

**Indian Market Research  
Daily Market Summary**

Monday, 23 January 2012

**HIGHLIGHTS**

- Markets end flat amid rangebound trade
- L&T Q3 net up 18% to ₹ 9.91 bn, beats estimates
- Maruti shares surge 6% despite poor results
- Sterlite Ind Q3 net dips 17% to ₹ 9.13 bn
- Godrej Consumer Products acquires 60% stake in Chilean firm
- Colgate-Palmolive Q3 net rises 75% at ₹ 1.16 bn
- RBI warns of persistent inflation, weaker growth

**SUMMARY**

Key benchmark indices closed flat after swinging between gains and losses in a narrow range. Cellular services major Idea Cellular jumped after reporting strong sequential growth in earnings in Q3 December 2011. India's largest engineering and construction firm by order book L&T edged higher after good Q3 results. Kotak Mahindra Bank fell on profit taking after strong Q3 results. Sterlite Industries slumped close to 6% on weak Q3 results. Car major Maruti Suzuki India jumped nearly 6% after the company's chairman, R.C. Bhargava, told the media today, 23 January 2012, that the steep fall in the company's Q3 December 2011 earnings represents the bottom of a period of bad news and that the company would fare better in Q4 March 2012. Index heavyweight Reliance Industries (RIL) dropped nearly 3% after poor Q3 results. FMCG stocks gained. The market breadth was positive.

**INDEX MOVEMENTS**

INDEX	Prev. Close	Open	High	Low	Close	Gain / Loss	Gain / Loss %
Sensex	16,739.01	16,667.02	16,784.00	16,659.32	16,751.73	↑ 12.72	0.08
S&P CNX Nifty	5,048.60	5,025.35	5,059.55	5,021.35	5,046.25	↓ 2.35	(0.05)
S&P CNX 500	3,952.70	3,940.00	3,968.20	3,939.40	3,952.70	↑ 0.00	0.00
CNX Nifty Junior	9,414.35	9,413.00	9,511.30	9,390.60	9,407.70	↓ 6.65	(0.07)
CNX Midcap	6,803.15	6,803.05	6,890.05	6,803.05	6,834.20	↑ 31.05	0.46
CNX IT	5,897.95	5,905.45	5,952.55	5,903.30	5,910.55	↑ 12.60	0.21
CNX 100	4,913.65	4,894.40	4,929.90	4,892.70	4,911.15	↓ 2.50	(0.05)
BANK Nifty	9,516.85	9,503.10	9,659.00	9,503.10	9,520.30	↑ 3.45	0.04

**NIFTY GAINERS**

Company Name	Curr. Price	Prev. Price	Gain %
MARUTI	1,166.90	1,103.50	↑ 5.75
BHEL	281.80	273.75	↑ 2.94
DLF	220.25	214.00	↑ 2.92
BHARTIARTL	352.00	342.35	↑ 2.82
ITC	204.95	201.30	↑ 1.81

**NIFTY LOSERS**

Company Name	Curr. Price	Prev. Price	Loss %
STER	107.20	114.05	↓ 6.01
HINDALCO	136.55	143.60	↓ 4.91
HEROMOTOCO	1,865.15	1,946.60	↓ 4.18
KOTAKBANK	474.65	494.30	↓ 3.98
COALINDIA	333.80	344.80	↓ 3.19

**COMMODITY & CURRENCY MARKET**

Currency	Curr. Rate
USD	50.2325
EUR	64.7600
100 YEN	65.1850

Commodity (Futures)	Prev. Day	Curr. Day
Brent Crude (USD / bbl)	109.860	110.760
Gold (USD / t. Oz)	1,664.000	1,674.600
Silver (USD / t. Oz)	31.675	32.390

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

Index	Closing	Gain / Loss	Var. %
Hangseng	20110.40	↑ 0.00	↑ 0.00
Nikkei-225	8765.90	↓ 0.46	↓ 0.01
Shanghai Composite	2319.12	↑ 0.00	↑ 0.00
Straits Times	2849.38	↑ 0.00	↑ 0.00
Taiwan TAIEX	7233.69	↑ 0.00	↑ 0.00

Category	Buy Value (₹ bn)	Sell Value (₹ bn)	Net Value (₹ bn)
FII-23-Jan-2012	15.79	16.37	0.58
DII-23-Jan-2012	8.73	13.11	4.38

\* Shows Trends for last two trading sessions & current day  
\*\*Based on spread between spot and near future prices of commodities

