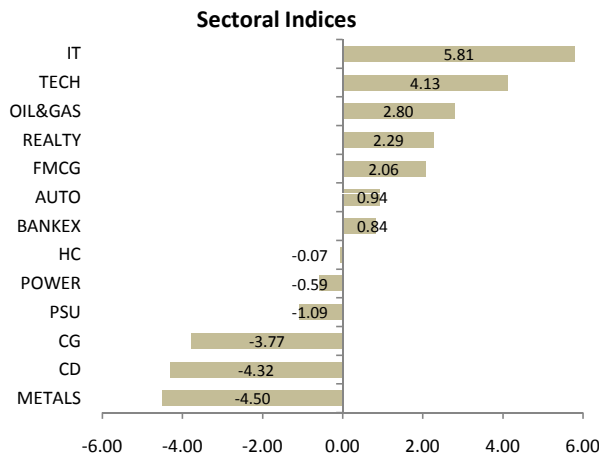


It was a volatile week of trade for the Indian markets with the key benchmark indices recovering from its weekly lows and closing the week with gains of a percent and half. Among the sectorals, IT stocks registered maximum gains with the BSE IT Index closing the week with gains of ~6%. Oil & Gas, Realty and Auto stocks too closed on a positive note. The BSE Metal, BSE CG and BSE CD were the major losers for the week.

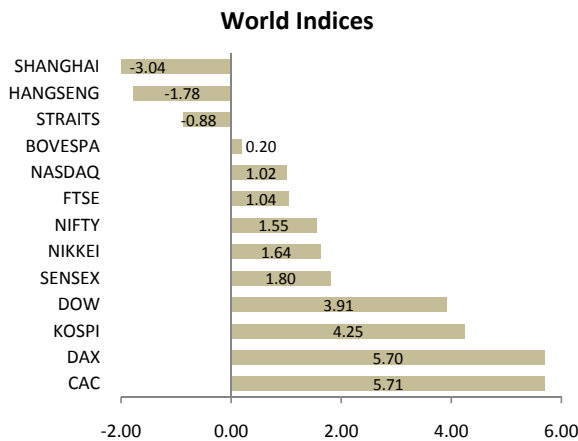
Sectoral Indices Performance



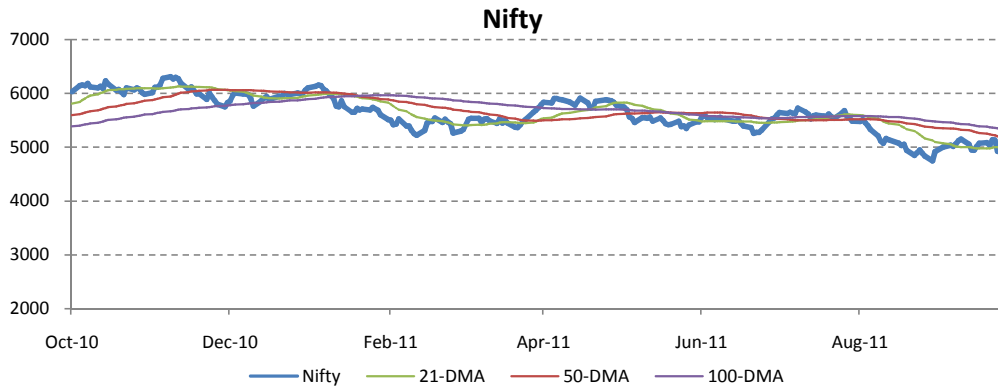
Highlights of the Week

- Higher prices of gram, pulses, vegetables and fruits have pushed food inflation beyond 9 per cent again. It stood at 9.13 per cent for the week ended September 17 against 8.84 per cent a week ago. Overall, the headline inflation rose from 9.2 per cent in July to 9.8 per cent in August. The new combined (rural and urban) consumer price index rose to 110.4 in July from 108.8 in June.
- Bucking the airline industry trend, Vijay Mallya-owned Kingfisher Airlines announced on Wednesday that it will shut down its low-cost carrier Kingfisher Red.
- The Bombay Stock Exchange on Wednesday received approval from the Securities and Exchange Board of India for its proposed SME Exchange. The approval has come more than a year after the exchange had first applied for permission for an SME exchange with the regulator in July 2010.

