

Equity Market:

Indices	Closing	Pr. Close	1 Day %	1 Mth%
Sensex	13,652.15	13,860.52	(0.08)	(0.47)
CNX Nifty	3,933.40	3,983.40	(0.14)	(0.57)
CNX Midcap	5,156.45	5,212.55	(0.28)	1.08
BSE Small Cap	7,250.64	7,191.55	0.58	5.78
BSE Midcap	5,912.01	5,936.67	(0.09)	1.89
Dow	12,423.49	12,398.01	(0.66)	0.54
Nasdaq	2,438.20	2,434.25	(0.78)	(0.69)
Nikkei	17,210.13	17,091.59	(1.51)	5.13

Turnover & Market Cap:

(Rupees in Crs.)	Today	Previous	% Change
Cash BSE	3,742.62	4,545.30	-17.66%
Cash NSE	7,619.67	8,771.98	-13.14%
Derivatives	25,210.00	25,256.00	-0.18%
BSE Mkt. Cap	3,633,853.30	3,670,198.40	-0.99%
NSE Mkt. Cap	3,466,074.00	3,465,110.00	0.03%

Institutional Activity:

Institution	Today	Pr. Day	MTD	YTD
FII Equity	0.9	-262.2	3631.7	3631.7
FII F&O	-957.49	-265.48	NA	NA
FII Total	0.90	-527.68	-	-
MF Equity	15.48	-21.42	179.91	179.91

Advance Decline:

	Today	Percent	Pr. Day
Advance	1741	63.9%	1636
Decline	934	34.3%	997
Unchanged	49	1.8%	41

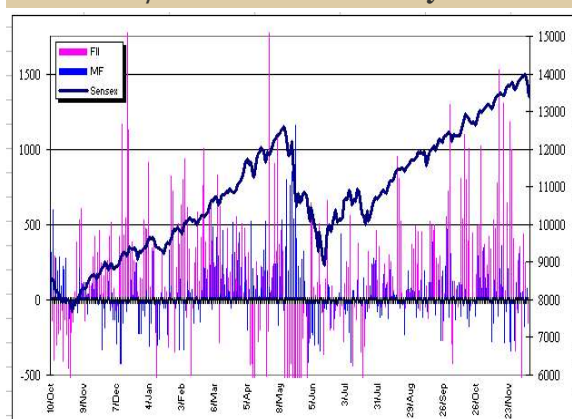
Debt / Forex & Crude Market:

	Today	Pr. Day	Change
Rs./Dollar	44.42	44.30	0.27%
Rs./Euro.	57.8	57.92	-0.21%
365D T-Bill	7.19	7.24	-0.64%
10Y G-Sec	7.49	7.56	-0.93%
US Light US\$pb	56.09	56.31	-0.39%
Brent US\$/barrel	54.36	54.75	-0.71%

ADR/GDR Market:

	Today (U.S.\$)	Pr. Day	% Chg
SKINDIA			
VSNL (VSL)	19.48	19.30	0.93%
Satyam(SAY)	23.67	23.85	-0.75%
HDFC Bk (HDB)	72.60	73.22	-0.85%
Infosys (INFY)	55.00	55.14	-0.25%
WIPRO (WIT)	15.78	15.86	-0.50%
Tata Motor (TTM)	20.86	20.86	0.00%

Sensex v/s. FII & MF activity -



Market Outlook (Medium Term View)

Market entered in to bearish sentiments for the third day yesterday with the rise in the rupee coupled with reports of US slowdown raised concerns over the drop in earnings for the IT exporters. Amongst the major indices both the BSE Sensex and Nifty closed in the red down 208 points and 50 points respectively. Broader market indices too followed the frontline indices with the BSE Midcap closing in the red down 56 points, while contrary to this the benchmark Smallcap indices clocked a gain of 59 points. The positive sentiment on the broader market basis was reconfirmed with the broader market advance to decline ratio at 1.8:1, while the Sensex stocks showed strong bearish breath. Volumes remained low with the cash segment recording a loss of almost 14% for the BSE and NSE combined while the derivatives segments volumes dropped marginally.

On the institutional side Foreign Institutional Investor continued to show lack of convection for the time being with a small positive inflow after a net outflow numbers on the previous trading session. Net inflow for the new month to date had been negative without the one day strong positive inflow of Rs.3353cr on the 3rd Jan 07. Domestic Mutual funds too turned cautious with a net inflow of just Rs.15cr over and above a negative fund flow of Rs.21cr on the previous trading session. As for the outlook for the coming trading session the bearish sentiments is expected to continue for a while not because of fresh selling but mostly because of the lack of fresh buying interest from either the institutional or retail side. The start of the third quarter would bring some amount of fresh buying strength to the market and till then we could expect stock specific activity to be the major trend in the market.

