

**Indian Market Research
Daily Market Summary**

Friday, 17 September, 2010

HIGHLIGHTS

- SJVNL declares Rs.3.28 Bn dividend
- HDFC Bank gets nod for Hong Kong operations
- Berger Paints to invest Rs 1.50 Bn in Andhra plant
- RBI's rate hike unlikely to dampen demand: Auto industry
- IPO Co. Eros working with social networking sites for distribution

SUMMARY

Indian stocks resumed their winning ways after a day's pause on Thursday, 16 September 2010. The barometer index BSE Sensex and the 50-unit S&P CNX Nifty scaled 32-month closing highs. Firm globalstocks and data showing heavy buying by foreign funds recently, underpinned sentiments. Hopes that the central bank may be nearing a pause in its current interest rate tightening cycle, also aided the rally on the domestic bourses. The BSE 30-share Sensex jumped 177.26 points or 0.91%, up 158.04 points from the day's low and off 44.43 points from day's low. The market opened on a firm note, tracking gains in Asian stocks. The BSE Sensex surged to a 32-month high in early trade. The market came off the higher level later. The market was range bound in mid-morning trade. Stocks held firm in early afternoon trade. The market held firm in afternoon trade. The market cut gains in mid-afternoon trade on profit booking. The market regained strength in late trade.

INDEX MOVEMENTS

INDEX	Prev. Close	Open	High	Low	Close	Gain / Loss	Gain / Loss %
Sensex	19,417.49	19,436.71	19,639.18	19,436.71	19,594.75	↑ 177.26	0.91
S&P CNX Nifty	5,828.70	5,828.70	5,898.40	5,828.70	5,884.95	↑ 56.25	0.97
S&P CNX 500	4,824.15	4,846.50	4,882.20	4,846.50	4,876.50	↑ 52.35	1.09
CNX Nifty Junior	12,398.30	12,428.00	12,606.50	12,428.00	12,583.30	↑ 185.00	1.49
CNX Midcap	9,029.65	9,067.15	9,177.20	9,067.15	9,162.10	↑ 132.45	1.47
CNX IT	6,447.25	6,475.10	6,550.95	6,465.65	6,477.85	↑ 30.60	0.47
CNX 100	5,794.00	5,815.75	5,864.65	5,815.75	5,855.00	↑ 61.00	1.05
BANK Nifty	12,032.05	12,071.70	12,175.80	12,037.35	12,104.10	↑ 72.05	0.60

NIFTY GAINERS

Company Name	Curr. Price	Prev. Price	Gain %
RCOM	168.5	158.15	↑ 6.54
RANBAXY	532	504.2	↑ 5.51
AMBUJACEM	143	136.3	↑ 4.92
ABB	848.9	814.55	↑ 4.22
IDEA	77.85	74.95	↑ 3.87

NIFTY LOSERS

Company Name	Curr. Price	Prev. Price	Loss %
WIPRO	419	423.45	↓ 1.05
HDFC	685.5	691.65	↓ 0.89
MARUTI	1387.5	1397.3	↓ 0.70
NTPC	205.05	206.45	↓ 0.68
SIEMENS	752.9	757.25	↓ 0.57

COMMODITY & CURRENCY MARKET

Currency	Curr. Rate
USD	45.9750
EUR	60.3925
100 YEN	53.6275

Commodity (Futures)	Prev. Day	Curr. Day
Brent Crude (USD / bbl)	78.480	79.280
Gold (USD / t. Oz)	1,273.80	1,280.60
Silver (USD / t. Oz)	20.771	20.900

ASIAN MARKETS & INSTITUTIONAL ACTIVITY ON NSE & BSE

Index	Closing	Gain / Loss	Var. %
Hangseng	21,970.86	↑ 279.41	↑ 1.29
Nikkei-225	9,626.09	↑ 116.59	↑ 1.23
Shanghai Composite	2,598.69	↓ 03.78	↓ 0.15
Straits Times	3,076.37	↑ 09.26	↑ 0.30
Taiwan TAIEX	8,158.33	↑ 58.58	↑ 0.72

Category	Buy Value	Sell Value	Net Value
FII-16 Sep -2010	3,487.32	2,367.29	↑ 1120.03
DII-16 Sep -2010	1,028.74	2,133.99	↓ 1105.25

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Friday, 17 September, 2010

OVERVIEW

European shares edged higher on Friday, as investors' appetite for risk rose after the Spanish Treasury sold euro 4 billion of government bonds on Thursday, 16 September 2010, in a strongly bid tender. The key benchmark indices in France, Germany and UK rose by 0.91% to 1.35%. Risk appetite rose after the Spanish auction as the auction results tempered lingering concerns that heavily indebted European nations could face funding crises, as Greece did earlier this year. Trading in US index futures indicate that the Dow could rise 69 points at the opening bell on Friday, 17 September 2010. US markets saw mixed trend on Thursday, 16 September 2010. The Dow Jones Industrial Average rose 22.10 points, or 0.21%, at 10594.83. The S&P 500 slipped 0.41 point, or 0.04%, to 1124.66 and the Nasdaq Composite rose 1.93, or 0.08%, to 2303.25. Initial US unemployment claims declined by 3000 to 450,000, its lowest level in two months, beating economists' expectations for a rise of 9000.

