

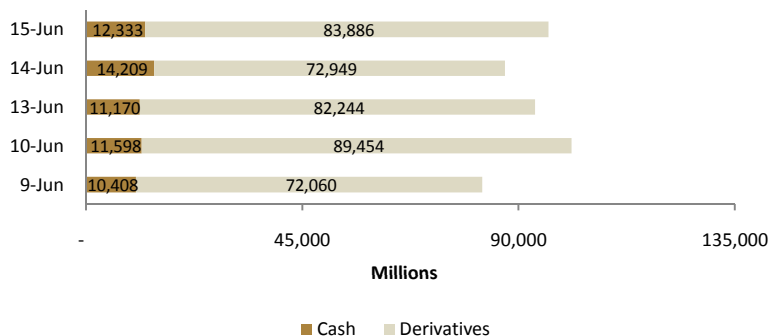
Market Overview

Indian markets wilted under selling pressure with the key benchmark Indices closing the day lower by nearly a percent. Global equities too traded weak. The BSE Sensex closed at 17985.55 down 146.36 points while the NSE Nifty dropped 50.75 points to close at 5396.75. Almost all the sectoral indices closed in the red. The overall market breadth remained negative. Among the Nifty gainers include RELINFRA, BPCL and RELCAPITAL while the losers were AMBUJACEM, IDFC and ACC. As expected the RBI in its monetary policy review hiked policy rates by 25 basis points. With this the Repo rate is hiked to 7.5% and the Reverse Repo rate to 6.5%.

Corporate News

- The Reserve Bank of India (RBI) on Thursday raised policy rates for the 10th time in 15 months, extending the longest streak of monetary tightening in a decade. While the latest 25 basis points increase in key policy rates was on expected lines, RBI Governor D Subbarao has made it amply clear that the central bank is in no mood to press the pause button on rate rises anytime soon — something India Inc and the rest were hoping for. BS
- Tata Steel has decided to sell off its 26.27 per cent stake in Riversdale, Australia, to Rio Tinto for Australian \$1.06 billion (\$1.11 billion). The move follows Rio Tinto Jersey Holdings 2010 Ltd's decision to delist Riversdale Mining Ltd, after the company's shareholding in the mining company increased to 73.20 per cent. BS
- The 13-day-long strike at Maruti Suzuki India Limited's Manesar plant finally came to an end around midnight on Thursday after hectic negotiations between the management, striking workers and Haryana labour department officials. BS
- The private sector lender ING Vysya Bank raised Rs 970 crore through qualified institutional placements (QIP) and preferential allotment of shares to the promoters. The Bangalore-headquartered bank raised about Rs 513 crore through the QIP route by placing 1.5 crore shares to a clutch of private equity funds, mutual funds and foreign institutional investors, chief financial officer Jayant Mehrotra told PTI BS
- State-run iron ore miner NMDC Ltd has finalised a Rs 3,000-crore slurry pipeline project for evacuating ore from its Bailadila mines in Chhattisgarh to Visakhapatnam in Andhra Pradesh. BS
- Rushil Decor Limited, a company engaged in manufacturing of decorative laminated sheets and plain particle board, plans to raise around Rs 39 crore through its initial public offer (IPO), which opens for subscription on June 20 and closes on June 23, 2011. BS

Turnover Analysis



Index	Close	Chg (%)	Chg 5D(%)	P/E
NIFTY	5,396.75	(0.93)	(1.62)	15.99
SENSEX	17,985.88	(0.81)	(1.55)	16.29
CNX 500	4,384.65	(0.87)	(1.31)	15.10
BSE MCAP	6,871.75	(0.71)	(0.38)	14.98
BSE SCAP	8,249.98	(0.54)	(0.46)	11.31