Corporate News:

Ranbaxy Laboratories Ltd is planning to acquire German multinational Merck KGaA's \$2.3-billion generic drug business. Merck Generics has sales in more than 90 countries and accounts for the third largest generics business in the world. The division employs approximately 5,000 people world-wide.

Reliance Communications has sought government approval for sponsoring a secondary GDR offering of up to \$1.2 billion. This will include a green shoe option of 20 per cent (\$200 million).

Indian Gasohol Ltd has proposed to pump in Rs 13,557 crore in Bihar over the next 3-4 years. The company would set up 10 distilleries for producing ethanol from sugarcane with a combined capacity of 54 lakh tonne annually. Each unit will have a crushing capacity of 25,000 tonne crushed daily (tcd).

Ritesh Industries will set up a Rs 800 crore real estate project along with Ansal Properties and Infrastructure (API). The company has entered into a joint venture agreement with API, for setting up a 40 acre real estate project on the Ludhiana-Chandigarh State Highway. It would take two to three years to complete the

project and would yield a benefit of Rs 150 crore from the project.

Century Textiles and Industries Ltd has embarked on a plan of expanding its marketing network in UP by opening 'Multi brand Outlets' (MBO). The company is expecting a 300 per cent rise in sales in UP.

Bharti Enterprises and AXA announced that they have signed a MOU to establish a joint venture company to launch general insurance business in the country. They already have a life insurance company & in the general insurance company, Bharti Enterprises will hold a 74 per cent equity interest while AXA will have a 26 per cent equity interest.

Infosys BPO, the BPO subsidiary of **Infosys Technologies** and HVS International, a New York-based consultancy offering valuation and other services to the hotel, restaurant, shared ownership, gaming, and leisure industries, have announced a strategic alliance to offer outsourcing solutions in the hospitality industry.

Essar Oilfields Services Ltd has been awarded a drilling contract by Gujarat State Petroleum Corporation for drilling in the Krishna-Godavari (K-G) basin on the east coast. The work will involve drilling up to depths of 5,600 metres and is for a period of two years.

Nagarjuna Construction Company Ltd has secured two new orders aggregating Rs 260 crore. The first order is from Maharashtra Airport Development Company Ltd, Mumbai, for designing, providing and constructing water supply and underground sewerage system at Nagpur valued at Rs 202 crore. The second order was from GESCOM, Gulbarga District of Karnataka for rural electrification works on turnkey basis under the Rajeev Gandhi Grameen Viduytikaran Yojana scheme valued at Rs 58 crore.

Bharat Heavy Electricals Ltd (BHEL) has secured a turnkey contract worth nearly Rs 380 crore from Punjab State Electricity Board. The contract mandates BHEL to renovate, modernise and upgrade two thermal generation units of Guru Nanak Dev Thermal Plant, situated in Bhatinda.

Mahalaxmi Rubtech Ltd plans to raise about Rs 25 crore for its ongoing expansion project by way of rights issue of equity shares and debt to achieve its targeted annual capacity of producing 96 lakh meters of fabric and increase its current turnover five times to Rs 60 crore by 2008-09. The company plans to install a total of 132 looms by June this year by investing Rs 35 crore.

Spentex Industries Ltd would issue 9 shares for every 10 held by shareholders in Indo Rama Textiles Ltd (IRTL). Spentex had acquired IRTL and now holds 84.02 per cent stake in it.

ONGC Videsh Ltd (OVL), the overseas investment arm of ONGC is hopeful of inking a joint venture agreement with PDVSA, the national oil company of Venezuela.

Corporate Announcement: (Bonus / Rights / Stock Split / ADR & GDR / FCCB / M&A/Warrants etc.)

