

CAPSTREND

Weekly Market Perspective

WEEKLY



CAPSTOCKS & SECURITIES (INDIA) PVT. LTD.



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RECORD GAINS IN BENCHMARK INDICES AT 2009

Indian stock market recorded one of the best performing in 2009. Other best performing years are 1993 and 1999. Sensex and Nifty gained 80% and 75% respectively for the year. CNX Midcap and BSE Small cap gained by 99% and 126% respectively. Foreign Institutional Investors pumped nearly \$17.38 billion in 2009, out of which nearly \$7 billion went to QIPs (qualified institutional placements) and nearly \$3.3 billion each to IPOs & ADRs/ GDRs. Domestic Institutional Investors remained active and bought nearly 26,735 Crores for the year. Metal and Auto sector outperformed the market whereas FMCG sector underformed the market. Among largecap stocks Tata Motors and Jindal Steel and Power gained more than 350% for the year whereas Bharti Airtel and RCom were the major losers. For the week markets remained range bound with activity witnessed in small cap stocks and truncated trading days. Events to watch out include change in trading timings where markets will open from 9.00 AM from January 4, 2010.

DOW IN HOLIDAY MOOD

Trading volumes plummeted on Wall Street as fund managers went for Christmas and New Year Holidays. Activity was subdued and major indices remained range bound for the week. For the year Dow Jones Industrial Average gained 20% while Nasdaq Composite gained 45%. The broad S&P 500 is up nearly 25 percent for 2009, on track for its best performance since 2003. The gains come on the heels of a 38.5 percent slide in 2008, Wall Street's worst year since the Great Depression. Next week markets will take queue from economic and corporate data.

MARKET SYNOPSIS

WEEKLY INDICES CHANGE

BSE	17464.81	▲ 104.20
NSE	5201.05	▲ 22.65

INSTITUTIONAL INVESTMENTS

DATE	FII (Net) Rs Crs	MF (Net) Rs. Crs
29/12	811.30	200.90
30/12	384.50	NA
31/12	353.90	NA

ADVANCE DECLINE- NSE (31/12/09)

