

**Indian Market Research
Daily Market Summary**

Wednesday, 22 September, 2010

HIGHLIGHTS

- Volkswagen-Suzuki pact set for India run
- LNG facility for GM plant in Gujarat inaugurated
- Nestle to set up Rs 2.30 Bn R&D centre in India
- Nano to be 2nd best selling car in India by FY 11: JD Power
- Bhushan Steel launches takeover bid for Australian mining Comp
- Orient Ceramics to set up new plant, makes open offer for Bell

SUMMARY

The key benchmark indices took a breather after a three-day winning streak with negative global cues playing the spoilsport. Investors took some cash off the table after the recent strong gains which saw indices scale their 32 month highs. High volatility was the hallmark of the day's trading session. Both the BSE Sensex and S&P CNX Nifty closed below the psychological levels of 20,000 and 6,000 respectively after trumping these levels in early trade to scale 32-month peak. The BSE 30-share Sensex was down 59.83 points or 0.3%, off close to 160 points from the day's high and up close to 140 points from the day's low.

INDEX MOVEMENTS

INDEX	Prev. Close	Open	High	Low	Close	Gain / Loss	Gain / Loss %
Sensex	20,001.55	20,039.43	20,105.54	19,804.02	19,941.72	↓ 59.83	(0.30)
S&P CNX Nifty	6,009.05	6,008.40	6,037.40	5,946.45	5,991.00	↓ 18.05	(0.30)
S&P CNX 500	4,925.95	4,945.60	4,948.55	4,878.85	4,909.10	↓ 16.85	(0.34)
CNX Nifty Junior	12,644.60	12,665.40	12,719.85	12,506.60	12,609.45	↓ 35.15	(0.28)
CNX Midcap	9,160.90	9,192.45	9,217.75	9,076.45	9,142.35	↓ 18.55	(0.20)
CNX IT	6,673.30	6,678.35	6,679.05	6,553.70	6,594.60	↓ 78.70	(1.18)
CNX 100	5,962.60	5,972.45	5,989.55	5,900.25	5,944.90	↓ 17.70	(0.30)
BANK Nifty	12,244.95	12,248.10	12,340.00	12,177.80	12,305.70	↑ 60.75	0.50

NIFTY GAINERS

Company Name	Curr. Price	Prev. Price	Gain %
MARUTI	1461.5	1413.1	↑ 3.43
ABB	872.05	856.85	↑ 1.77
HDFC	733.5	721.6	↑ 1.65
SBIN	3149	3098.75	↑ 1.62
SIEMENS	790.5	780	↑ 1.35

NIFTY LOSERS

Company Name	Curr. Price	Prev. Price	Loss %
JPASSOCIAT	119.7	123.4	↓ 3.00
CAIRN	334	342.55	↓ 2.50
RCOM	169.15	173.4	↓ 2.45
LT	1994	2039.9	↓ 2.25
TCS	933.05	953.95	↓ 2.19

COMMODITY & CURRENCY MARKET

Currency	Curr. Rate
USD	45.5175
EUR	60.5025
100 YEN	53.6075

Commodity (Futures)	Prev. Day	Curr. Day
Brent Crude (USD / bbl)	79.420	79.470
Gold (USD / t. Oz)	1,274.30	1,294.60
Silver (USD / t. Oz)	20.640	21.115

ASIAN MARKETS & INSTITUTIONAL ACTIVITY ON NSE & BSE

Index	Closing	Gain / Loss	Var. %
Hangseng	22,047.71	↑ 45.12	↑ 0.21
Nikkei-225	9,566.32	↓ 35.79	↓ 0.37
Shanghai Composite*	2,591.55	↑ 02.84	↑ 0.11
Straits Times	3,096.10	↑ 00.71	↑ 0.02
Taiwan TAIEX*	8,196.40	↑ 09.44	↑ 0.12

* Closed

Category	Buy Value	Sell Value	Net Value
FII-22 Sep -2010	4,129.10	3,214.33	↑914.77
DII-22 Sep -2010	1,055.83	2,029.24	↓0973.81

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OVERVIEW

European shares fell on Wednesday, led by banks on lingering concerns over the pace of the global economic recovery following the latest Federal Reserve's assessment. The key benchmark indices in France, Germany and UK were down by 0.56% to 1.18%. Trading in US index futures indicate that the Dow could fall 27 points at the opening bell on Wednesday, 22 September 2010. US markets ended mixed on Tuesday after the Federal Reserve hinted it could take additional measures to stimulate economic growth. The Dow Jones Industrial Average rose 7.41 points, or 0.07%, to 10761.00, closing at its highest level since May. The Nasdaq Composite fell 6.48 points, or 0.3%, to 2349.35 and the Standard & Poor's 500-share index fell 2.93 points, or 0.3%, to 1139.78. The Fed concluded its one-day policy meeting without announcing additional steps to boost the recovery. The US central bank kept its key interest rate unchanged yesterday and refrained from expanding its holdings of securities. But its officials signaled they are uncomfortable with the recent low levels of inflation and said they are prepared to take additional action to boost the economic recovery.

