

**Indian Market Research  
Daily Market Summary**

Thursday, 23 September, 2010

**HIGHLIGHTS**

- ONGC plans to buy 14 rigs for \$877 million
- Matrix Lab gets USFDA nod for HIV medicine
- Shree Cement to invest Rs35 Bn on capacity expansion
- Wockhardt ties up with NUSI for hospital property in Goa
- Rel Retail to enter cash-and-carry biz by opening 3 outlets

**SUMMARY**

The key benchmark indices skidded for the second straight day tracking subdued European markets after data suggested weak economic activity in that region. Major Asian markets were shut today on account of holiday. In domestic economic news, the spike in food inflation in the latest week rekindled worries that the central bank may interfere to check it earlier than expected. The BSE 30-share Sensex was down 80.71 points or 0.4% up close to 90 points from the day's low and off close to 135 points from the day's high. The S&P CNX Nifty closed below the psychological 6000 mark after scaling that level in opening trade. The market after opening higher soon slipped into the red in early trade. It recovered from the day's low but soon weakened in morning trade. It moved in a narrow range in mid-morning trade. It recovered in early afternoon trade. Weakness persisted on the bourses in afternoon trade. It once again weakened in mid-afternoon trade as European stocks turned negative and US index futures pared gains. It recovered from the day's low in late trade.

**INDEX MOVEMENTS**

INDEX	Prev. Close	Open	High	Low	Close	Gain / Loss	Gain / Loss %
Sensex	19,941.72	19,944.30	19,998.32	19,771.63	19,861.01	↓ 80.71	(0.40)
S&P CNX Nifty	5,991.00	5,991.05	6,006.80	5,932.40	5,959.55	↓ 31.45	(0.52)
S&P CNX 500	4,909.10	4,921.10	4,921.10	4,871.80	4,891.55	↓ 17.55	(0.36)
CNX Nifty Junior	12,609.45	12,637.05	12,660.50	12,530.75	12,590.60	↓ 18.85	(0.15)
CNX Midcap	9,142.35	9,171.10	9,180.80	9,094.55	9,141.85	↓ 00.50	(0.01)
CNX IT	6,594.60	6,572.10	6,608.30	6,528.05	6,596.40	↑ 01.80	0.03
CNX 100	5,944.90	5,953.85	5,957.75	5,890.25	5,917.40	↓ 27.50	(0.46)
BANK Nifty	12,305.70	12,312.55	12,327.80	12,111.40	12,146.30	↓ 159.40	(1.30)

**NIFTY GAINERS**

Company Name	Curr. Price	Prev. Price	Gain %
HINDUNILVR	303.8	298	↑ 1.95
JPASSOCIAT	121.55	119.65	↑ 1.59
M&M	691.8	681.9	↑ 1.45
ITC	177.2	174.7	↑ 1.43
ONGC	1422.1	1402.65	↑ 1.39

**NIFTY LOSERS**

Company Name	Curr. Price	Prev. Price	Loss %
UNITECH	82.65	84.95	↓ 2.71
RELCAPITAL	801.3	823.15	↓ 2.65
ICICIBANK	1096.4	1126.1	↓ 2.64
AXISBANK	1492	1529.7	↓ 2.46
RELIANCE	996.9	1020.05	↓ 2.27

**COMMODITY & CURRENCY MARKET**

Currency	Curr. Rate
USD	45.6025
EUR	61.1350
100 YEN	53.9350

Commodity (Futures)	Prev. Day	Curr. Day
Brent Crude (USD / bbl)	77.950	77.000
Gold (USD / t. Oz)	1,292.10	1,290.20
Silver (USD / t. Oz)	21.055	20.940

**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	3,083.13	↓ 12.97	↓ 0.42
Taiwan TAIEX	8,202.54	↑ 06.14	↑ 0.07

\*Closed

Category	Buy Value	Sell Value	Net Value
FII-23 Sep -2010	3,034.99	2,500.54	↑534.45
DII-23 Sep -2010	8,72.74	1,518.43	↓645.69

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## OVERVIEW

European shares fell on Thursday, extending their decline for a third day, as fresh euro zone data added to existing worries about the strength of the global economic recovery. The pace of growth in the euro zone's services and manufacturing sectors slowed much more than expected this month. The key benchmark indices in UK, Germany and France were down by 0.8% to 1.3%. Investors await U.S. existing home sales data for August and weekly jobless claims. US index futures reversed gains. Trading in US index futures indicated that Dow could fall 58 points on Thursday, 23 September 2010. U.S. stocks slipped on Wednesday, ending the Dow's five-day winning streak, following Adobe's discouraging revenue outlook and investors' disappointment over Microsoft's new dividend. The Dow Jones industrial average dipped 21.72 points, or 0.20% to 10,739.31. The Standard & Poor's 500 Index slipped 5.50 points or 0.48% to 1,134.28. The Nasdaq Composite Index lost 14.80 points, or 0.63% to 2,334.55.

