

**Indian Market Research  
Daily Market Summary**

Friday, 20 August, 2010

**HIGHLIGHTS**

- GVK eyes Siemens' 40% stake in BIAL
- Essar Energy H1 net drops 28% to \$112 mn
- BPCL to buy stake in Australia shale assets
- Bharathi Cement to double its production capacity
- Jet Airways seeks RBI nod to raise Rs 34.5 Bn via ECB
- BSNL net loss at Rs 18.23 Bn in FY10 on reduced tariff
- Emerging nations growth to be stronger than industrial economies: CBO

**SUMMARY**

The key benchmark indices edged lower, snapping two-day gains, as select pivotals fell on profit booking. Weak global stocks weighed on investor sentiment ahead of the weekend. European and Asian markets declined on global economic worries. The BSE 30-share Sensex was provisionally down 69.14 points or 0.37%, off 78.34 points from the day's high and up 24.90 points from the day's low. The market breadth was negative. Banking, IT, telecom and select auto stocks declined. But, realty shares rose. The Sensex once again lost ground in morning trade, tracking weak Asian stocks. The market once again came off the lows in mid-morning trade as index heavyweight RIL bounced back. The market moved into positive zone later. The market soon slipped into the red. Stocks moved in a narrow range in afternoon trade. The market remained subdued in mid-afternoon trade as European stocks reversed initial gains. Weakness persisted on the bourses in late trade.

**INDEX MOVEMENTS**

INDEX	Prev. Close	Open	High	Low	Close	Gain / Loss	Gain / Loss %
Sensex	18,454.94	18,444.24	18,464.14	18,360.90	18,401.82	↓ 53.12	(0.29)
S&P CNX Nifty	5,540.20	5,540.80	5,546.60	5,513.35	5,530.65	↓ 9.55	(0.17)
S&P CNX 500	4,631.85	4,619.30	4,643.55	4,618.95	4,629.55	↓ 2.30	(0.05)
CNX Nifty Junior	12,112.30	12,091.65	12,156.60	12,075.05	12,105.70	↓ 6.60	(0.05)
CNX Midcap	8,920.00	8,896.95	8,940.30	8,892.05	8,930.85	↑ 10.85	0.12
CNX IT	6,183.90	6,163.45	6,163.45	6,104.20	6,128.60	↓ 55.30	(0.89)
CNX 100	5,532.70	5,518.55	5,540.70	5,508.85	5,524.25	↓ 8.45	(0.15)
BANK Nifty	11,110.50	11,058.55	11,105.00	11,005.50	11,033.75	↓ 76.75	(0.69)

**NIFTY GAINERS**

Company Name	Curr. Price	Prev. Price	Gain %
DLF	334	321.5	↑ 3.89
RANBAXY	491.15	476.35	↑ 3.11
LT	1870.85	1818.4	↑ 2.88
BPCL	693.8	676.55	↑ 2.55
CIPLA	310.4	304.5	↑ 1.94

**NIFTY LOSERS**

Company Name	Curr. Price	Prev. Price	Loss %
TATAMOTORS	1014	1040.45	↓ 2.54
ICICIBANK	992.1	1013	↓ 2.06
HINDUNILVR	268.55	274.05	↓ 2.01
AMBUJACEM	122.1	124.45	↓ 1.89
WIPRO	411.85	419.55	↓ 1.84

**COMMODITY & CURRENCY MARKET**

Currency	Curr. Rate
USD	46.5725
EUR	59.6025
100 YEN	54.6050

Commodity (Futures)	Prev. Day	Curr. Day
Brent Crude (USD / bbl)	75.300	74.330
Gold (USD / t. Oz)	1,235.400	1,232.500
Silver (USD / t. Oz)	18.379	18.250

**ASIAN MARKETS & INSTITUTIONAL ACTIVITY ON NSE & BSE**

Index	Closing	Gain / Loss	Var. %
Hangseng	20,981.82	↓90.64	↓0.43
Nikkei-225	9,179.38	↓183.30	↓1.96
Shanghai Composite	2,642.31	↓45.67	↓1.70
Straits Times	2,936.48	↓10.29	↓0.35
Taiwan TAIEX	7,927.31	↓1.63	↓0.02

Category	Buy Value	Sell Value	Net Value
FII-19 Aug -2010	3,029.9	2,208.72	↑ 821.18
DII-19 Aug -2010	1,303.15	1,088.06	↑ 215.09

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## OVERVIEW

European stocks declined, on grim US data that had brought back fears of a double-dip recession at the forefront of investors' minds. The key benchmark indices in France, UK and Germany fell by between 0.52% to 0.76%. US markets stocks slumped on Thursday, 19 August 2010, as disappointing unemployment and industrial data rekindled worries about the recovery of the world's biggest economy. The Dow Jones Industrial Average plunged 144.33 points or 1.39% to 10,271.21. The Nasdaq composite index declined 36.75 points or 1.66% to 2,178.95 while the S&P 500 index shed 18.53 points or 1.69% at 1,075.63. Trading in US index futures indicated that the Dow could slide 6 points at the opening bell on Friday, 20 August 2010. US index futures swung between gains and losses.

