

**Indian Market Research  
Daily Market Summary**

Tuesday, 24 August, 2010

**HIGHLIGHTS**

- Reliance Power eyes \$5 bn Indonesia investment
- Bharti eyes mobile market leadership in Kenya
- M&M, Atul Auto eye controlling stake in Scooters India
- Indian textile industry may again figure on US blacklist
- NTPC to float global offer to acquire equity stakes in coal assets
- Indian State-Run Companies Said to Consider Cairn Counter Bid
- ONGC should have last word on Vedanta-Cairn India: Trade minister

**SUMMARY**

The BSE 30-share Sensex was provisionally down 108.59 points or 0.59% to 18,300.76, off 150.97 points from the day's high and up 40.05 from the day's low. The market breadth was weak in contrast with a strong breadth at the onset of the trading session. Metal stocks were the worst hit in today's market fall. Banking stocks displayed mixed trend in volatile trade with shares of associate banks of SBI surging for the second running day on reports of a possible merger with the parent. HDFC Bank recovered from lower level. But, really shares declined on profit booking. The market was volatile. Stocks nudged higher in early trade on data showing sustained buying by foreign funds. The market soon lost ground. The Sensex hit a fresh intraday low in morning trade. The market came off lows in mid-morning trade. The market hit a fresh intraday low in early afternoon trade. It came of the lows later. The market recovered from lower level in early afternoon trade after hitting a fresh intraday low.

**INDEX MOVEMENTS**

INDEX	Prev. Close	Open	High	Low	Close	Gain / Loss	Gain / Loss %
Sensex	18,409.35	18,407.01	18,451.73	18,260.71	18,311.59	↓ 97.76	(0.53)
S&P CNX Nifty	5,543.50	5,541.10	5,547.25	5,488.45	5,505.10	↓ 38.40	(0.69)
S&P CNX 500	4,655.75	4,663.70	4,665.10	4,616.05	4,624.85	↓ 30.90	(0.66)
CNX Nifty Junior	12,145.00	12,176.70	12,186.95	11,991.05	12,062.55	↓ 82.45	(0.68)
CNX Midcap	9,002.35	9,032.75	9,036.30	8,910.50	8,942.20	↓ 60.15	(0.67)
CNX IT	6,178.95	6,161.45	6,161.45	6,107.60	6,117.60	↓ 61.35	(0.99)
CNX 100	5,537.95	5,541.70	5,542.60	5,481.10	5,499.75	↓ 38.20	(0.69)
BANK Nifty	11,095.50	11,082.95	11,125.80	10,979.50	11,043.00	↓ 52.50	(0.47)

**NIFTY GAINERS**

Company Name	Curr. Price	Prev. Price	Gain %
CAIRN	353.8	343.55	↑ 2.98
RCOM	166.45	164	↑ 1.49
BHARTIARTL	322	317.35	↑ 1.47
RANBAXY	495	490.1	↑ 1.00
HINDUNILVR	271.4	268.85	↑ 0.95

**NIFTY LOSERS**

Company Name	Curr. Price	Prev. Price	Loss %
HINDALCO	168	175.55	↓ 4.30
IDEA	67.55	70.6	↓ 4.32
STER	152.35	158.55	↓ 3.91
UNITECH	83.6	86.1	↓ 2.90
DLF	322	330.2	↓ 2.48

**COMMODITY & CURRENCY MARKET**

Currency	Curr. Rate
USD	46.8100
EUR	59.1450
100 YEN	55.1100

Commodity (Futures)	Prev. Day	Curr. Day
Brent Crude (USD / bbl)	73.620	72.800
Gold (USD / t. Oz)	1,228.500	1,219.300
Silver (USD / t. Oz)	18.042	17.930

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

Index	Closing	Gain / Loss	Var. %
Hangseng	20,658.71	↓230.30	↓1.10
Nikkei-225	8,995.14	↓121.55	↓1.33
Shanghai Composite	2,650.31	↑ 10.94	↑0.41
Straits Times	2,922.85	↓3.14	↓0.11
Taiwan TAIEX	7,940.64	↓35.29	↓0.44

Category	Buy Value	Sell Value	Net Value
FII-23 Aug -2010	2,411.85	2,093.62	↑ 318.23
DII-23 Aug -2010	1,249.56	1,409.34	↓159.78

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## OVERVIEW

European stocks traded lower Tuesday, 24 August 2010, after a string of poorly received trading updates and as fears over the strength of the US recovery continued to unsettle investors. The key benchmark indices in France, Germany and UK were down by between 0.96% to 1.42%. US stocks fell on Monday, 23 August 2010, despite acquisition offers from companies including Hewlett-Packard as investors remained concerned about the broad economic weakness. The Dow Jones Industrial Average declined 39.21 points, or 0.38%, to 10174.41. The Nasdaq Composite dropped 20.13, or 0.92%, to 2159.63, and the Standard & Poor's 500 index fell 4.33, or 0.40%, to 1067.36. Trading in US index futures indicated that the Dow could fall 68 points at the opening bell on Tuesday, 24 August 2010.

## ECONOMIC AND POLITICAL HEADLINES

- The new indirect tax regime Goods and Service Tax (GST) is unlikely to be implemented from the scheduled date of April 1, 2011.
- India will soon have an index to measure output of services that contribute more than half of its national income but still do not have a periodic measure like the index of industrial production.
- The new FDI policy issued on April 1 has retained the 74% ceiling on non-scheduled air transport services, chartered and cargo airlines, and ground handling services.
- Indian project financings are moving offshore, as increased dollar liquidity and tighter pricing lure borrowers out of their home market, which is flooded with rupee deals.
- The government handed out a \$214 Mn package of fresh incentives to exporters still struggling in an uncertain global market, and said it would review the situation in a few months.

