

Indian Market Research Daily Market Summary

Tuesday, 21 September, 2010

HIGHLIGHTS

- BMW re-launches X5 priced at Rs 5.29-6.9 Mn
- Hero Honda says market share may face pressure
- BHEL bags Rs 26.65 Bn contract from Visa Power
- Gitanjali Gems says has bid for Italian brands: Report
- Union Bank sees deposit rates going up from October

SUMMARY

The key benchmark indices rose for the third straight day with BSE Sensex and the S&P CNX Nifty closing above the psychological marks 20000 and 6000 respectively. Market scaled 32 month closing highs today. Firm global stocks, foreign institutional investors' buying spree and robust Q2 advance tax payments from frontline companies' underpinned sentiment. The BSE 30-share Sensex rose 95.45 points or 0.48%, off close to 90 points from the day's high and up close to 140 points from the day's low. Nevertheless, volatility was intense as the BSE Sensex and the NSE Nifty moved in and out of their psychological levels of 20,000 and 6,000 respectively throughout the day after breaching those marks in opening trade.

INDEX MOVEMENTS

INDEX	Prev. Close	Open	High	Low	Close	Gain / Loss	Gain / Loss %
Sensex	19,906.10	19,925.79	20,088.96	19,860.88	20,001.55	↑ 95.45	0.48
S&P CNX Nifty	5,980.45	5,980.50	6,032.80	5,961.85	6,009.05	↑ 28.60	0.48
S&P CNX 500	4,930.00	4,947.25	4,963.85	4,896.85	4,925.95	↓ 04.05	(0.08)
CNX Nifty Junior	12,697.15	12,729.30	12,773.25	12,564.90	12,644.60	↓ 52.55	(0.41)
CNX Midcap	9,235.55	9,265.75	9,291.35	9,132.45	9,160.90	↓ 74.65	(0.81)
CNX IT	6,528.45	6,553.75	6,685.80	6,527.25	6,673.30	↑ 144.85	2.22
CNX 100	5,943.00	5,963.50	5,992.05	5,917.80	5,962.60	↑ 19.60	0.33
BANK Nifty	12,251.20	12,288.10	12,335.10	12,173.20	12,244.95	↓ 06.25	(0.05)

NIFTY GAINERS

Company Name	Curr. Price	Prev. Price	Gain %
RANBAXY	563.5	532.25	↑ 5.87
TCS	957	912.25	↑ 4.91
WIPRO	436.15	420.35	↑ 3.76
TATAPOWER	1310	1264.2	↑ 3.62
SUNPHARMA	1938	1876.85	↑ 3.26

NIFTY LOSERS

Company Name	Curr. Price	Prev. Price	Loss %
ITC	171.95	176.65	↓ 2.66
UNITECH	85.8	88.1	↓ 2.61
SUZLON	55.3	56.65	↓ 2.38
DLF	357.5	365.65	↓ 2.23
PNB	1272	1290.7	↓ 1.45

COMMODITY & CURRENCY MARKET

Currency	Curr. Rate
USD	45.6975
EUR	59.8275
100 YEN	53.3850

Commodity (Futures)	Prev. Day	Curr. Day
Brent Crude (USD / bbl)	79.320	79.450
Gold (USD / t. Oz)	1,280.80	1,277.00
Silver (USD / t. Oz)	20.803	20.620

ASIAN MARKETS & INSTITUTIONAL ACTIVITY ON NSE & BSE

Index	Closing	Gain / Loss	Var. %
Hangseng	22,002.59	↑ 25.25	↑ 0.11
Nikkei-225	9,602.11	↓ 23.98	↓ 0.25
Shanghai Composite	2,591.55	↑ 02.84	↑ 0.11
Straits Times	3,095.39	↑ 14.41	↑ 0.47
Taiwan TAIEX	8,196.40	↑ 09.44	↑ 0.12

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

Trading in US index futures indicate that the Dow could rise 14 points at the opening bell on Tuesday, 21 September 2010. 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. US stocks rallied to their highest level in more than four months on Monday, 20 September 2010, as encouraging financial and home-builder earnings boosted confidence in the economic recovery. The Dow Jones Industrial Average surged 145.77 points, or 1.4%, to 10753.62, its highest close since 13 May and its biggest point and percentage gain since 1 September. The Nasdaq Composite index gained 40.22 points, or 1.7%, to 2355.83, its ninth straight winning session. The Standard & Poor's 500-share index rose 17.12 points, or 1.5% at 1142.71.