ECONOMIC AND POLITICAL HEADLINES

- Observing that India is a dynamic market, a top Obama Administration official has said that US strongly supports rapidly growing Indian economy.
- India's GDP is expected to grow at 9.2 per cent in FY 11 on the back of spurt in economic activities, Centre of Monitoring Indian Economy said in its monthly review.
- The Finance Ministry on Tuesday said investors are confident about the economy but the government is keeping a close eye on the situation.
- The Finance Ministry and RBI officials will finalise the schedule for government borrowings for the second half of this fiscal on Thursday, taking into account the credit needs of the economy in the festive season.
- Australian state of Victoria on Wednesday launched a new multi-million dollar 4-year strategy aimed at further boosting its trade relations with New Delhi.
- India and the US have pledged to work together to boost trade ties while redoubling efforts to resolve several issues of concern, including visa and outsourcing issues, before President Barack Obama's November visit.

EQUITY MARKETS & SECTOR PERFORMANCE

- Auto, Metals, Power & PSUs ended flat.
- Consumer Durables pared yesterday's loss; Gained Max.
- Realty stood weak for second consecutive day; Lost Maximum.
- Out of 3077 scrip traded over BSE, 1,113 advanced & 1,822 declined.

Sector	Average Var. %
CD	0.99
BANKEKX	0.42
FMCG	0.21
AUTO	0.08
METAL	0.06
POWER	0.02
PSU	(0.06)
HC	(0.25)
CG	(0.94)
OIL&GAS	(1.03)
TECK	(1.05)
IT	(1.33)
REALTY	(1.60)

BONDS, T-BILLS & IPOs

- Current Issues at NSE : 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, Va Tech Wabagh Ltd, Cantabil Retail India Ltd.
- Forthcoming issues at NSE : Ashoka Buildcon Ltd, Techpro Systems Ltd.
- Indian federal bond yields and swaps rates remained lower on Wednesday, taking opening cues from lower U.S. Treasury yields.

GLOBAL NEWS

- Asian stocks rose, driving the MSCI Asia Pacific Index to an almost five-month high, after the Hong Kong Monetary Authority said the city's economy will grow and an index of leading Australian economic indicators climbed.
- Most global investors expect China to become the world's biggest economy over the next two decades, and they are divided over whether that will help or hurt the economies of other industrialized countries.
- Top Bank of Japan officials flagged rising risks to the nation's growth as the yen climbed in the aftermath of the U.S. Federal Reserve signaling willingness to consider more monetary stimulus
- AO Rosneft, Russia's largest oil producer, and China National Petroleum Corp. agreed to build a \$5 billion refinery in China, while the two countries may not complete talks on natural-gas supplies until next year.
- The dollar fell to the lowest level in six months versus a basket of currencies including the euro and yen on speculation the Federal Reserve's willingness to ease monetary policy further will damp demand for U.S. assets



INDUSTRY NEWS & TRENDS

- Exporters on Wednesday sought two per cent increase in duty drawback rates -- refund of duties on raw materials imported -- to make their products price competitive.
- Amid a furore over 26% profit-sharing with locals under the proposed new mining law and demands for watering down the provision for PSUs, the Mines Ministry said its final draft will go with the recommendations of the GoM.

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

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

COMMODITIES

- Gold rose for a third day on Wednesday to hit record highs after the Fed signalled it stood ready to inject fresh cash into the economy.
- Copper and nickel regained strength to trade up to Rs 5 per kg higher in the wholesale non-ferrous metals market today.
- Zinc futures traded 0.45 per cent higher to Rs 99.20 per kg per kg, in tandem with firming trend in base metals at overseas markets and weak dollar raised appeal for the raw material as an alternative investment

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CORPORATE ANNOUNCEMENTS

- The oil ministry wants fertiliser plants like **RCF's** Thal unit to buy natural gas from **ONGC's** C-Series field so that fuel from **Reliance Industries' KG-D6** fields can be given to users in non-core sectors
- Betting on the business that made its private sector rival Reliance Industries a behemoth, state-owned **Indian Oil Corp** unveiled the blueprint for doubling revenues from the petrochemicals business to Rs 150 Bn during the next fiscal.
- State-run **GAIL India** imported its first liquefied natural gas cargo of the year at around \$8.3 per million British thermal unit, about a dollar more than what **Petronet LNG** paid just four-days ago.
- APL **Apollo Tubes** on Tuesday said it will acquire Maharashtra-based Lloyds Line Pipes for Rs 400 Mn in a cash and share deal.
- Mukesh Ambani-led **RIL** has achieved a new milestone of crossing 10 bcm of natural gas sales from KG-D6 fields in less than six months
- Chennai-based **Shriram Group** on Tuesday said its decision to buy retail operations of Vishal Retail is a part of a strategy to further reach out to masses.
- Broking firm **Geojit BNP Paribas** on Tuesday started providing mobile based trading facility to its clients on the BSE.
- **Godrej Consumer Products Ltd** plans to raise prices in the soaps category by around 5%, a top official said.
- **Cairn India** is selling 12.45 billion rupees (\$272.4 million) through corporate bonds, a source with the direct knowledge of the deal said.
- India's top valued drugmaker, **Sun Pharmaceutical Industries Ltd**, said it had completed the acquisition of a controlling stake in Taro Pharmaceutical Industries Ltd.
- **Ranbaxy Laboratories** got the exclusive rights to market a generic version of Japanese firm Eisai's blockbuster Alzheimer's drug in the US for six months, starting November-end.

IMPORTANT DATES

- **Sep 23:** Results- Zee Enter
- **Sep 24:** Results- Mafatlal Ind, Suraj Stainl
- **Sep 27:** Results- SKS Microfinance

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For more information please contact the Global Investment Solutions Department of Hinduja Bank (Switzerland) Ltd

Tel. +41 22 906 08 08