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Monday, 23 January 2012

## OVERVIEW

- European stocks rose in volatile trade on Monday, ahead of a meeting of euro-zone finance ministers later in the global day today. Key benchmark indices in France, UK and Germany rose by between 0.5% to 0.7%. In Japan, the Nikkei Average was flat, with the index paring initial gains. The Chinese markets are closed for the whole of this week, while Hong Kong bourses are shut for three days starting today, 23 January 2012, for Lunar New Year holidays. The stock market in Taiwan which has been shut since 19 January 2012 for Lunar New Year holidays remains closed for the whole of this week. Stock markets in Indonesia, South Korea and Singapore were also closed for a holiday today.

## ECONOMIC AND POLITICAL HEADLINES

- The Reserve Bank of India (RBI) said the growth outlook and business climate have weakened but also warned of upward risks to inflation, a day before it is widely expected to keep policy interest rates on hold.
- Disinvestment in MMTC may not be possible in the immediate future, as stock market conditions are not appropriate for fixing the price band of the thinly traded shares of the company, a top Commerce Ministry official said today.
- Congress in Goa today said the party manifesto for the forthcoming polls would include a demand for a complete ban on non-Goans and non-farmers from buying agriculture land in the state. This point has been included in the party manifesto for bringing about a solution to land scarcity faced by the state.
- Ahead of the monetary policy review by the Reserve Bank of India (RBI), Commerce and Industry Minister Anand Sharma today made out a strong case for lowering of interest rates in the wake of industrial slowdown.
- Industry chamber Ficci today said the Indian economy could grow at a slower pace of 6.9% in the current fiscal, as against 8.5% in the previous year.

## EQUITY MARKETS & SECTOR PERFORMANCE

- FMCG & Realty led the gainers pack.
- Metal dragged indices.
- Out of 2914 scrips traded over BSE, 1451 advanced & 1334 declined.

	Average Var. %
FMCG	0.83
REALTY	0.82
TECK	0.81
CG	0.77
POWER	0.73
AUTO	0.49
IT	0.38
BANKEX	0.21
HC	(0.10)
PSU	(0.15)
CD	(0.53)
OIL&GAS	(1.66)
METAL	(2.06)

## BONDS, T-BILLS & IPOs

- The government plans to come out with two initial public offers (IPO) — Rashtriya Ispat Nigam (RINL) and National Building Construction Corporation (NBCC) -- to raise about ₹ 30 billion in the current fiscal itself as part of its efforts to garner funds.
- Bond yields were wedged in narrow band on Monday as traders stayed the sidelines a day ahead of the central bank's policy review.

## GLOBAL NEWS

- Euro zone finance ministers will decide on Monday what terms of a Greek debt restructuring they are ready to accept as part of a second bailout package for Athens after negotiators for private creditors said they could not improve their offer.
- Croatia voted on Sunday to join the European Union next year, shrugging off concerns over the economic turmoil in the bloc and fears that membership will compromise its hard-won sovereignty. Provided all 27 member states ratify its accession, the Adriatic state will enter the EU on July 1, 2013, more than two decades after breaking away from socialist Yugoslavia and fighting a 1991-95 war to secure independence.
- France and Germany will call on Monday for a relaxation of global bank capital rules to prevent lending to the real economy being choked off, a financial daily reported on Monday.



## INDUSTRY NEWS & TRENDS

- The government may fix the power capacity addition target at around 100,000 MW for the 12th Five-Year Plan period (2012-2017). The Power Ministry had proposed a capacity addition target of 100,000 MW to the Planning Commission, which is likely to accept the proposal.

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

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

## COMMODITIES

- Snapping a six-day rally, silver on Monday tumbled by ₹ 3,300 to ₹ 52,200 per kg today on reduced offtake by industrial units at existing higher levels. However, gold gained further by ₹ 95 to ₹ 27,960 per 10 grams on sustained buying by jewellers and retailers for the marriage season.
- Oil prices were lower in Asian trade today amid renewed concerns over Europe's ability to deal with its towering debt crisis, analysts said.