Index	Close	Chg (%)	Chg 5D(%)	P/E
DOW	11,961.52	0.54	(1.34)	13.13
NASDAQ	2,623.70	(0.29)	(2.28)	22.21
BOVESPA	60,880.62	(1.17)	(4.08)	9.29
FTSE	5,698.81	(0.76)	(2.69)	13.76
CAC	3,792.31	(0.38)	(2.23)	11.32
DAX	7,110.20	(0.07)	(0.69)	12.24
NIKKEI	9,393.90	0.06	(1.02)	17.24
HANGSENG	21,948.83	(0.28)	(2.35)	11.64
STRAITS	3,017.02	(0.16)	(2.05)	10.19
KOSPI	2,037.94	(0.66)	(0.67)	13.52
SHANGAI	2,674.11	0.16	(1.35)	14.97

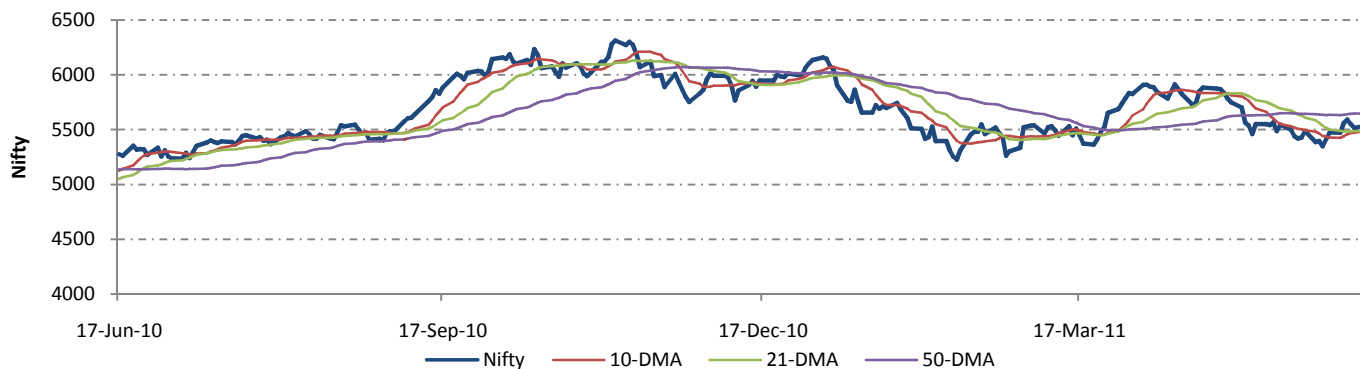
Commodity (In \$)	Close	Chg (%)	Chg 1M(%)
BRENT CRUDE	113.85	(0.28)	3.72
GOLD	1,527.03	(0.17)	2.72
SILVER	35.48	(0.20)	4.48
LME ALUMINIUM	2,528.00	(1.29)	(1.28)
LME COPPER	9,056.75	(0.94)	2.73
INDIA			
MCX GOLD (Rs)	22,262.00	0.67	1.42
MCX SILVER (Rs)	53,150.00	1.06	1.53

Currency	Close	Chg(%)	Chg 1M(%)
USD-INR	44.85	0.17	0.73
GBP-INR	72.35	0.43	1.27
EUR-INR	63.59	(0.37)	0.65
JPY-INR	0.56	0.27	(0.43)
GBP-USD	1.61	(0.14)	(0.72)
EUR-USD	1.42	(0.14)	(0.37)
JPY-USD	0.01	(0.01)	(0.94)

Turn Over	Buy Value	Sell Value	Net Value
FII's	2,474.50	2,566.60	(92.10)
DII's	1,308.28	1,022.18	286.10
CLIENT	1,840.16	1,804.69	35.47
PROPRIETARY	589.99	597.92	(7.93)
NRI	1.37	1.30	0.07

Advances/Declines	NSE	BSE
ADVANCES	418	1,085
DECLINES	988	1,744
UNCHANGED	64	117
AD RATIO	0.42	0.62

Nifty Chart



Nifty Technical Outlook

The NSE Nifty remained quite choppy witnessing sharp swings and finally closed below the psychological levels of 5400. The momentum continued to be on the negative side for the Index. Among the Nifty stocks 15 of them closed on the advancing side while 35 of them closed in the red. Crucial support for the Index is at 5360 and 5338 while the resistance is at 5435 and 5468.

