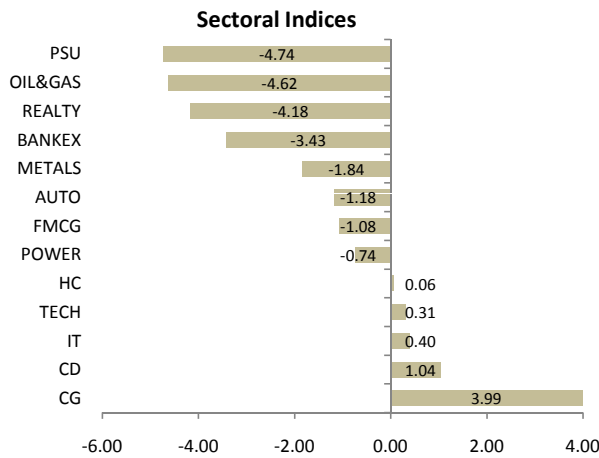
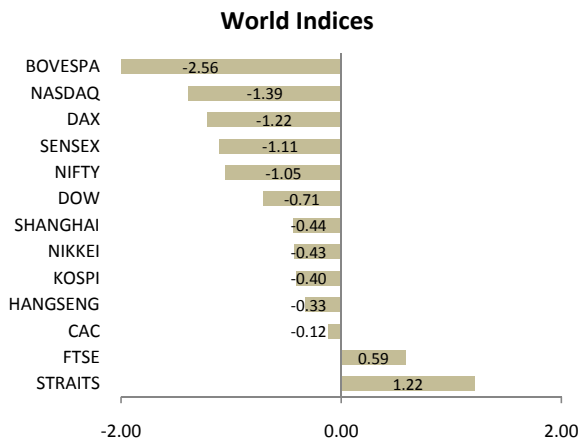


It was yet another range bound week of trade for the Indian markets with the key benchmark indices closing the week lower by a percent on a WoW basis. The BSE Capital Goods and BSE CD Indices were the major gainers over the week gaining 4% and 1.04% over the week. The BSE Oil&Gas and BSE Realty indices closed with negative gains of over 4% during the week. Global Indices too traded on a subdued note.

Sectoral Indices Performance



Global Indices Performance

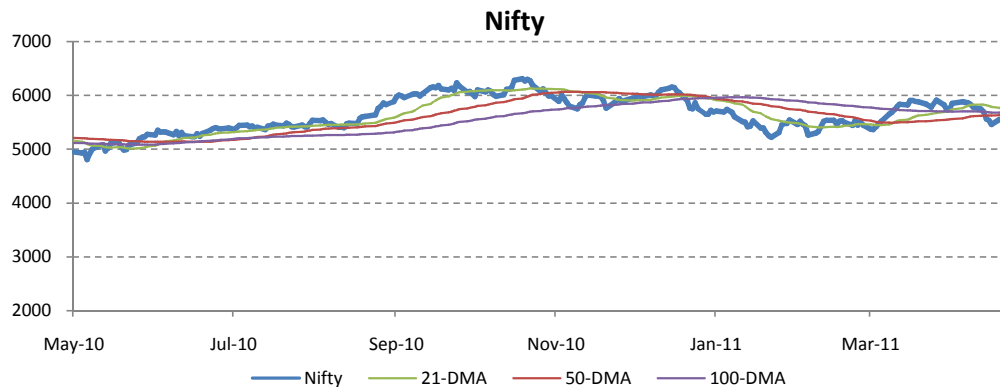


Highlights of the Week

➤The Government has asked the upstream companies — ONGC, Oil India — and GAIL (India) Ltd to shoulder Rs 30,295.75 crore of the total estimated revenue loss of Rs 78,190 crore for 2010-11. The company has been directed by the Government to shoulder additional subsidy burden to offset public sector oil retailers for the losses they incur in selling petroleum products below market price.

➤Backed by an all-round growth in cigarette and non-cigarette FMCG, agri business and hotels segments, ITC Ltd posted 25 per cent growth in net profit at Rs 1,281 crore for the quarter ended March 31, 2011, against Rs 1,028 crore during the corresponding period last year.