Global Indices Performance



- JSW Steel Ltd said on Tuesday that it might have to shut down its Vijayanagar Plant in Bellary if the disruption of iron ore supplies continues in Karnataka.



Nifty Technical Outlook

It was a volatile week of trade for the Indian markets on the back of negative global sentiments. The NSE Nifty registered a low of 4758 during the early part of the week but did well to recover from its lows gaining a percent and half over the week.

The negative divergence seen in the daily and hourly charts reflects bearishness for the Index in the near term. We expect the Index to remain weak as long as the Index trades below the 5050 levels. The medium trend for the Index continues to remain negative and it is important for the Index to get past its key resistance zone of 5130-5180 to turn positive.

On the downside the Index has found major support around the 4750-4800 levels. A weak start to the week could bring the Index down towards the last week lows of 4750 levels during the week ahead. However a positive start could take the Index higher towards 5080 and 5130 levels. Expect the Index to remain choppy and volatile during the week ahead.

NIFTY

Weekly High	5,034.25
Weekly Low	4,758.85
20 DMA	5,019.20
50 DMA	5,142.47
100 DMA	5,323.84
RSI (14)	49.21

SENSEX

Weekly High	16,756.08
Weekly Low	15,801.01
20 DMA	16,706.82
50 DMA	17,106.36
100 DMA	17,726.55
RSI (14)	49.38

Top Nifty Gainers

Company	Close	Chg. %
DLF LTD	218.90	10.84
RANBAXY LABS LTD	513.85	8.71
INFOSYS LTD	2,533.05	8.31
JAIPRAKASH ASSOC	72.75	8.02
TATA MOTORS LTD	156.05	6.26

Top Nifty Losers

Company	Close	Chg. %
RELIANCE CAPITAL	315.15	(21.62)
RELIANCE INFRAST	373.45	(12.83)
RELIANCE COMMUNI	71.75	(9.18)
STERLITE INDUSTR	113.70	(7.30)
LARSEN & TOUBRO	1,357.60	(6.45)

Technical Picks for the Week

HINDALCO: SELL (131.45)



The stock has been trading in a long term downtrend and is trading around its 52 week lows. In the short term the stock is in a bearish setup and is trading below its key short term moving averages. Momentum oscillators on the daily and hourly charts for the stock are in the negative zone and pointed southwards reflecting a bearish bias for the stock in the short term. We recommend selling the stock at current levels for a target of 120 and a SL of 138 in the next few trading sessions.

Technical Picks for the Week

GODREJ INDUSTRIES: SELL (195.60)



The stock is trading in an intermediate down trend. The stock is currently trading below its key short term moving averages reflecting the undertone to remain bearish in the near term. Short term oscillators on the daily charts hover around the neutral zone pointing lower. We expect the stock to drift lower from current levels. We recommend selling the stock at current levels for a target of 180 and a SL of 205 in the next few trading sessions.

Corporate Actions

Company Name	Ex-Date	Purpose
Bharat Heavy Electricals Limited	3-Oct-11	FACE VALUE SPLIT FROM RS.10/- TO RS.2/-
PVR Limited	4-Oct-11	SPECIAL INTERIM DIVIDEND
Shree Renuka Sugars Limited	5-Oct-11	INTERIM DIVIDEND-RE.1/- PER SHARE (PURPOSE REVISED)
Carborundum Universal Limited	5-Oct-11	FACE VALUE SPLIT FROM RS.2/- TO RE.1/-
Monsanto India Limited	5-Oct-11	BONUS 1:1
Patel Engineering Limited	7-Oct-11	ANNUAL GENERAL MEETING AND DIVIDEND RE.1/- PER SHARE
GTL Limited	7-Oct-11	DIVIDEND-RE.1/- 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