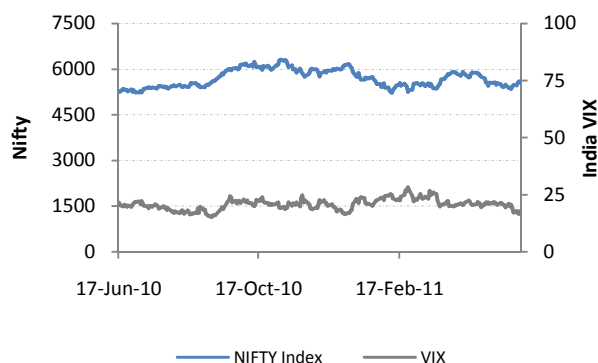
The Index has failed to sustain every higher move with supply creeping in on every high. The Index has been trading below its key daily moving averages while the short term oscillators are trading in the bearish zone depicting an overtly negative tone for the Index in the near term. The 5350-5650 range stays put for the Index as of now. Expect the Index to hold the trend line support levels of 5350 and bounce back higher from the lows. Only a fall below 5350 levels could trigger a major sell off for the Index in the days ahead.

	Sensex	Nifty
10 DMA	18,303.28	5,496.62
20 DMA	18,268.02	5,482.35
50 DMA	18,685.52	5,606.12
RSI - 14D	37.98	38.28

BSE Sectoral Watch

INDICES	CLOSE	CHG(%) - 1D	CHG(%) - 5D	CHG(%) - 1M	P/E
AUTO	8,589.19	(0.80)	(0.91)	(5.56)	10.74
BANKEX	12,116.61	(0.55)	(1.22)	(0.71)	14.92
CD	6,621.46	(1.10)	(2.22)	5.36	22.50
CG	13,260.20	(1.35)	(0.50)	5.17	23.68
FMCG	3,888.87	(0.31)	0.45	2.49	32.60
HC	6,388.64	(0.14)	0.85	2.93	10.73
IT	5,958.08	(1.66)	(2.62)	(1.15)	22.32
METAL	14,542.32	(1.17)	(2.88)	(4.55)	-
OIL & GAS	9,144.91	(0.87)	(3.29)	(2.61)	12.41
POWER	2,544.10	(0.45)	0.14	(0.89)	19.08
PSU	8,394.86	(0.37)	(0.83)	(1.88)	13.18
REALTY	2,118.03	(0.37)	(1.36)	(1.17)	15.55
TECH	3,606.94	(1.42)	(1.95)	(0.40)	25.11

Nifty Vs India VIX



Technical Picks

IOB- BUY (146.55)



The stock has been trading on an intermediate term downtrend and has just broken past its intermediate down trend line. The stock has closed above its 10 and 20 DEMA depicting bullishness. The 14D RSI is at 51.87 and is pointed higher. Hourly oscillators have rolled over higher into the positive zone. We recommend buying the stock at current levels for a target of 160 and a SL of 136 in the next 8 to 10 trading sessions.

