

W E E K L Y

STOCKS REPORT

18th Oct 2010 to 23rd Oct 2010



Markets Tumble - Tired Of Upward Rally !

CapitalVia

RESEARCH

WEEK WRAP

- The week went by has been chaotic for the markets with umpteen twists and turns. What kick started with an elated mood lost steam mid-way and closed with a cut of over 0.5% on both the Nifty and Sensex.
- Equity benchmarks ended the week on a lower note; the 30-share BSE Sensex closed at 20,125.05, down 125.21 points or 0.62% and the 50-share NSE Nifty fell 40.8 points or 0.67% to settle at 6,062.65.
- The beginning of the earnings season for the quarter ended September 2010 was good. India's second largest IT services exporter Infosys Technologies and third largest private sector bank by market cap Axis Bank reported better-than-expected numbers.

ASIAN & EMERGING MARKET

- Asian stocks rose for a seventh consecutive week, the longest winning streak in almost four years, as strengthening economic and corporate earnings data boosted confidence in a global recovery.
- The MSCI Asia Pacific Index rose 0.69 percent this week to 131.03, led by energy and materials companies. The gauge's seventh straight weekly increase is its longest stretch of gains since December 2006.
- Australia's currency reached parity with the U.S. dollar for the first time since exchange controls ended in 1983 as the biggest mining boom in a century and U.S. stimulus prospects spurred demand for the nation's assets
- Asian currencies completed a seventh weekly advance, led by the Singapore dollar, as relatively high yields and the world's fastest economic growth spurred demand for assets in the region's developing nations.

US MARKET

- U.S. stocks rose for a second week as Federal Reserve Chairman Ben S. Bernanke said more stimulus may be needed to protect the economic recovery and better-than-estimated earnings boosted investor confidence.
- The Standard & Poor's 500 Index advanced 1 percent to 1,176.19 this week and reached the highest level since May 3 on Oct. 13. The Dow rose 56.3 points, or 0.5 percent, to 11,062.78.
- Federal Reserve Chairman Ben S. Bernanke said additional monetary stimulus may be warranted because inflation is too low and unemployment is too high
- Retail sales in the U.S. climbed more than forecast in September, easing concern that unemployment stuck near a 26-year high will bring the recovery to a halt
- The dollar fell for a fifth week against the euro, matching a losing streak that ended in December 2008, as traders speculated the Federal Reserve will further ease monetary policy
- Crude oil fell to the lowest level in two weeks as the dollar strengthened, curbing the appeal of commodities as an alternative investment.

MICRO ECONOMIC FRONT

- India's annual headline inflation rose slightly more than expected in September, India's wholesale price index rose 8.62 percent in September compared with 8.5 percent in August. Bond yields and swap rates rose as the data reinforced expectations for a rate rise when the RBI reviews policy on Nov. 2.
- India's foreign exchange reserves rose to \$295.792 billion as on Oct. 8, from \$294.158 billion in the previous week, the Reserve Bank said in its weekly statistical supplement on Friday.
- The Indian rupee strengthened to its highest level in 25-½ months on Friday, rising for the seventh straight week as record portfolio inflows continued to pour into local shares amid a broadly weak dollar globally.
- The Reserve Bank of India (RBI) governor Duvvuri Subbarao said on Friday the RBI was watching the exchange rate situation and will intervene in the forex market if inflows are lumpy.

Nifty

NIFTY Properties	Values
Weekly Open	6105.95
Weekly Low	6050.35
Weekly High	6284.10
Weekly Close	6062.65
Weekly Chg%	-43.60
Weekly Chg Points	-0.71%

World Indices

World Indices	Close	Weekly Chg Points	% CHG
Sensex	20475.45	+430	+2.14%
Nifty	6062.65	-43.60	-0.71%
DOW Jones	11062.78	+56.3	+0.51
Shanghai Comp.	2971.16	+232.42	+8.48%
Nikkei	950.25	-88.63	-0.92%
CAC 40	3827.37	+64.19	+1.70%
FTSE	5708.40	+45.8	+0.80%

Sectorial Indices

Indices	Open	High	Low	Close
BANK NIFTY	12414.90	12827.35	12324.40	12346.45
CNX NIFTY JUNIOR	13097.10	13297.00	12928.35	12953.70
S&P CNX 500	5075.90	5159.95	4990.35	4998.70
CN XIT	6743.15	7053.45	6704.15	6730.10
CNX MIDCAP	9469.80	9577.20	9333.25	9346.60
CNX 100	6137.65	6240.20	6019.65	6030.70

Gainers

Scrip	Current Close	Change	Chg %
BINANI INDS	235.45	121.80	93.30
UFLEX	307.65	213.10	44.36
KHAITAN ELEC	201.80	142.45	41.66
XPRO INDIA	82.10	60.30	36.15
DPSC LTD	2,114.35	1,553.90	36.06

Losers

Scrip	Current Close	Change	Chg %
NU TEK INDIA	41.90	60.45	-30.68
CAREER POINT	512.20	628.15	-18.45
KOUTONS RETA	126.85	151.50	-16.27
JHS SVEND	102.75	118.55	-13.32
RAMSARUP IND	46.95	54.05	-13.13

