

COMMENTARY

INDIA

The markets continued their upbeat mood as it touches new 30-month high. It was an eventful day for the markets with the Nifty crossing the 5500 mark at the very start of trade and another prop for the surging market was the food inflation data which came down. The Sensex advanced by 198 points, or 1.08 per cent, to 18,455 and Nifty spurred by 61 points, or 1.12 per cent, to 5,540 as bank and metal stocks recorded handsome gains.

The market breadth ended on a positive note. Of the total 3071 shares traded on the BSE, 1650 shares had advanced while 1297 had declined.

GLOBAL MARKETS

U.S. stocks retreated, with benchmark indexes closing at the lowest in a month, as jobless claims increased to the highest level since November and an index of Philadelphia-area manufacturing fell. The S&P 500 fell 1.69% to 1,094. The Dow Jones declined 144 points, or 1.38% to 10,271, as all 30 of its components slumped. Both benchmarks tumbled to the lowest since July 21. Nasdaq also closed in red down by 1.66% at 2,179.

Asian markets have opened on a mixed note on the back of US markets. Nikkei is down by almost 1%.

INDIAN MARKET	19-Aug	18-Aug	% Change
BSE Sensex	18,455	18,257	1.08
NSE Nifty	5,540	5,479	1.12
BSE Midcap	7,831	7,760	0.91
BSE Smallcap	9,864	9,787	0.79
Nifty Junior	12,112	12,003	0.91
CNX Midcap	8,920	8,833	0.99

GLOBAL MARKETS	19-Aug	18-Aug	% Change
Dow Jones Ind (USA)	10,271	10,415	(1.38)
Nasdaq Composite (USA)	2,179	2,216	(1.66)
S&P 500 (USA)	1,076	1,094	(1.69)
FTSE 100 (UK)	5,211	5,303	(1.73)
DAX (Germany)	6,075	6,186	(1.80)
Nikkei 225 (Tokyo)	9,363	9,241	1.32
Hang Seng (Hong Kong)	21,072	21,023	0.24
Shanghai Comp (China)	2,688	2,666	0.81
KOSPI (South Korea)	1,780	1,762	1.00
STI (Singapore)	2,947	2,919	0.94
MSCI Emerging Market	375	375	0.02
MSCI Frontier Market	522.3	517.6	0.90

CORPORATE/ ECONOMY NEWS

Paper-maker **Ballarpur Industries (BILT)** said that it will fully acquire Bangalore-based Premier Tissues India for a consideration of Rs 76.52 crore, a deal that will make it the largest player in the domestic tissue paper market.

Tata Steel is set to build an industrial park on 3,200 acre acquired earlier by it to set up a mega steel mill, at Gopalpur in Orissa's Ganjam district.

The capital market regulator has rejected a second attempt by India's largest private sector firm, **Reliance Industries (RIL)**, to settle charges of insider trading out of court. The Securities and Exchange Board of India, or Sebi, will instead continue its investigation into trades carried out by entities allegedly linked to RIL, in November 2007.

Jet Airways is knocking on the doors of Reserve Bank of India to raise foreign currency loans to repay expensive rupee loans from local banks. In a letter.

Gurgaon-based infrastructure company **Lanco Infratech** has partnered with Indonesian coal mining company Bukit Asam to bid for a 600 megawatt power project.

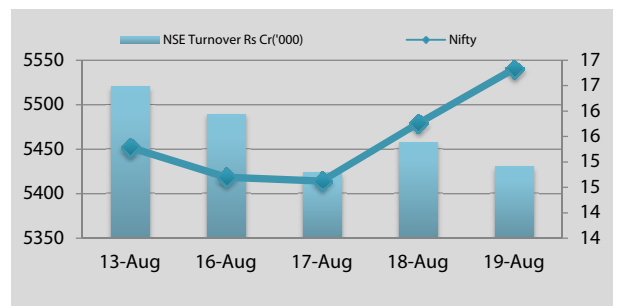
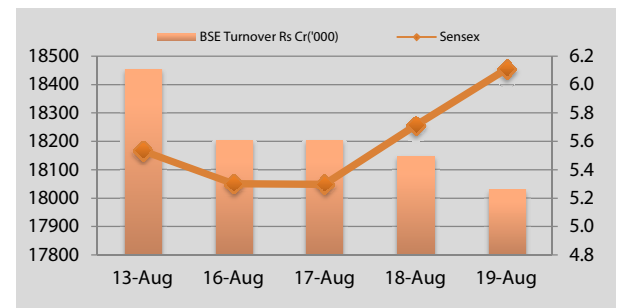
Hero Honda is keen to set up a manufacturing unit in Himachal Pradesh. It has shown interest in setting up its manufacturing unit with an outlay of 2,200 crore.

GVK Power & Infrastructure, which owns 29% in Bangalore International Airport (BIAL), plans to buy Siemens Project Ventures 40% stake in the airport and take majority control.