# HINDUJA BANK (SWITZERLAND) LTD

Monday, 23 January 2012

## CORPORATE ANNOUNCEMENTS

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- **Larsen and Toubro (L&T)**, construction and engineering major, today posted net profit for the third quarter ended December, 2011, at ₹ 9.91 bn as compared to ₹ 8.4 bn in the corresponding quarter last fiscal, beating estimates. Net sales for the quarter stood at ₹ 139.99 bn, up 23% from ₹ 113.96 bn in the same quarter last year.
- **Maruti Suzuki**, country's biggest carmaker, reported a bigger-than-expected 63.6% fall in quarterly net profit as high interest rates and rising fuel costs hit demand for cars in Asia's third-largest economy. The company's net profit fell to ₹ 2.05 bn for the quarter from ₹ 5.65 bn for the corresponding period last financial year, Maruti Suzuki India (MSI) said in a statement. Net sales declined by 17.4% to ₹ 76.63 bn during the quarter under review from ₹ 92.76 bn in the year-ago period, it added.
- **Sterlite Industries** posted a net profit after tax at ₹ 9.13 bn for the third quarter ended December, 2011, down 17% from ₹ 11.01 bn in the corresponding quarter last year, according to a release filed with the Bombay Stock Exchange (BSE). Total income during the quarter increased by 24% to ₹ 109.21 bn from ₹ 88.1 bn in the same quarter the previous year.
- **Kotak Mahindra Bank** has posted a rise of 46.96% in its net profit of ₹ 2.76 bn for the quarter ended December 31, 2011 as compared to ₹ 1.88 bn for the same quarter in the previous year. Total income of the bank has increased from ₹ 13.04 bn for the quarter ended December 31, 2010 to ₹ 19.23 bn for the quarter ended December 31, 2011.
- Infrastructure major **KEC** today said it has secured two orders worth ₹ 3.71 bn for construction of transmission lines in Gujarat and West Bengal. "The first order valued at ₹ 2.58 bn has been received from Power Grid Corporation of India. The order is for the supply and construction of 400 kV Double Circuit transmission line from Bhachau (Kutch District) to Essar thermal power station in Gujarat," KEC International said in a statement.
- India's oil major, **Gas Authority of India Ltd (GAIL)** today announced an increase of 13% in net profit for the third quarter ended December, 2011 at ₹ 10.91 bn as compared to ₹ 9.67 bn in the corresponding quarter last year. Net sales for the quarter under review rose by 35% to ₹ 112.6 bn from ₹ 83.65 bn in the same quarter last year.
- Aditya Birla Group firm **Idea Cellular** today reported a nearly 18% dip in consolidated net profit to ₹ 2 bn for the quarter ended December 31, 2011, on account of higher depreciation and financing costs with respect to 3G investments. The company's total income increased to ₹ 50.3 bn during the quarter under review, a 27% rise from ₹ 39.5 bn for the quarter ended December 31, 2010.
- **Godrej Consumer Products (GCPL)** today announced that it has entered into an agreement to 60% stake in Cosmetica Nacional, a market leader in hair colorant and cosmetics company in Chile. The company has a strong portfolio of brands in the hair care and colour cosmetics segments. With its brands well-positioned across income and age levels, Cosmetica Nacional enjoys greater than 30% market share (by volume) in the hair colorant space. With this move, GCPL continues to expand its focussed presence in emerging markets in line with its "global 3x3 strategy".
- Boosted by strong volume growth in the toothpaste category, **Colgate-Palmolive** today posted a 74.48% jump in its net profit to ₹ 1.15 bn in the quarter ended December 31, 2011. During the quarter under review, the firm's net sales stood at ₹ 6.69 bn, up 19.95% from ₹ 5.58 bn in the year-ago period.
- **IVRCL Ltd** today announced on the Bombay Stock Exchange (BSE) that it had received an order worth ₹ 7.01 bn in the southern parts of India. According to the release, the orders bagged are in the water irrigation division which is worth ₹ 5.95 bn awarded by the Tamil Nadu Water Supply and Drainage Board and from a Karnataka government undertaking to an IVRCL joint venture.

## IMPORTANT DATES

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- **December 24** : Results – Cairn India, Ceat, Edelweiss Capital, Grasim Ind, Indiab Power, Indiabulls Real, Indraprastha Gas, Kirloskar Bros, Lupin, Mangalore Ref, Yes Bank
  - **December 25** : Results – Alstom Projects, Asahi India, BEML, BOB, Deepak Fert, Himatsingka Seide, Indian Hotels, IRB Infra, JB Chemicals, Kirl Indus, Mirc Elect, Oracle Fin, Patni Comp, REC, Sesa Goa, Sterlite Tech, Tata Comm, Tata Global, Union Bank, Vijaya Bank
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