ECONOMIC AND POLITICAL HEADLINES

- A senior international official says the global economy is off to a weaker than expected start in the second half of the year.
- The rural non-farming sector has been growing faster than that of the urban since early 1970s, says a report.
- Indian top one hundred firms paid 381.07 billion rupees in advance taxes for July-Sept, a rise of 16.4 percent year-on-year.
- At a time when states in the US are embracing policies that reek of protectionism, India today asked a grouping developed and developing economies to act towards keeping trade open and ensure financial stability.
- The surprise in the Reserve Bank of India's mid-quarter policy review was not the hike, but the central bank's observation that following the hike, policy rates were close to equilibrium.

EQUITY MARKETS & SECTOR PERFORMANCE

- All the sectors ended in green.
- Consumer Durables stood strong; Gained Max.
- Healthcare, Energy & Metal pared yesterday's losses; Major gainers.
- Out of 3103 scrip traded over BSE, 1,802 advanced & 1,169 declined.

Sector	Average Var. %
CD	2.10
HC	2.05
OIL&GAS	1.78
METAL	1.73
FMCG	1.17
TECK	1.07
CG	0.91
REALTY	0.77
BANKEK	0.69
AUTO	0.66
IT	0.53
POWER	0.27
PSU	0.23

BONDS, T-BILLS & IPOs

- Current Issues at NSE : Indosolar Limited, Tirupati Inks Ltd, Career Point Infosystems Ltd, Eros International Media Ltd, Microsec Financial Services Ltd.
- Forthcoming issues at NSE : Currently, no issue available for book building.
- Indian overnight cash rates rose on Thursday after the central bank raised policy rates more aggressively than expected.
- Federal bond yields and swap rates stayed up on Friday, after the central bank lifted rates more than expected

GLOBAL NEWS

- Asian stocks gained, driving the MSCI Asia Pacific index higher for a third week, as a weaker yen boosted the outlook for Japan's exporters and metal prices rose.
- Bank of Japan Governor Masaaki Shirakawa's success in weakening the yen may hinge on Ben S. Bernanke.
- China's central bank said swings in the value of the dollar may threaten the global recovery, defending the benefits of currency stability after the U.S. stepped up pressure for faster gains in the yuan
- Chinese government bonds declined this week after the government reported that inflation quickened in August and industrial growth rose more than forecast.
- Treasury Secretary Timothy F. Geithner said the U.S. will use every available tool to urge China to let its currency rise more quickly, including congressional pressure and a twice-yearly report on foreign-exchange markets

INDUSTRY NEWS & TRENDS

- The central government hopes to start the consultative process with all stakeholders within a month on the issue of de-controlling the sugar industry, Agriculture Minister Sharad Pawar here Friday.
- India is planning to spend \$1.5 trillion on infrastructure in the ten years to 2017 to overhaul its creaking road.

Auto	↗↗↗↗↗
BFSI	↗↗↗↗↗
Construction	↗↗↗↗↗
Consumer goods	↘↘↘↘↘
Energy	↘↘↘↘↘
Ind. Manufacturing	↗↗↗↗↗
IT	↗↗↗↗↗
Metals	↗↗↗↗↗
Telecom	↘↘↘↘↘

N.B. Shows Trends for last trading sessions & current day chronologically

COMMODITIES

- Maintaining its upward journey, silver surged by Rs 350 to a new peak of Rs 32,800 per kg in the national capital on Friday.
- Crude oil prices traded lower by Rs 4, or 0.12 per cent, to Rs 3,443 per barrel in futures trade on Friday.
- Goldman gave gold a six-month target of \$1,300 an ounce. As a non-cyclical commodity, gold has thrived against the backdrop of financial uncertainty and hit a new record above \$1,280 an ounce on Friday

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CORPORATE ANNOUNCEMENTS

- **Standard Chartered bank** has stepped up plans for possible relocation to the Far East where it does most of its business, as it bids to escape tighter regulations in Britain, a report said on Friday
- **Reliance Brands** on Thursday said it has set up a joint venture with Italy's Ermenegildo Zegna Group to explore opportunities in the domestic market.
- Energy major **Reliance Industries** is in talks with US-based Chesapeake Energy to buy a stake in Eagle Ford shale gas project.
- State-run power utility **NTPC Ltd** will commence coal production from its captive mine at Pakri Barwadi, in Jharkhand, from the next financial year, CMD Arup Roy Choudhury said today.
- Indian pharmaceutical product packaging company **Bilcare** has completed a Rs6.07-Bn acquisition of the plastic film-making unit of petrochemical company INEOS.
- We plan to add more than a dozen aircraft to our fleet: Kishore Gupta, director, **SpiceJet**.

IMPORTANT DATES

- **Sep 18:** Results- Modi Rubber, AGM-Krishna Venture (Right Issue)
- **Sep 20:** AGM- APL Apollo Tubes, Net 4 India, Rajrayon, Sagar Cem, Shree Ashta
- **Sep 21:** Results- Sarda Paper, AGM- BL Kashyap, Vidarbha Iron (Preferential Issue)
- **Sep 22:** Results- Morarjee Tex
- **Sep 23:** Results- Zee Enter

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