated on 30/04/2007)				
RELIANCE BUY PUT	BUY	RELIANCE 1500 MAY PA @ Rs. 18	Lot Size	150
	-	-	Max. Profit	Unlimited
<p>Technically the market looks weak and we expect Reliance to correct in the medium term.</p>			Max. Loss	Rs. 2,700.00
			Breakeven Pt.	1482
Futures / Cash Markets		Price	Stop Loss	Target
TRADING PORTFOLIO CASH :- BUY BANK OF MAHARASHTRA		41	38	51
TRADING PORTFOLIO F&O :- BUY SATYAM FUTURES		475-480	465	498
TECHNICAL CALL:- Sell BOB Futures (Close 238.90)		246	250	236
TECHNICAL CALL:- Buy Escorts Futures (Close 133.15)		130	125	140
TECHNICAL CALL :- Buy RCOM FUTURES (Close 479)		470	460	495

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