## ECONOMIC AND POLITICAL HEADLINES

- The finance ministry has asked Sebi and IRDA to deposit their surplus funds with the government, a move that may be resisted by these bodies citing regulatory autonomy.
- India Inc today demanded that non-tariff barriers which impede Indian cos to establish themselves in China be removed.
- Financial regulations need changes to ensure greater flow of foreign debt capital to infrastructure sector.
- There is a debt funding gap of over Rs 2 Trillion in infrastructure financing for the current 11th Five Year Plan.
- The central bank will probably pause after raising interest rates for a fifth time this year in September, signalling a less hawkish stance.

## EQUITY MARKETS & SECTOR PERFORMANCE

- Realty, CG, Oil&Gas, HC stood strong.
- Metals, Auto, PSU, Power & CD stocks declined.
- FMCG, IT, Teck & Banks were majore losers.
- Out of 3,071 scrip traded over BSE, 1,353 advanced & 1,602 declined.

Sector	Average Var. %
REALTY	1.81
CG	1.37
OIL&GAS	0.82
HC	0.75
METAL	(0.09)
AUTO	(0.20)
PSU	(0.23)
POWER	(0.28)
CD	(0.64)
BANKEK	(0.79)
TECK	(0.82)
IT	(0.94)
FMCG	(1.02)

## BONDS, T-BILLS & IPOs

- Current Issues at NSE : No issues available.
- Forthcoming issueses at NSE : Gujarat Pipavav Port Ltd.
- Indian federal bond yields were largely steady as traders awaited the results of the 120-billion rupees bond auction.

## GLOBAL NEWS

- Asian stocks fell, halting a five-day stretch of gains for the MSCI Asia Pacific Index, as concern that international demand is slowing.
- China's stocks fell, paring a weekly gain for the benchmark index, as investors speculated inflation will delay monetary easing and provisions for local-government loans will erode bank profits.
- Japanese stocks dropped, sending benchmark gauges to their second weekly decline, after worse-than-expected jobs and manufacturing data in the U.S.
- The yen rose toward a seven-week high against the euro on signs the global economic recovery is slowing, supporting demand for Japan's currency as a refuge.
- U.S. stock-index futures retreated, indicating the Standard & Poor's 500 Index will extend its weekly drop. Futures on the S&P 500 expiring in September lost 0.3 percent to 1,067.7 at 10:55 a.m. in London.



## INDUSTRY NEWS & TRENDS

- The global positioning system (GPS) technology will be installed on trains in the next two years to avoid accidents.
- The central bank has proposed changes in the provisions relating to private banks that will make it difficult for them to attract FDI if they have insurance ventures.
- Tulip Telecom said on it has won an order worth 122 Mn rupees from the state government of Uttarakhand.

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

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

## COMMODITIES

- Gold prices rose to their highest since July 1 at \$1,233.35 an ounce on new US claims for unemployment benefits data.
- Crude was steady near a six-week trough below \$75 a barrel, on weak US economic data.

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## CORPORATE ANNOUNCEMENTS

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- **Petronet LNG** is in talks to buy more liquefied natural gas from Qatar and Australia, the company's chief executive A.K. Balyan said.
- **GVK Power & Infrastructure**, which owns 29% in Bangalore International Airport (BIAL), plans to buy Siemens Project Ventures' 40% stake in the airport and take majority control.
- **Titan Industries** on Friday said it is investing Rs 1.7 Bn to open 150 new stores across various formats by the end of this fiscal year.
- **Royal Dutch Shell** said on Friday it remained in non-exclusive talks with Essar for the company to buy two refineries in Europe.
- State-owned **Coal India** is likely to get listed by October and may be accorded Maharatna tag by 2010 end, while BHEL has to wait for at least a year.
- Norwest Venture Partners and Xander Group have together invested 4 Bn for a 22.22% stake in **Sadbhav Infrastructure Project**.
- **Ballarpur Industries** posted 85.9% increase in consolidated net profit for the fourth quarter ended June 30 to Rs 830 Mn over the year-ago period.
- **Ranbaxy Laboratories** on Friday said Arun Sawhney has taken over as the Managing Director of the company, replacing Atul Sobti, who resigned on August 12.
- **J K Tyre** on Friday said it will increase prices of its products by 4-5 per cent by the first week of September to offset rising input costs.

## IMPORTANT DATES

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- **Aug 21:** Eldeco Hous, Hanila Era Tex, Jog Engineering, Madhucon Proj, Mangalam Vent, Odyssey Tecgh, Precision Cont, Sankhya Info, Shamken Cotsyn, Shamken Multi, Shamken Spin, VAS Infra, Yashraj Cont.
- **Aug 22:** Sonal Adhsv.
- **Aug 23:** Bloom Inds, Entegra, Galaxy Brngs, GEI Ind, Indsil Hydro, Jatia Finance, JMG Corp, LCC Infotech, Mega Fin, PH Capital, Prime Focus.

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