## ECONOMIC AND POLITICAL HEADLINES

- India has called upon rich nations to urgently fulfil their commitment to provide more funds, transfer technology and undertake capacity building in developing countries to spur international development.
- Though India still has to travel a long distance to eradicate poverty, it is pursuing "inclusive growth" schemes which have been designed to ensure that all sections of society benefit from them, External Affairs Min has said.
- Nooyi called India a "must-invest" market, citing its demographics, ample work force and pace of innovation.
- Finance Minister Pranab Mukherjee on Thursday exuded confidence that the Indian economy will post better growth than 8.75 per cent this fiscal, as projected by the economic survey.
- Food price index rose 15.46 percent while the fuel price index climbed 11.48 percent in the year to Sept. 11, government data on Thursday showed.
- Getting approvals for setting up units in SEZs will be done electronically from next month.

## EQUITY MARKETS & SECTOR PERFORMANCE

- FMCG stood strong; Gained Max.
- Energy & Banks stood amongst other major losers.
- Realty stood weak for 3<sup>rd</sup> consecutive session; Lost Maximum.
- Out of 3070 scrip traded over BSE, 1,400 advanced & 1,573 declined.

Sector	Average Var. %
FMCG	1.10
CG	0.05
AUTO	0.04
IT	0.03
HC	0.02
CD	(0.02)
METAL	(0.08)
PSU	(0.08)
POWER	(0.29)
TECK	(0.30)
OIL&GAS	(1.01)
BANKEK	(1.21)
REALTY	(1.97)

## 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, Cantabil Retail India Ltd, Va Tech Wabagh Ltd.
- Forthcoming issues at NSE :Ashoka Buildcon Ltd.
- Indian overnight cash rates were marginally down in afternoon trade as many banks met their mandated needs.
- 10-year benchmark bond yield fell 2 basis points after the federal government borrowing for October-March came in lower than market expectations

## GLOBAL NEWS

- Chinese Premier Wen Jiabao said a 20 percent rise in the yuan would cause severe job losses and trigger social instability, putting the nation on course for a clash with U.S. lawmakers demanding a stronger currency.
- Australian and New Zealand stocks fell as concern about the outlook for U.S. earnings overshadowed the effects of higher metal prices.
- The euro dropped from almost a five-month high against the dollar as growth in Europe's services and manufacturing industries slowed this month more than economists forecast
- Asian mining stocks rose after metal prices gained, while Taiwan Semiconductor Manufacturing Co. fell after a newspaper said the chipmaker will boost spending.
- Asian currencies fell for the first time in six days, with Malaysia's ringgit and the Thai baht retreating from 13-year highs, on concern recent gains were too rapid and central banks may intervene to protect exporters



## INDUSTRY NEWS & TRENDS

- India will enter into a pact with China in the area of highways development and once the agreement is reached, Chinese investment will treble in the road sector.
- Stick to competitive bid rule for power supply from Jan; state-owned cos like NTPC may have to compete with private firms for distributing power, a move that could lead to lower consumer tariffs.

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 surged to yet another high of Rs 19,443 per ten gram in futures market today after it hit a new high of USD 1,297.40 an ounce in global markets on safe-haven buying.
- Silver surged to an all time high of Rs 32,950 per kg on brisk buying by stockists and industrial units after a firming trend in international markets.
- Copper futures rose by another 0.49 per cent to Rs 362.10 per kg today in tandem with the firming trend overseas

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## CORPORATE ANNOUNCEMENTS

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- Infrastructure firm **Larsen and Toubro** today said it would form a joint venture (JV) company with the South Africa-based Befula Investments to explore opportunities in the power sector in the African nation
- The Supreme court on Wednesday directed **ICICI Bank** to release the money of investment firm Jermyn Capital, suspected to be one of the 50 companies associated with scamster Ketan Parekh.
- **JSW Steel Ltd.**, India's third- largest producer, is considering setting up a high-value electric steel plant jointly with Japan's JFE Holdings Inc., JSW Chief Financial Officer Rajeev Pai said today in an interview. The plant may be located in the western Indian state of Maharashtra, Pai said, without giving financial details. Steel from the factory would be used to make transformers, he said.
- Soft drinks and snacks major **Pepsico** is understood to be looking at investing \$500 million (about Rs 2,275 crore) in India in the next two years.
- **Hindustan Petroleum Corp Ltd** plans to revive the stalled refinery-cum-petrochemicals project in Vizag, the firm's director for finance B Mukherjee told reporters on Thursday.
- **ONGC** on Thursday said that it "consciously" decided not to make a rival offer to Vedanta Resources' \$9.6 billion offer to acquire a majority stake in Cairn India. The company is planning to commission 2 petrochem plants in 2013.

## IMPORTANT DATES

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- **Sep 24:** Results- Mafatjal Ind, Suraj Stainl
- **Sep 27:** Results- SKS Microfinance,
- **Sep 24:** Results- Abbott India, Energy Dev, ISMT, Taneja Aero

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