Pivot Points

SCRIP	CLOSE	PIVOT POINT	S1	S2	S3	R1	R2	R3
ABB IS Equity	842.60	845.87	836.73	830.87	815.87	851.73	860.87	875.87
ACC IS Equity	961.65	967.18	949.47	937.28	907.38	979.37	997.08	1,026.98
ACEM IS Equity	125.20	126.78	123.17	121.13	115.48	128.82	132.43	138.08
AXSB IS Equity	1,217.85	1,217.72	1,205.43	1,193.02	1,168.32	1,230.13	1,242.42	1,267.12
BHARTI IS Equity	369.65	372.37	364.93	360.22	348.07	377.08	384.52	396.67
BHEL IS Equity	1,938.05	1,933.68	1,919.37	1,900.68	1,867.68	1,952.37	1,966.68	1,999.68
BPCL IS Equity	629.70	627.88	622.92	616.13	604.38	634.67	639.63	651.38
CAIR IS Equity	332.75	332.93	331.02	329.28	325.63	334.67	336.58	340.23
CIPLA IS Equity	329.60	330.68	326.42	323.23	315.78	333.87	338.13	345.58
DLFU IS Equity	224.15	224.42	220.73	217.32	210.22	227.83	231.52	238.62
GAIL IS Equity	436.65	437.92	433.83	431.02	424.12	440.73	444.82	451.72
GRASIM IS Equity	2,160.20	2,168.73	2,137.47	2,114.73	2,060.73	2,191.47	2,222.73	2,276.73
HCLT IS Equity	489.05	491.20	484.60	480.15	469.10	495.65	502.25	513.30
HDFC IS Equity	648.10	649.03	642.17	636.23	623.43	654.97	661.83	674.63
HDFCB IS Equity	2,343.00	2,351.02	2,330.03	2,317.07	2,283.12	2,363.98	2,384.97	2,418.92
HH IS Equity	1,736.85	1,740.93	1,726.92	1,716.98	1,693.03	1,750.87	1,764.88	1,788.83
HNDL IS Equity	173.15	172.85	171.05	168.95	165.05	174.95	176.75	180.65
HUVR IS Equity	320.90	319.72	316.43	311.97	304.22	324.18	327.47	335.22
ICICIB IS Equity	1,028.50	1,030.17	1,016.43	1,004.37	978.57	1,042.23	1,055.97	1,081.77
IDEA IS Equity	75.20	74.83	73.47	71.73	68.63	76.57	77.93	81.03
IDFC IS Equity	120.05	121.42	118.33	116.62	111.82	123.13	126.22	131.02
INFO IS Equity	2,800.30	2,808.12	2,787.23	2,774.17	2,740.22	2,821.18	2,842.07	2,876.02
ITC IS Equity	194.00	194.10	192.90	191.80	189.50	195.20	196.40	198.70
JPA IS Equity	81.95	82.10	81.20	80.45	78.80	82.85	83.75	85.40
JSP IS Equity	633.50	632.38	628.12	622.73	613.08	637.77	642.03	651.68
LT IS Equity	1,678.10	1,686.30	1,664.15	1,650.20	1,614.10	1,700.25	1,722.40	1,758.50
MM IS Equity	657.10	657.80	649.90	642.70	627.60	665.00	672.90	688.00
MSIL IS Equity	1,193.15	1,192.35	1,184.70	1,176.25	1,160.15	1,200.80	1,208.45	1,224.55
NATP IS Equity	-	-	-	-	-	-	-	-
ONGC IS Equity	269.10	268.68	266.52	263.93	259.18	271.27	273.43	278.18
PNB IS Equity	1,046.85	1,051.15	1,036.75	1,026.65	1,002.15	1,061.25	1,075.65	1,100.15
PWGR IS Equity	102.00	101.78	101.07	100.13	98.48	102.72	103.43	105.08
RBXY IS Equity	537.00	536.95	532.80	528.60	520.25	541.15	545.30	553.65
RCOM IS Equity	93.75	93.67	92.43	91.12	88.57	94.98	96.22	98.77
RELI IS Equity	574.50	570.82	559.63	544.77	518.72	585.68	596.87	622.92
RIL IS Equity	887.55	890.88	880.77	873.98	857.08	897.67	907.78	924.68
RPWR IS Equity	115.60	115.80	114.70	113.80	111.80	116.70	117.80	119.80
SAIL IS Equity	136.75	137.53	135.22	133.68	129.83	139.07	141.38	145.23
SBIN IS Equity	2,205.45	2,197.32	2,169.48	2,133.52	2,069.72	2,233.28	2,261.12	2,324.92
SIEM IS Equity	873.60	872.30	865.45	857.30	842.30	880.45	887.30	902.30
STLT IS Equity	158.80	159.50	157.05	155.30	151.10	161.25	163.70	167.90
SUEL IS Equity	52.00	52.00	51.25	50.50	49.00	52.75	53.50	55.00
SUNP IS Equity	494.20	491.82	484.43	474.67	457.52	501.58	508.97	526.12
TATA IS Equity	553.25	555.58	549.07	544.88	534.18	559.77	566.28	576.98
TCS IS Equity	1,151.15	1,161.77	1,137.63	1,124.12	1,086.47	1,175.28	1,199.42	1,237.07
TPWR IS Equity	1,228.70	1,232.48	1,220.22	1,211.73	1,190.98	1,240.97	1,253.23	1,273.98
TTMT IS Equity	983.65	987.60	976.20	968.75	949.90	995.05	1,006.45	1,025.30
UT IS Equity	34.20	34.23	33.77	33.33	32.43	34.67	35.13	36.03
WPRO IS Equity	416.05	417.93	412.87	409.68	401.43	421.12	426.18	434.43
NIFTY INDEX	5,396.75	5,411.35	5,375.20	5,353.65	5,295.95	5,432.90	5,469.05	5,526.75
SENSEX INDEX	17,985.88	18,033.31	17,911.51	17,837.15	17,640.99	18,107.67	18,229.47	18,425.63

