

**Indian Market Research  
Daily Market Summary**

Monday, 20 September, 2010

**HIGHLIGHTS**

- SRF to invest 2.09 bn rupees in 3 projects
- Godrej sets up VC fund to finance agri-start ups
- Magma Fincorp plans to reach semi-urban, rural belts
- Daimler to launch new brand in India; to roll out 6-49T trucks
- Maruti's M800 exports surge despite declining domestic demand

**SUMMARY**

In a buoyant start for the week, the key benchmark indices jumped about 1.6% to scale fresh 32-month highs, with indices extending last week's close to 4.2% rally. Indian bourses outperformed the gains in global stocks. The foreign institutional investors' buying spree and higher Q2 advance tax payments from frontline companies' underpinned sentiment. The BSE 30-share Sensex was up 311.35 points or 1.59%, off close to 20 points from the day's high and up close to 160 points from the day's low. The BSE Sensex and Nifty were in the close vicinity of psychological 20000 and 6000 mark respectively.

**INDEX MOVEMENTS**

INDEX	Prev. Close	Open	High	Low	Close	Gain / Loss	Gain / Loss %
Sensex	19,594.75	19,445.42	19,927.30	19,445.42	19,906.10	↑ 311.35	1.59
S&P CNX Nifty	5,884.95	5,885.05	5,989.50	5,885.05	5,980.45	↑ 95.50	1.62
S&P CNX 500	4,876.50	4,894.85	4,933.25	4,888.10	4,930.00	↑ 53.50	1.10
CNX Nifty Junior	12,583.30	12,545.90	12,706.55	12,545.90	12,697.15	↑ 113.85	0.90
CNX Midcap	9,162.10	9,193.40	9,240.60	9,183.95	9,235.55	↑ 73.45	0.80
CNX IT	6,477.85	6,488.20	6,541.95	6,488.20	6,528.45	↑ 50.60	0.78
CNX 100	5,855.00	5,861.85	5,949.30	5,861.85	5,943.00	↑ 88.00	1.50
BANK Nifty	12,104.10	12,109.05	12,291.00	12,067.40	12,251.20	↑ 147.10	1.22

**NIFTY GAINERS**

Company Name	Curr. Price	Prev. Price	Gain %
ITC	177.7	168.35	↑ 5.55
RCOM	175.5	166.75	↑ 5.25
BPCL	802.9	765.9	↑ 4.83
HEROHONDA	1823.6	1745.15	↑ 4.50
HINDUNILVR	294	281.8	↑ 4.33

**NIFTY LOSERS**

Company Name	Curr. Price	Prev. Price	Loss %
STER	172.15	173.6	↓ 0.84
IDEA	76.6	77.15	↓ 0.71
RANBAXY	532	534	↓ 0.37
NTPC	205.9	206.35	↓ 0.22
BHEL	2439	2443.6	↓ 0.19

**COMMODITY & CURRENCY MARKET**

Currency	Curr. Rate
USD	45.6600
EUR	59.6950
100 YEN	53.2725

Commodity (Futures)	Prev. Day	Curr. Day
Brent Crude (USD / bbl)	78.210	77.890
Gold (USD / t. Oz)	1,277.50	1,281.40
Silver (USD / t. Oz)	20.816	20.810

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

Index	Closing	Gain / Loss	Var. %
Hangseng	21,977.34	↑ 06.48	↑ 0.03
Nikkei-225(Closed)	9,626.09	↑ 116.59	↑ 1.23
Shanghai Composite	2,588.71	↓ 09.98	↓ 0.38
Straits Times	3,080.98	↑ 04.61	↑ 0.15
Taiwan TAIEX	8,186.96	↑ 28.63	↑ 0.35

Category	Buy Value	Sell Value	Net Value
FII-20 Sep -2010	4,532.44	2,739.80	↑ 1792.64
DII-20 Sep -2010	1,157.17	1,615.08	↓ 0457.91

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## OVERVIEW

European shares rose on Monday, after four-days of losses as investors remained optimistic ahead of Tuesday's Federal Reserve meeting. The key benchmark indices in France, Germany and UK rose by 0.57% to 1.2%. Trading in US index futures indicate that the Dow could gain 46 points at the opening bell on Monday, 20 September 2010. US markets logged small gains on Friday, 17 September 2010, led by technology stocks. The Dow Jones Industrial Average rose 13.02 points, or 0.12%, to 10607.85. The Standard & Poor's 500-share index gained 0.93, or 0.08%, to 1125.59 and the Nasdaq Composite index gained 12.36, or 0.54%, to 2315.61. The key event to watch out for is US Federal Reserve's monetary policy meeting on Tuesday, 21 September 2010. The Fed policymakers will assess whether the US economy needs reinforced monetary crutches. The US central bank has already cut benchmark interest rates to near zero and pumped more than \$1.7 trillion into the economy through purchases of Treasury and mortgage-related debt.