Realty firm **Omaxe** said it plans to raise up to 1,000 crore in long-term funds, mainly to reduce debt and complete ongoing construction work.

Spice Digital, part of the BK Modi-promoted **Spice group**, plans to raise over 200 crore through initial public offering (IPO).

BOND MARKETS	19-Aug	18-Aug	Change
10yr G-Sec Yield	7.92	7.93	(0.01)
1yr G-Sec Yield	6.42	6.42	0.00
LIBOR (6m)	0.56	0.57	(0.01)
LIBOR (1m)	0.26	0.35	(0.09)
Interbank Call rate	5.7	5.7	0.00



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Daily Newsletter

CORPORATE NEWS

Talwalkars Better Value Fitness said that its 50:50 joint venture with **Pantaloon Retail's** will acquire 'Star and Sitara', a beauty and hair salon chain.

FMCG major **Emami Ltd** said that its acquisitions in the personal and healthcare sector in the domestic market is on the company's radar.

Crompton Greaves, part of the billionaire Gautam Thapar-led Avantha Group, is looking to bridge gaps in technology and markets through acquisitions.

Royal Orchid Hotels informed that the board approved a proposal to raise funds up to Rs 150 crore.

The **Anil Dhirubhai Ambani Group** has been granted permission to explore Coal-Bed Methane (CBM) in the Shahdol district of Madhya Pradesh which is beneficial for its power plant.

Sadbhav Infrastructure Project, a wholly owned subsidiary of **Sadbhav Engineering**, announced that it has received Rs 400 crore from Norwest Venture Partners (NVP) and the Xander group.

Ahmedabad-based **Sun Pharma** announced that it received an approval from US Food and Drug Administration to market a generic version of anti-depressant Venlafaxine Hydrochloride Extended Release Tablets.

As a part of its expansion plans, city-based **Primex Healthcare** announced that it would set up 50 diagnostic facilities in Tamil Nadu at a cost of Rs 12 crore.

Logistics service provider **ABC India** reported that it has bagged orders worth Rs 114 cr from various vendors, including BHEL, for infrastructure and industrial projects.

United Breweries Ltd said that it has achieved a 30 % growth in beer sales in the current fiscal till July, which is 5 % more than the industry growth.

Leading video display manufacturer, **MIC Electronics**, has bagged orders worth over Rs 20 crore, a majority of them being from the Indian Railways.

Aban Offshore Ltd has informed that it has signed a contract with Cairn Energy India Pty Ltd for the deployment of the jack-up rig Aban-II in Ravva block, located offshore East Coast of India, for a 5 firm well plus 2 optional well programmed. Cairn Energy India Pty Ltd in joint venture with ONGC, Videocon and Ravva Oil operates the Ravva block. The estimated revenue from the contract (with an estimated duration of 150 days) is \$15 million (equivalent to approximately Rs. 69.75 crore).

Procter & Gamble Hygiene & Health Care has reported a sharp decline of 78.9% to 10.1 crore for the quarter ended June 30. The company had posted a net profit of 47.8 crore in the April-June quarter last year.

SECTOR	19-Aug	18-Aug	% Change
Bankex	12,627	12,389	1.92
FMCG	3,410	3,355	1.63
Metal	15,441	15,293	0.97
Capital Goods	14,687	14,562	0.85
Healthcare	5,569	5,532	0.68
Oil & Gas	10,126	10,073	0.52
Consumer Durables	5,728	5,702	0.47
Power	3,105	3,095	0.32
Auto	8,892	8,873	0.21
Teck	3,459	3,457	0.04
IT	5,569	5,568	0.03
PSU	9,730	9,735	(0.05)
Realty	3,629	3,654	(0.67)

BSE Upper Circuit Breakers

Company Name	19-Aug	18-Aug	% Change
Elder Health Care	127.5	106.25	20.00
Scope Industries	72.0	60.00	20.00
Rasoya Protiens	74.3	67.5	10.00
Saregama India	146.4	133.1	10.00
Gujarat Automotive Gears	325.5	310.0	5.00

BSE Lower Circuit Breakers

Company Name	19-Aug	18-Aug	% Change
Rajoo Engineers	16.3	18.1	(10.00)
Shriram Asset	33.4	35.1	(5.00)
Transcorp International	84.2	88.6	(5.00)
Fary Industries	29.7	31.2	(5.00)
MYM Technologies	9.0	9.5	(5.00)

COMMODITY / CURRENCY NEWS

Light Sweet Crude Oil closed down on Thursday by 1.17 % at \$74.5 per barrel. Gold closed up by 0.58 % at 18782.00 and Silver closed up by 2.18 % at 29,930

The Indian Rupee closed higher against dollar by 0.04 % at 46.55 as against the US dollar, the Indian equity benchmarks ended positive note.