➤State Bank of India posted a 99 per cent drop in net profit at Rs 21 crore for the fourth quarter ended March 31, 2011 against Rs 1,867 crore during the corresponding period last year. Profits were dragged down by higher provisioning towards pension and gratuity, and loan loss and standard assets provisions on special home loan schemes.



Nifty Technical Outlook

The NSE Nifty Index continued its downward sojourn and edged lower by a percent on a WoW basis. The Index registered an intraweek high of 5541.80 and a low of 5401.25 and finally closed at 5486.30. The Index traded throughout the week in a narrow band.

At the moment the Index looks directionless and has found support around the 5400 levels on the downside. The Index did well to bounce back from its lows of 5400. If this bounce back sustains then the Index is headed higher towards its 20 DMA of 5614 and 50 DMA of 5645 in the near term. Failure to move past 5540 levels could trigger another fresh bout of selling bringing the Index lower towards 5350 levels.

Oscillators on the daily charts continue to be in the negative zone. the medium term view for the Index continues to remain negative as long as the Index continues to trade below its 200 DMA at 5750. We expect the Index to trade in the range of 5400-5600 during the week ahead. We expect some amount of volatility to creep in ahead of the F&O expiry this week.

NIFTY

Weekly High	5,541.80
Weekly Low	5,401.25
20 DMA	5,614.32
50 DMA	5,643.57
100 DMA	5,642.14
RSI (14)	36.00

SENSEX

Weekly High	18,492.68
Weekly Low	18,020.79
20 DMA	18,727.19
50 DMA	18,808.86
100 DMA	18,818.74
RSI (14)	37.10

Top Nifty Gainers

Company	Close	Chg. %
LARSEN & TOUBRO	1,652.25	10.06
IDFC LTD	137.30	5.74
TATA CONSULTANCY	1,175.00	5.69
RANBAXY LABS LTD	498.25	3.83
CIPLA LTD	315.50	3.83

Top Nifty Losers

Company	Close	Chg. %
STATE BANK IND	2,320.45	(12.15)
OIL & NATURAL GA	273.95	(9.27)
RELIANCE COMMUNI	83.90	(8.16)
GAIL INDIA LTD	426.20	(7.38)
STEEL AUTHORITY	142.60	(6.68)

Technical Picks for the Week

DABUR: BUY(103.05)



The stock has been trading on a sideways mode and has recovered from its recent lows. The 10 DEMA has moved slightly above the 20 DEMA. The 14 D RSI is at 57.95. A symmetrical triangle formation on the daily charts too depict a continuation in the trend. The oscillators on the daily charts of the stock has been on a buy mode. We recommend buying the stock at current levels for a target of 115 and a SL of 97 in the next 8 to 10 trading sessions.

Technical Picks for the Week

POLARIS: BUY(191.70)



The stock has been on a downward trend but reversed from its lows. The moving averages are on the verge of a bullish crossover. A bullish engulfing pattern on the daily charts of the stock too indicates a reversal in the current trend. The 14D RSI is at 43.73. We recommend buying the stock at current levels for a target of 220 and a SL of 180 in the next 8 to 10 trading sessions.

Corporate Actions

Company Name	Ex-Date	Purpose
Reliance Industrial Infrastructure Limited	23-May-11	DIVIDEND-RS.3.50 PER SHARE
Development Credit Bank Limited	23-May-11	ANNUAL GENERAL MEETING
Hikal Limited	24-May-11	INTERIM DIVIDEND-RS.3/- PER SHARE
Hexaware Technologies Limited	26-May-11	INTERIM DIVIDEND - RS.0.50 PER SHARE
Infosys Technologies Limited	26-May-11	ANNUAL GENERAL MEETING AND FINAL DIVIDEND RS.20/- PER SHARE

Sujayalakshmi Krishna, CFTe
sujaya.lakshmi@o3securities.com

Manjunath R
manjunath.r@o3securities.com

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o3 House
27, Magrath Road,
Bangalore – 560001
Board: +91 80 4241 0000
Fax: +91 80 4241 0022

Website: www.o3securities.com

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