DII's Investments

Indices	Buy Value	Sell Value	Net Value
14-Oct-2010	583.10	982.50	-399.40
13-Oct-2010	749.90	1,102.10	-352.10
12-Oct-2010	420.70	757.50	-336.80
11-Oct-2010	437.00	697.10	-260.10

FII's Investments

Indices	Buy Value	Sell Value	Net Value
15-Oct-2010	5492.10	2597.70	2894.30
14-Oct-2010	6718.60	3618.20	3100.40
13-Oct-2010	3092.50	2392.40	700.10
12-Oct-2010	3545.40	2434.20	1111.20
11-Oct-2010	3602.80	2795.30	807.50

Week Ahead - Spot Nifty



Figure: 1 Nifty Weekly

Technicals

- NIFTY FUTURE AS EXPECTED RESULTED IN SELL OFF AFTER POSITIVE OPENING NEAR 6224 HAS SEEN HUGE PROFIT BOOKING IN THE LAST TRADING SESSION. NOW ON THE UPSIDE RESISTANCE IS AT 6160/6200 LEVELS AND ON THE DOWNSIDE SUPPORT IS AT 6050/5980 LEVELS. WE RECOMMEND SELLING ON RISE WITH STRICT STOPLOSS OF 6150.

Properties	Support 1	Support 2	Resistance 1	Resistance 2
Values	6029	5978	6177	6275

Week Ahead - Bank Nifty

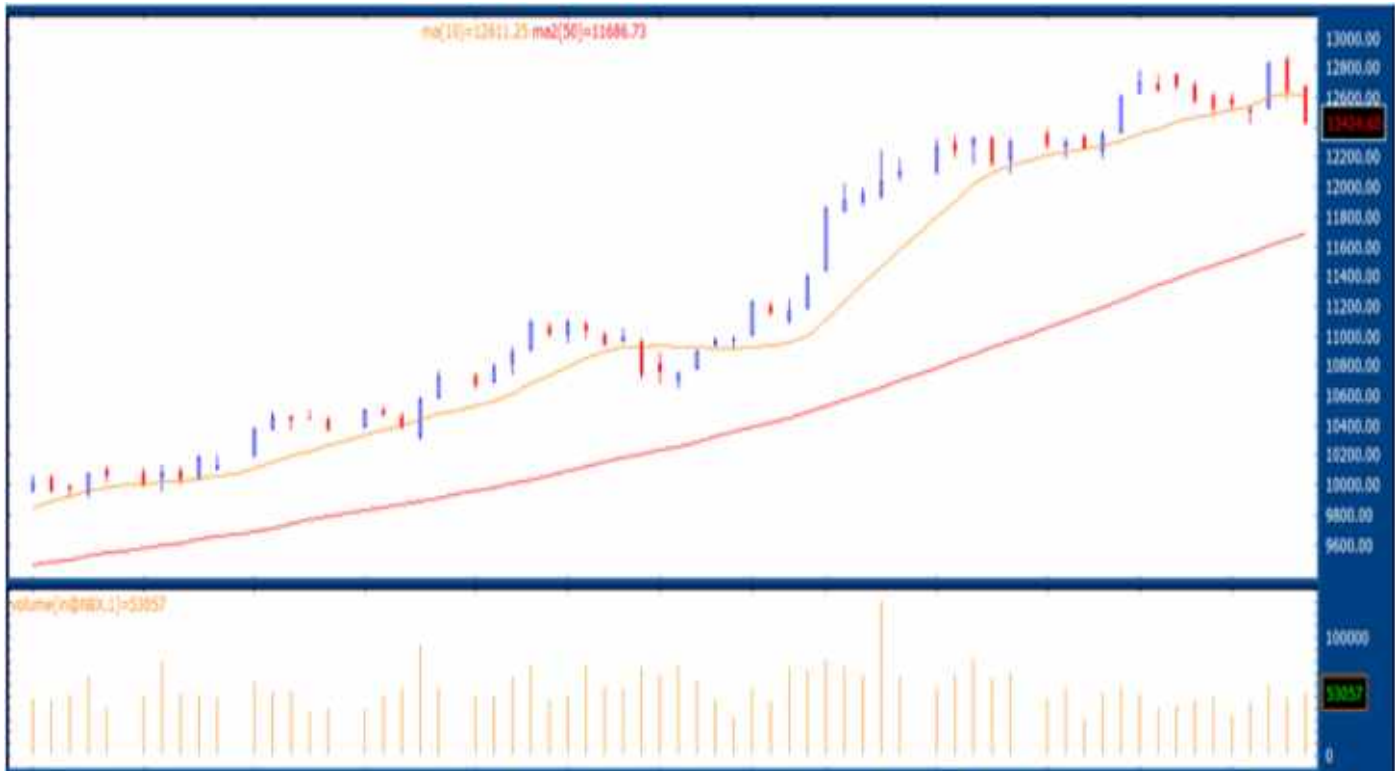


Figure: 1 Bank Nifty Weekly

Technicals

- BANK NIFTY FUTURE AS EXPECTED RESULTED IN SELL OFF AFTER POSITIVE OPENING NEAR 12685 HAS SEEN HUGE PROFIT BOOKING IN THE LAST TRADING SESSION. NOW ON THE UPSIDE RESISTANCE IS AT 12520/12600 LEVELS AND ON THE DOWNSIDE SUPPORT IS AT 12180/12085 LEVELS. WE RECOMMEND SELLING ON RISE WITH STRICT STOPLOSS OF 12620.