COMMODITY	19-Aug	18-Aug	% Change
Crude Oil (USD/bbl)	74.5	75.4	(1.17)
Gold (Rs/10gm)	18,782.0	18,673.0	0.58
Silver (Rs/kg)	29,930.0	29,291.0	2.18

CURRENCY	19-Aug	18-Aug	% Change
INR / USD	46.55	46.57	(0.04)
USD / Euro	1.28	1.28	-
Yen / USD	85.36	85.59	(0.27)

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ECONOMY / POLICY NEWS

The annual food inflation fell to 10.35 % for the week ended August 7 as the prices of vegetables, especially potato and onion, declined. Food inflation, which was 11.4 % during the week ended July 31, remained in double digit for the second consecutive week, after it was in single digit for a fortnight in mid-July.

Global coffee production in 2010-11 crop year is likely to go up by 12.5 % to 135 million bags due to higher yield in Brazil, the International Coffee Organisation (ISO) has said.

The value of M&A deals inked by India Inc trebled to \$61.9 billion in the January-July period this year, with 16 transactions worth over \$1 billion each.

The government was looking into the **proposal of allowing foreign airlines invest in domestic carriers**

FUTURES PREMIUM/DISC	Cash	Futures	P/D%
Aban Offshore	836.4	850.9	1.74
Firstsource Solutions	26.4	26.7	0.95
Bosch	5846.9	5900.0	0.91
GlaxoSmithKline	1976.0	1989.6	0.69
Reliance Media	202.2	203.4	0.62
Core Project	261.2	262.7	0.59
Chennai Petro	283.7	270.9	(4.53)
Idea Cellular	70.0	68.9	(1.50)
Ambuja Cement	124.5	122.6	(1.49)
United Phosphorus	199.0	196.7	(1.16)
Hindalco Industries	179.8	177.9	(1.06)
Rural Electrification Corporation	325.8	322.4	(1.04)

INSTITUTIONAL ACTIVITY (Rs Cr)	17-Aug	16-Aug	YTD
FII Cash Net	(170)	558	51,257
FII Stock Futures	(126)	(556)	741
FII Index Futures	161	114	(5,479)
Mutual Fund	516	(334)	(12,763)

VALUATIONS	P/E	P/B	DIV YLD
BSE	21.9	3.48	1.14
NSE	23.3	3.6	1.1
BSE500 Mcap/GDP Ratio	0.60		

MOVERS & SHAKERS

TOP 5 FRONTLINE GAINERS

Name	Rs	▲%
ACC	880.8	4.86
ICICI Bank	1,012.6	4.38
HDFC	644.1	3.69
Jaiprakash Associates	122.7	2.98
Jindal Steel	684.5	2.31

TOP 5 MIDCAP GAINERS

Name	Rs	▲%
Wockhardt	224.0	19.98
MVL	109.6	15.26
Thomas Cook	72.7	10.08
Petronet LNG	112.0	9.64
Ruchi Soya	115.9	8.27

TOP 5 SMALLCAP GAINERS

Name	Rs	▲%
Kingfisher Airlines	61.3	12.28
Marg	193.4	12.08
Finolex Industries	88.5	11.12
Natco Pharma	209.9	10.71
Binani Industries	119.6	10.69

TOP 5 FRONTLINE LOSERS

Name	Rs	▼%
ONGC	1267.5	-1.39
Tata Power	1298.6	-1.10
Tata Motors	1040.1	-0.72
Bharti Airtel	313.8	-0.43
SBI	2805.7	-0.33

TOP 5 MIDCAP LOSERS

Name	Rs	▼%
Shriram City Union	573.0	-3.23
Torrent Pharma	540.4	-3.17
BF Utilities	1,004.2	-3.03
Motherson Sumi	179.5	-2.89
Nava Bharat Ventures	363.9	-2.70

TOP 5 SMALLCAP LOSERS

Name	Rs	▼%
Ramsarup Industries	78.7	-10.11
Resurgere Mines	79.2	-9.59
Modern India	123.9	-7.19
Well Pack Papers	68.3	-4.94
HFCL Infotel	8.5	-4.93

BULK DEALS

SCRIPT NAME	CLIENT NAME	TYPE	QTY %	PRICE
NSE				
Autoline Industries Limit	Marwadi Shares And Finance	BUY	0.50%	208.9
Thomas Cook (India) Ltd	Om Investments	BUY	0.56%	72.6
Aegis Logistics Ltd	Sapphire Commercial	BUY	0.55%	314.5
Dwarikesh Sugar Industries	Wall Street Capital Markets	SELL	0.61%	72.4
Saregama India Ltd.	Epoch Synthetics	SELL	0.46%	141.3
BSE				
Nucleus Software	Arun Kumar	BUY	0.85%	149.0
Aishwarya Telecom	Prudhvi Raj Kumar Yadiki	BUY	0.67%	29.8
Century Enka	Sharad Shah	BUY	0.53%	228.2
VGuard Inds	Sheela Kochouseph	SELL	2.00%	160.0
Patspin India	Ajay Kumar Agrawal	SELL	0.65%	14.5

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