ECONOMIC AND POLITICAL HEADLINES

- The Planning Commission has said growth in the agriculture sector this fiscal would be as high as 5-6%, which would help the economy to surge by 8.5%.
- 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 government has no intention to curb the autonomy of financial regulators but would step in whenever they transgress their jurisdictions, Finance Minister Pranab Mukherjee said.
- India will protest against the steep increase in US professional visa fees and the Ohio ban on outsourcing of government contracts at the trade policy forum meeting on Tuesday.
- International trade will grow by a record 13.5 per cent this year, bouncing back from a dismal 2009 and signalling an improvement in economic activity around the world.
- The government will almost achieve the 11th Five-Year Plan's infrastructure investment target of \$500 billion, Planning Commission Deputy Chairman Montek Singh Ahluwalia said on Monday

GLOBAL NEWS

- Most Asian stocks fell, led by automakers in Japan and mining companies, on concern the U.S. Federal Reserve may announce more measures to bolster the world's largest economy following a policy meeting today.
- China's rising labor costs prompted Top Form International Ltd. , a bra maker for Calvin Klein , to pick Southeast Asia for a new factory, adding to signs of a reshaping of the economy away from export-tied regions.
- Malaysia plans to develop a nuclear energy industry, build a mass rail network and create a shopping district to rival Singapore's Orchard Road as part of efforts to boost investment and spur growth
- The dollar fell for a second day against the euro and the yen before reports this week that may show the U.S. housing market remains fragile, adding to signs that growth in the world's largest economy is slowing.
- Tokyo and Seoul moved up in a global ranking of the most expensive store rents as the Asia- Pacific region's economic outlook made international retailers and luxury brands compete to open stores there

EQUITY MARKETS & SECTOR PERFORMANCE

- IT stood strong; Gained Max.
- Auto & Bank sectors ended flat.
- FMCG & Realty trimmed yesterday's gains; Lost Maximum.
- Out of 3113 scrip traded over BSE, 883 advanced & 2,123 declined.

Sector	Average Var. %
IT	2.43
TECK	1.62
CG	1.12
HC	1.05
POWER	0.44
AUTO	0.11
BANKEK	(0.06)
PSU	(0.26)
OIL&GAS	(0.47)
METAL	(0.57)
CD	(0.67)
REALTY	(1.30)
FMCG	(1.34)

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, Ramky Infra, Cantabil Retail, Electrosteel Steels, Orient Green Power Company Ltd.
- Forthcoming issues at NSE : Cantabil Retail India Ltd, Va Tech Wabagh Ltd.
- Indian federal bond yields and swap rates were largely steady on Tuesday as traders awaited further cues from the outcome of Fed meeting.

INDUSTRY NEWS & TRENDS

- New global capital rules for banks will come at the expense of growth in India, which poses dilemma for a country that needs to fund \$1 trillion in infrastructure and bring more people into the financial system, RBI Governor said.
- The steel ministry has made its opposition known to certain proposals in the new mining Bill that seek to remove reservation of mines for public sector undertakings.

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

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

COMMODITIES

- Gold extended losses for a second day weighed by early strength in the rupee, triggering light buying in the physical market.
- Copper fell by 0.17 per cent, or 40 paise, to Rs 355.60 per kg in futures trade today after speculators booked profits.
- Nickel prices fell by Rs 3.70, or 0.36 per cent, to Rs 1,054.70 per kg in futures market today after speculators locked in profits amid weak trend

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CORPORATE ANNOUNCEMENTS

- Within a week of the Reserve Bank hiking its key rates, private sector lender **Kotak Mahindra Bank** today increased interest rates on its term deposits by 0.25 per cent
- **Reliance Infrastructure**, controlled by billionaire Anil Ambani, approached banks for a Rs 7,000-crore (\$1.5 billion) loan to fund a new rail project in Mumbai, according to a person familiar with the matter.
- **Gammon India group companies** Ansaldo Caldaie Boiler and Franco Tosi today said they have received an order to supply power equipment for the 300 MW Nagapattnam project of KVK Energy.
- Pharma major **Wockhardt** expects to close all issues pertaining to its corporate debt restructuring (CDR) in the next few months.
- **Suven Life Sciences** said on Tuesday it has won U.S. patents for its two new chemical entities (NCEs).
- The Supreme Court on Monday issued notices to **Ranbaxy** and three others on a petition filed by life sciences and laboratory solutions firm RFCL in a dispute over the trademark for animal feed supplement Capsola.
- Media firm **New Delhi Television (NDTV)** on Tuesday said Malaysia-based Astro All Asia Networks will acquire 49 per cent stake for USD 40 million (about Rs 182 crore) in its lifestyle subsidiary NDTV Lifestyle

IMPORTANT DATES

- **Sep 22:** Results- Morarjee Tex
- **Sep 23:** Results- Zee Enter
- **Sep 24:** Results- Mafatlal Ind, Suraj Stainl

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