Properties	Support 1	Support 2	Resistance 1	Resistance 2
Values	12324	12224	12605	12785

STOCK OF THE WEEK

BUY

PRATIBHA INDUSTRIES

<i>Symbol</i>	PRATIBHA(NSE)
<i>Company Name</i>	PRATIBHA INDUSTRIES
<i>Price</i>	Rs.84.25
<i>Change</i>	Rs. 0.55
<i>Volume</i>	662008
<i>52 Week High</i>	433.60
<i>% From High</i>	-0.48%
<i>Day High</i>	84.65
<i>EPS</i>	7.05

Key Statistics

WHY CAN SLIM?

C

Current Quarter Earning per Share. The Higher The Better.

Primary Factors

Almost 22.32 % decline from Q o Q Earnings.

Source: sihl.in

A

Annual Earnings Increases: Look for a significant growth.

Primary Factors

Annual Earnings showed an increase of 34.76% YoY.

N

New Products, New Management, New Highs, Buying at Right Time.

Primary Factors

PRATIBHA INDUSTRIES is set for a good breakout after a long consolidation phase.

S

Supply and Demand: Shares Outstanding Plus Big Volume Demand.

Primary Factors

PRATIBHA INDUSTRIES is a mid cap stock consisting of Rs. 703 crores Shares Outstanding (Total Public Shareholding)

L

Leader or Laggard: Which is your stock?

Primary Factors

PRATIBHA INDUSTRIES is a leading stock with a relative strength above 61.06% in Weekly and 63.39% in Daily.

I

Institutional Sponsorship: Follow the Leaders.

Primary Factors

Approximately 16.92% of Shares are held by the Institutional Investors (FIIs, Mutual Funds).

M

Market Direction

Primary Factors

If Market continues to remain in a secular uptrend, hence overall.

"CAN SLIM is a formula created by William J. O'Neil, who is the founder of the Investor's Business Daily and author of the book How to Make Money in Stocks - A Winning System in Good Times or Bad.

Each letter in CAN SLIM stands for one of the seven chief characteristics that are commonly found in the greatest winning stocks. The C-A-N-S-L-I-M.

characteristics are often present prior to a stock making a significant rise in price, and making huge profits for the shareholders!

O'Neil explains how he conducted an intensive study of 500 of the biggest winners in the stock market from 1953 to 1990. A model of each of these companies was built and studied. Again and again, it was noticed that almost all of the biggest stock market winners had very similar characteristics just before they began their big moves."

Technical Picture

Stock of the Week



Technicals

- PRATIBHA INDUSTRY HAS BEEN IN THE CONSOLIDATION ZONE OF 85 TO 78 AND NOW IS SHOWING BOTTOMING FORMATION. IF IT BREAKS ITS RESISTANCE LEVEL OF 85, WE CAN SEE SOME UP MOVE IN THE COUNTER UP TO 87.50,90 AND 94 .ONE CAN BUY IT ABOVE 85 WITH STOP LOSS OF 81.25 FOR TARGET OF 87.50,90 AND 94.

Indices	Support	Resistance
PRATIBHA INDUSTRIES	81.25	85



Disclaimer

The information and views in this report, our website & all the service we provide are believed to be reliable, but we do not accept any responsibility (or liability) for errors of fact or opinion. Users have the right to choose the product/s that suits them the most.

Investment in Stocks has its own risks. Sincere efforts have been made to present the right investment perspective. The information contained herein is based on analysis and up on sources that we consider reliable. **We, however, do not vouch for the accuracy or the completeness thereof.** This material is for personal information and **we are not responsible for any loss incurred** based upon it & take no responsibility **whatsoever for any financial profits or loss which may arise from the recommendations above.**

The stock price projections shown are not necessarily indicative of future price performance. The information herein, together with all estimates and forecasts, can change without notice.

CapitalVia does not purport to be an invitation or an offer to buy or sell any financial instrument.

Analyst or any person related to CapitalVia might be holding positions in the stocks recommended.

It is understood that anyone who is browsing through the site has done so at his free will and does not read any views expressed as a recommendation for which either the site or its owners or anyone can be held responsible for.

Our Clients (Paid Or Unpaid), Any third party or anyone else have no rights to forward or share our calls or SMS or Report or Any Information Provided by us to/with anyone which is received directly or indirectly by them. If found so then Serious Legal Actions can be taken.

Any surfing and reading of the information is the acceptance of this disclaimer.

All Rights Reserved.