## ECONOMIC AND POLITICAL HEADLINES

- Finance Minister Pranab Mukherjee today said that the Indian economy is expected to grow at over 8.5 per cent in the current fiscal on the back of strong factory and foodgrain output.
- It is impractical to target inflation given less effective policy transmission, the Reserve Bank of India governor Duvvuri Subbarao said in a speech in Hyderabad on Monday.
- The govt plans to exempt state-run firms from a listing norm that requires cos to have independent directors in half of the board positions.
- Betting big on the Indian equity markets, foreign fund houses have invested over Rs 71,000 crore (USD 15.6 billion) so far this year and analysts believe that it will soon breach the record-figure achieved in 2009.
- Singapore has invited Indian businesses to collaborate with its local players in sectors like solar power, pharmaceutical and chemicals.

## EQUITY MARKETS & SECTOR PERFORMANCE

- FMCG stood strong; Gained Max.
- PSUs & Power sector stocks ended flat.
- Realty, Auto & Metal stood amongst other major gainers.
- Out of 3105 scrip traded over BSE, 1,779 advanced & 1,208 declined.

Sector	Average Var. %
FMCG	3.50
REALTY	1.73
AUTO	1.31
METAL	1.28
CG	1.22
OIL&GAS	1.13
BANKEX	1.10
TECK	1.02
CD	0.69
HC	0.59
IT	0.59
PSU	0.55
POWER	0.32

## 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 : Ramky Infra, Cantabil Retail, Electrosteel Steels, Orient Green Power Company Ltd.
- Indian overnight cash rates were slightly higher as cash conditions stayed tight after the scheduled advance tax outflows last week.
- Bond yields continued to trade flat on Monday as a drop in U.S. yields was offset by tight cash conditions in the banking system

## GLOBAL NEWS

- Asian stocks rose, extending a three-week rally, amid signs corporate earnings growth will be sheltered from a possible U.S. slowdown. Utilities fell.
- The dollar fell toward a five-week low against the euro before a report forecast to show confidence among U.S. homebuilders stayed at almost a 17-month low, adding to evidence the economic recovery is losing momentum.
- China stocks fell, dragging the benchmark index to a five-week low, as investors speculated the nation's economic expansion may weaken at the same time as the government maintains lending curbs to avert asset bubbles
- Crude oil fluctuated as European stocks and U.S. stock futures advanced and the Organization for Economic Cooperation and Development said unemployment in the U.S. may hold above pre-recession levels until at least 2013.
- Japan can't stem appreciation of the yen acting by itself because currency-market intervention by a single country has limited effect, according to Bank of Korea Governor Kim Choong Soo

## INDUSTRY NEWS & TRENDS

- Indian clothing companies will have to shell out more for fabric in the new season starting October as fabric suppliers now prefer signing export contracts to take advantage of peak global prices.
- Auto cos scale up for festive demand; Maruti builds additional production line, Toyota advances expansion, Hyundai diverts exports output.

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 today fell by Rs 50 to Rs 19,350 per ten gram in the bullion market on lack of buying support at existing higher levels.
- Oil prices hovered below \$74 a barrel Monday in Asia as traders look to indicators on the U.S. economy and crude inventories for clues about the strength of demand.
- Copper traded a shade higher by 0.07% in futures trade tracking firming trend at the London Metal Exchange on fall in inventories

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## CORPORATE ANNOUNCEMENTS

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- **Tata Motors** is understood to be mulling a hike in the price of its passenger cars, Indica and Indigo, by a "significant" amount with effect from October 1 next month
- **Punjab & Sind Bank** on Monday signed an MOU with the Unique Identification Authority of India (UIDAI) to act as a registrar for its' unique identification project 'Aadhar'.
- Eyeing a greater share of the remittances pie from the diaspora, private sector lender **Kotak Mahindra Bank** has upgraded its online remittance portal for Non-Resident Indians (NRI).
- **Saraswat Bank**, the biggest cooperative bank in the country, on Sunday said it has set a target for total business worth Rs 250 Bn in the current financial year, as against Rs 235 Bn in FY2009-10.
- State-run **Rural Electrification Corporation** today said the Reserve Bank has granted it the infrastructure finance company status which would allow the firm to lend more to power projects.
- Chennai based **Orient Green Power Ltd (OGPL)**, an associate company of Shriram EPC Group, on Monday said its targeting to set up wind power farms overseas. The company will enter capital markets with an IPO of equity shares of Rs 10 each, aiming to raise Rs 9 Bn. The issue opens on September 21. It has fixed the price band for its IPO between Rs 47 and Rs 55 per equity share

## IMPORTANT DATES

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- **Sep 21:** Results- Sarda Paper, AGM- BL Kashyap, Vidarbha Iron (Preferential Issue)
- **Sep 22:** Results- Morarjee Tex
- **Sep 23:** Results- Zee Enter
- **Sep 24:** Results- Mafatlal Ind, Suraj Stainl

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