## GLOBAL NEWS

- China's stocks rose for the first time in three days, led by developers and steelmakers, as the nation's slowing economy fuelled speculation the government will ease lending curbs and delay raising interest rates.
- Japanese stocks fell, dragging the Nikkei 225 Stock Average into a bear market before an industry report that may show U.S. sales of existing homes plummeted in July, and as the yen strengthened.
- The yen advanced to the strongest since June 1995 against the dollar, and the U.S. currency rose to a six-week high versus the euro as concern the global economy is slowing boosted demand for safer assets.
- Oil declined for a fifth day on speculation U.S. crude and fuel inventories increased last week as economic growth slows.
- U.S. stock-index futures declined, indicating the Standard & Poor's 500 Index may extend a five-week low, before a home sales report that may cast further doubt on the viability of the economic recovery.



## EQUITY MARKETS & SECTOR PERFORMANCE

- Realty, Metal, PSU, Power, IT, CG were major losers.
- Oil, Banks, Teck, Auto stocks declined.
- CD, FMCG & HC were gained moderately.
- Out of 3,038 scrip traded over BSE 1,184 advanced & 1,740 declined.

Sector	Average Var. %
CD	0.47
FMCG	0.33
HC	0.14
AUTO	(0.24)
TECK	(0.43)
BANKEX	(0.48)
OIL&GAS	(0.55)
CG	(0.63)
IT	(0.67)
POWER	(0.78)
PSU	(0.79)
METAL	(1.94)
REALTY	(2.62)

## INDUSTRY NEWS & TRENDS

- The world's largest coal producer Coal India is learnt to have shortlisted the US-based Peabody Energy and 11 others as possible partners for sourcing coal to meet growing domestic demand.
- Taj Hotels expect room tariffs to go up marginally from September as occupancy level increases in the hospitality industry after suffering slump in the past two years.
- Telecom vendor Nokia Siemens Networks (NSN) on Monday said it has bagged a contract from Tata Teleservices Ltd (TTSL) for setting up infrastructure to help the telco roll-out 3G services.

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

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

## BONDS, T-BILLS & IPOs

- Current Issues at NSE : Gujarat Pipavav Port Ltd.
- Forthcoming issues at NSE : No issues available.
- Indian federal bond yields and swap rates dropped, helped by a fall in U.S. yields and easier liquidity conditions.

## COMMODITIES

- Gold prices moved down by Rs 46 to Rs 18,659 per ten grams in futures market today.
- Crude palm oil prices moved down by Rs 1.20 or 0.29 per cent to Rs 409 per 10 kg in futures market today.

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## CORPORATE ANNOUNCEMENTS

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- Rourkela Shramik Sangh has urged the management of **SAIL** to take steps to send the workers abroad to enhance their technical skills.
- **Zain Kenya** plans to invest more than \$308.1 mn in the next 18 months in a bid to gain mobile market leadership in the country
- Diversified conglomerate **ITC**, which will turn 100 years tomorrow, is looking to make "significant investments in cutting edge research and development" as it steps into the next century of operations.
- **Hero Honda Motors Ltd.** maker of about half the motorcycles sold in India, said demand will grow more slowly this year as the central bank raises interest rates to pare inflation
- **Indian Hotel** has recently reopened its property in South Mumbai, which alone is likely to boost its annual revenue by more than 10%.
- **IDBI Federal** is a three-way joint venture with IDBI Bank holding 48% stake, Federal Bank 26% and Belgian insurer Ageas holding the remaining 26%.
- **East India Hotels**, which runs the Oberoi and Trident chains, expects an increase in occupancy levels and average room rates along with a rise in inbound tourists this fiscal, though there could be pressures on margins due to inflation.
- **Indian Hotels**, has recently reopened its property in South Mumbai, which alone is likely to boost its annual revenue by more than 10%.
- **Liberty Group** is learnt to be the only company to have mounted a bid for taking over telecom equipment maker Indian Telephone Industries after the fourth deadline to find a buyer for the ailing state-owned expired.
- Former **ACC Ltd** Managing Director Sumit Banerjee today joined Anil Dhirubhai Ambani Group firm **Reliance Cementation** as Chief Executive Officer.
- **National Textiles Corp** has fixed reserve prices for properties in Bangalore and Indore and hopes to begin the auctions in two months.

## IMPORTANT DATES

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- **Aug 25:** Alumecco India, Binny, BLB, Chennai Meena, Grauer & Well, GSL Securities, Ispat Inds, ITL Inds, Kaushalya Infra, Keynote Corp, KND Engineering, Mphasis, Nila Infra, Nova Iron, Oscar Invest, Panoramic Univ, Patel Integ, Relic Tech, Royale Manor, S & S Power, Sikozy Real, Sobhagya Merc, Softpro Sys, Uniworth, Uniworth Intl, Uniworth Sec, Uniworth Tex, Upper Ganges, Vama Inds, Vasta Music.
- **Aug 26:** Bajaj Corp, Beckons Inds, Bombay Swad, Database Fin, Jay Ushin, Lords Chloro, Mediacaps, Nettlinx, Pasari Spin, Surya Fun City, VB Desai, Viceroy Hotels, Vimal Oil.
- **Aug 27:** Aarey Drugs, Amforge Inds, Associated Alco, BCL Forging, C&C Constructiuons, Dhanprayog, Geodesic, Havells India, HCL Infosystems, IMP Powers, Infodrive, Jagjanani Tex, James Hotels, Kemrock Inds, KGN Inds, Mukesh Babu Fin, Oudh Sugar, Phaarmasia, Pioneer Embr, Prime Focus, Sagar Systech, SMS Pharma, Solid Stone, Spanco, Sri Nachammai, Sterling Hol Res, Symphony Comf, Vatsa Edu.

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