ADVANCE	DECLINE
713	585

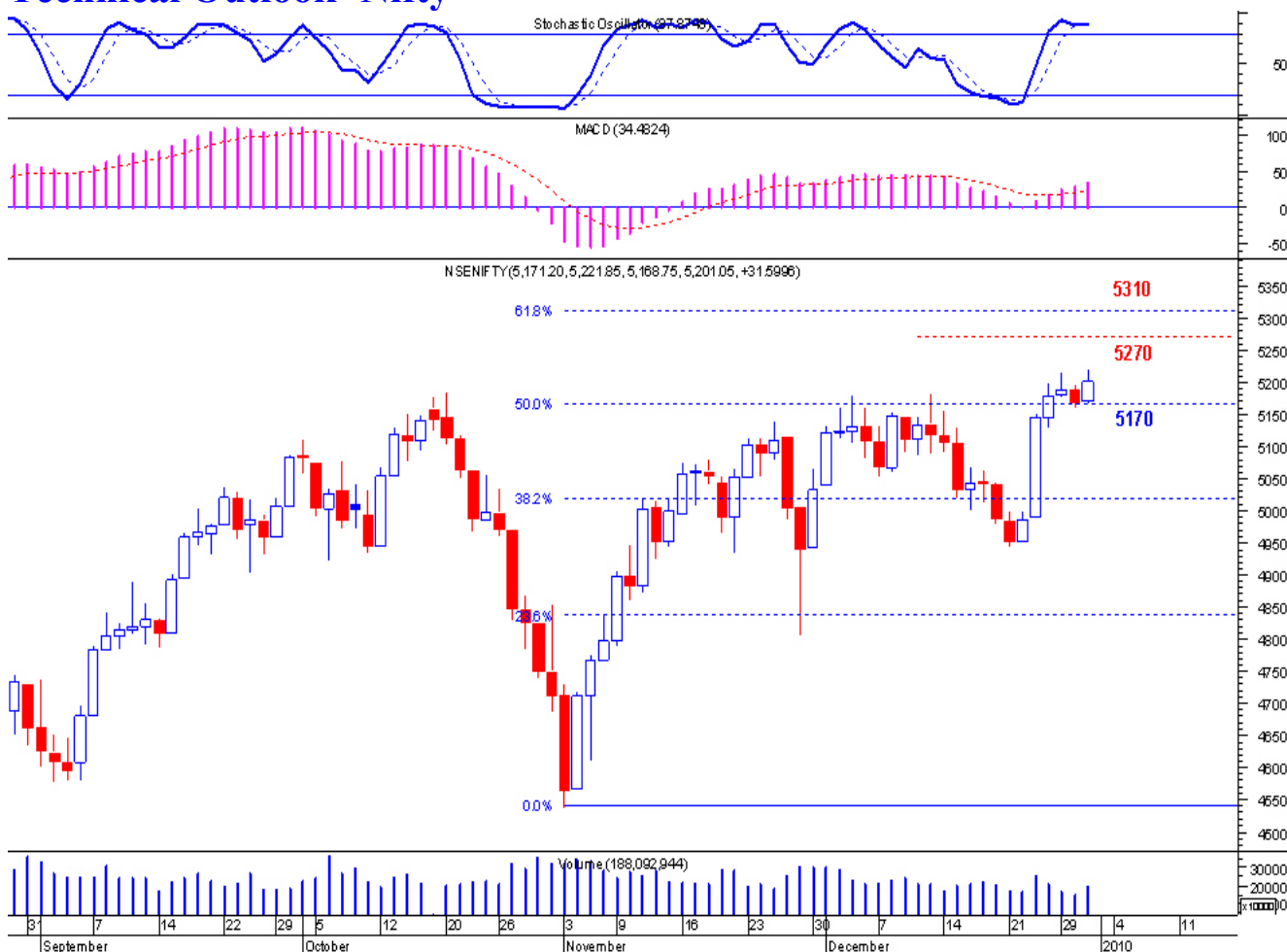
CORPORATE ACTIONS

Ex-Date	Company	Corporate Action
04/01	Lanco Infra	Split Rs10 to Re1
08/01	Krone Comm	Div:Rs.1.50
11/01	Automotive Axle	Div:Rs.2.70
12/01	Balrampur Chini	Div:Rs.3.00
12/01	Walchandnagar	Div:Rs.1.00
19/01	Siemens Ltd	Div:Rs.5.00

DATA TO BE WATCHED

04/01	ISM Manufacturing	U.S
04/01	PMI	Europe
05/01	Pending Home Sales	U.S
05/01	Factory Orders	U.S
06/01	Crude Oil Inventories	U.S
07/01	Initial Jobless Claims	U.S
08/01	Unemployment Rate	U.S
08/01	Nonfarm Payrolls	U.S
08/01	Consumer Credit	U.S

Technical Outlook- Nifty



As expected, the S&P CNX Nifty closed at 5,201 levels on long rollovers in index futures. The index is expected to consolidate above 5,200 in the new January series before moving above the short-term target of 5,310. Nevertheless, the Nifty January futures saw long rollovers as they closed at a 14-point premium. The open interest build-up was mostly through buy-side trades. Derivatives contracts indicate that in the absence of any significant short rollovers, the Nifty can now consolidate above 5,200 before moving to much higher levels. Options traders expect the Nifty to move around 5,400 with support at 5,100. The journey between 5,200 and 5,400 is likely to be volatile as open interest build-up in these calls has been mostly through a mix of buy and sell trades. The resistance is expected to be at 5,400 levels with this strike call holding an open interest of 2.3 million shares, mostly through sell-side trades. The Nifty once again traded in a range of 20 points after opening above 5,200. The bulls are gaining strength to buy only after a confident move above 5,200. Most technical indicators remain positive and hence momentum should pick up in the next few trading sessions. The oscillators are slightly overbought but are not an immediate concern. The weekly resistance of Nifty found at 5228-5266-5310 levels and support found at 5166-5102-5060 levels.

Technical Buy - Navinfluor

The chart showed the bullish trend formation since July 2009 and three weeks before found a small consolidation by reaching its 50 DMA, pointing that it has more rooms to be achieved in the near term. The current trend was witnessed by high volume confirms the above statement. The Stochastic Oscillator showed a positive divergence suggesting long positions. The Daily MACD also residing in the positive territory also confirms the up trend. In this scenario, we recommend buying the stock at current levels or on any declines at Rs.330-340 levels for a short term targets of Rs.370 and Rs.405. Traders should maintain a stoploss of Rs.320 on all long positions.

BUY - NAVINFLUOR : CMP-338



New features in capstocks website

We are glad to inform you that, for easy and quick availability of market & stock related information and on the movement of stocks technically, we have introduced new facilities on our corporate website. Hope it will be more beneficial to you

Click the **Market Info** menu where a few sub menus will be displayed. By clicking each Submenu, you will be able to get more information

- News Analysis**
- Derivatives Price**
- Insurance Other**
- Corporate Actions**
- Analysis**
- Markets**

For more and clear information on the movement of stocks technically, we have included a new feature named charting corner. It can be viewed in the **Corporate Info** menu by giving the scrip name & selecting **Charting Corner** in the pull down menu & then click GO. You can select the desired chart type 'Intra day or End of Day. You can also apply technical Tools and studies by clicking the indicator and studies respectively and also do comparison.

[For more information please visit market information at http://www.capstocks.com](http://www.capstocks.com)

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