Company Name	Announcement	Record Date
Adlabs Films	Demerger of FM Radio Business to form Reliance Unicorn Ltd., 2 shares of the SPV for every 1 share held in the company.	-
Aksh Optifibre	Merger of Aksh broadband & the company, swap ratio 7 shares for 2 shares held in Aksh Broadband	-
Alchemist Ltd.	Bonus 1:1	-
Alka Securities Ltd.	Stock split of equity shares of FV Rs 10 to Rs 2	20/01/07
Apar Industries Ltd.	Bonus 1:3	-
Apollo Sindhoori Capital Investments Ltd.	Bonus 1:1 & Rights 1:1	-
Bombay Swadeshi Stores Ltd.	Bonus 1:3, Stock split of equity shares of FV Rs.10 to Rs.2	-
Chamatkar.Net India Ltd.	Bonus 1:2, Stock split of equity shares of FV Rs 10 to Re 1	15/01/07
Chemplast Sanmar Ltd.	Subdivision of share of FV 10 to Re 1	-
Dabur India Ltd.	Bonus 1:2	-
Dawn Mills Company Ltd.	Merger with Peninsula Land Ltd (PLL), for every 10 shares in PLL , 1 share in the company	-
Dolphin Offshore Enterprises India Ltd.	Bonus 3:5	12/01/07
Finolex Cables Ltd.	Stock split from FV of Rs 10 to Rs 2	15/01/07
Gokaldas Exports Ltd.	Stock split of equity shares of FV Rs 10 to Rs 5	-
Hinafil India Ltd.	Rights issue 13:4	-
Hazoor Media & Power Ltd.	Bonus 1:1	-
HCL Technologies Ltd.	Bonus issue 1:1	-
Indiabulls Financial Services Ltd.	Demerger of real-estate division, swap ratio 1 share of IBFS for every share held	9/01/07
Jaybharat Textiles & Real Estate Ltd.	Stock split of equity shares from FV Rs 5 to Rs 2 per share	16/01/07
Kalindee Rail Nirman Engineers Ltd.	Amalgamation of Kalindee India Projects & Engineering Services Ltd. with the company, swap ratio 17 shares of the company for 20 shares of KIPEL	-
Kpit Cummins Infosystems Ltd.	Bonus 1:1, Stock split of equity shares of FV Rs 5 to Rs 2	-
Lok Housing & constructions Ltd	Merger of Lok Shelters Ltd. with the company, swap ratio 19 shares for every 2 equity shares of Lok Shelters Ltd.	-
Mahalaxmi Rubtech LTD.	Bonus 1:4	-
Market Creators Ltd.	Rights Issue 1:1	-
Megasoft Ltd.	Amalgamation with VisualSoft Technologies Ltd., swap ratio 5 shares for every 8 shares in VisualSoft Ltd.	-
Morarjee Textiles	Rights issue 3:4, 2 detachable warrants for every 3 equity shares issued on rights basis	-
Nakoda Textiles Ltd.	Rights issue 1:1	-
Nandan Exim Ltd.	Bonus 1:1	1/19/07
Orient Ceramics & Industries Ltd.	Bonus 5:4	-
Pacific Industries	Consolidation of shares from face value of Rs10 to Re 1	-
Pondy Oxides & Chemicals Ltd.	Bonus 1:10	-
Restile Ceramics Ltd.	Rights Issue 4:5	-
Sahara Housing Finance Corporation Ltd.	Rights Issue 1:1	-
Savita Chemicals	Bonus 2:3	18/01/07
Sangam India	Amalgamation of Sangam processors Ltd (SPL) with the company, swap ratio 1 equity share for every 4 equity shares of SPL	13/01/07
Shree Rajasthan Syntex Ltd.	Amalgamation with Shree Rajasthan Texchem Ltd., swap ratio 1 share for every three held in RTL	16/01/07
Shreyans Industries Ltd.	Rights Issue 1:2	-
Shri Bajrang Alloys Ltd.	Bonus 2:1	-
Sundram Fasteners	Bonus issue 1:1	-
Tera Software	Bonus issue 1:4	-
Tuticorin Alkali Chemicals & Fertilisers.	Amalgamation with South Petrochemical Industries Corporation Ltd. (SPIC), swap ratio 5 shares in SPIC for every 8 shares in the company.	-
Uniproducts India Ltd.	Rights issue 1:1 @ premium of Rs 30 per share	15/01/07
VIP Industries Ltd.	Merger of Blowplast Ltd. with the company, Swap ratio 1:1	-
Zandu Pharmaceutical Works Ltd.	Bonus Issue 1:3	-

Before taking any action based on above information, please confirm the ex-date with Dealers

Research Team

DD Sharma	Head Research	ddsharma@rathi.com	022 - 4001 3760
Mayur Shah	Head Technical Research	mayurshah@rathi.com	022 - 40013709
Pramit Sabharwal	Sr. Technical / Derivative Analyst	pramitsabharwal@rathi.com	022 - 40013814
Mansingh Deshmukh	Sr. Analyst	mansingh@rathi.com	022 - 6610 6725
Rahul Agarwal	Analyst	rahulagarwal@rathi.com	022 - 6610 6717

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