Sujayalakshmi Krishna, CFTe
sujaya.lakshmi@o3securities.com

Manjunath R
manjunath.r@o3securities.com

Disclaimer

This Newsletter has been prepared by o3 Securities Private Limited (o3 Securities) to provide information about the company(ies) and sector(s), if any, covered in the report and may be distributed by it and/or its affiliated companies solely for the purpose of information of the select recipient of this report. This report and/or any part thereof, may not be duplicated in any form and/or reproduced or redistributed without the prior written consent of o3 Securities. This report has been prepared independently of the companies covered herein. o3 Securities and/or its affiliated entities are a multi-service, integrated investment banking, investment management and brokerage group. o3 Securities and/or its affiliated company(ies) might have lead managed or co-managed a public offering for the company(ies) covered herein in the preceding twelve months and might have received compensation for the same during this period for the services in respect of public offerings, corporate finance, investment banking, mergers & acquisitions or other advisory services in a specific transaction. o3 Securities and/or its affiliated company(ies) may receive compensation from the company(ies) mentioned in this report within a period of three to six months' time following the date of publication of this Newsletter for rendering any of the above services. Research analysts and Sales Persons of o3 Securities may provide important inputs into the investment banking activities of its affiliated company(ies) or any other firm or company associated with it.

While reasonable care has been taken in the preparation of this report, it does not purport to be a complete description of the securities, markets or developments referred to herein, and o3 Securities does not warrant its accuracy or completeness. o3 Securities may not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. This report is provided for information only and is not intended to be and must not alone be taken as the basis for an investment decision. The investment discussed or views expressed herein may not be suitable for all investors. The user assumes the entire risk of any use made of this information. The information contained herein may be changed without notice and o3 Securities reserves the right to make modifications and alterations to this statement as they may deem fit from time to time.

o3 Securities and its affiliated company(ies), their directors and employees may; (a) from time to time, have a long or short position in, and buy or sell the securities of the company(ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have other potential conflict of interests with respect to any recommendation and other related information and opinions.

This report is neither an offer nor solicitation of an offer to buy and/or sell any securities mentioned herein and/or not an official confirmation of any transaction. This report is not directed or intended for distribution to, or use by any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject o3 Securities and/or its affiliated company(ies) to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to a certain category of investors. Persons in whose possession this report may come, are required to inform themselves of and to observe such restrictions.

o3securities

o3 House
27, Magrath Road,
Bangalore – 560001
Board: +91 80 4241 0000
Fax: +91 80 4241 0022
Website: www.o3securities.com