



Essence of the Week

Index EPS	FY10	FY11e	FY12e
Sensex	804	1,044	1,251
Nifty	266	332	396

Sensex forward valuation trades at long term average of ~15x



WHAT'S IN IT FOR YOU?

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MARKET OUTLOOK

Domestic markets continued to reel under a spate of negative newsflow. In the telecom spectrum controversy, political score-settling seems to be getting the better of prudence in policy making. Globally, Egypt and its neighbouring countries are witnessing unprecedented political upheavals. This has brought political risk to the fore in EM investing, even as the US enjoys growth from its trough compared to its peers ie Europe & Japan.

Thus, in the backdrop of such tumult we continue to recommend the bar-bell risk reward portfolio approach as enumerated in our strategy report dated Jan 11. Which translates for largecaps (> \$ 5 bn) now at CMP:

Defensives: RIL, ONGC, Infosys, Maruti, Mundra, PGCIL, Tata Power, Canara Bank, Cairns, and Coal India.

Outsize 1 yr returns: L&T, Axis Bank, ICICI Bank, PFC, Hero Honda.

We provide short notes on 2 Buy Ideas ICICI Bank and Tata Power.

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ENAM SCREENER: An investment enabler just for you!!!

The following screener helps you in identifying investment ideas:

- Implied growth:** Choose stock returns;
- Stock screener/ filter:** Shortlist companies with parameters chosen by YOU!;
- Valuations:** Comparing current valuations to long-term averages;
- BSE500 performance:** Stock performance across various periods

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A. ICICI Bank: On growth trajectory

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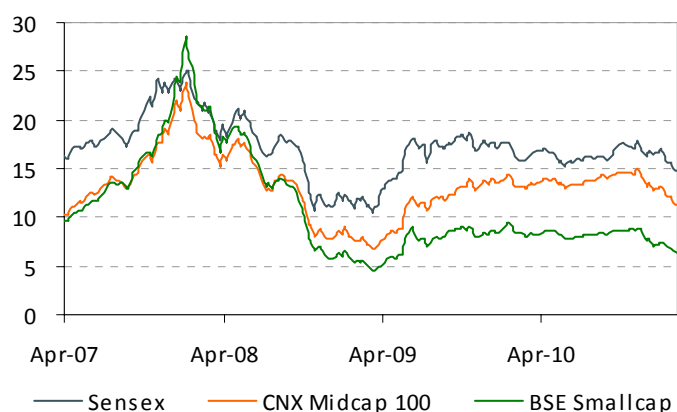
- ❑ **Business getting back on track:** Credit growth to gain pace, which until recently has been slow. The mgmt has guided for a loan book growth of 18-20% by Mar-11 and ~25% by Mar-12.
- ❑ **Lower delinquencies to reduce provisioning requirement:** The pace of NPA accretion has slowed down over the past few quarters. Moreover, with increase in share of secured loans, delinquency levels are likely to remain under control.
- ❑ **Healthy capitalization level:** The bank has one of the best capital adequacy ratios in the industry with CAR at 19.98% (Dec-10). With increase in leverage levels, the return ratios are likely to improve.
- ❑ **Branch expansion due to Bank of Rajasthan merger:** Number of ICICI's branches has crossed 2,500 mark by Dec-10, which will help in increasing traction in retail business and CASA accumulation.
- ❑ **Value unlocking potential from listing of subsidiaries:** The bank is aiming at monetizing its stake in the non-banking subsidiaries including life insurance over the next few years.
- ❑ **Continued strong performance in 3QFY11:** PAT grew 30.5% YoY along with smart balance sheet growth and improved asset quality.
- ❑ We have a **BUY rating** with a **target price of Rs 1,324** [2.5 x FY12E Adj. BV (adjusting for value and cost of investment) + Rs 354 value of investments]

B. Tata Power: Potential upside of 25%. Current CMP = Operational coal assets + generation & distribution biz

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- ❑ The power sector is facing ambiguities on merchant tariffs, coal availability (impact on PLF) and rising coal prices. Some SEBs have been disallowed the desired increases in end-consumer level tariffs due to the current inflationary environment. On the fuel front, internationally, coal prices have zoomed to USD 120/t. Notably, CIL has announced its intention to raise prices further than the 11% indicated earlier and has also lowered its production estimated for FY12 from 486 MMT to 447. In FY12, ~13 GW additions (based on CIL lineage) require ~60 mn tons p.a vs. corresponding availability of ~7 mn tons p.a. Hence, the balance will have to be bridged from global spot market purchases which would drive costs higher than anticipated earlier.
- ❑ In this uncertain environment, Tata Power emerges as good defensive pick offering a potential upside of ~25% (CMP: 1185 & TP: 1483).
 - ▶ On the back of its 30% stake in Indonesian mines of BUMI, Tata Power is net long on imported coal to the tune of 15 mn tons p.a. The coal assets from Bumi mines contributes ~Rs 550/sh. Also, USD 5/ton change in coal prices impacts consolidated PAT by ~12%.
 - ▶ Tata Power also has no sensitivity to merchant prices: It has ~3 GW of operational generation capacities which is 100% regulated and based on imported fuel / hydro / wind. It has its own distribution circles in Mumbai and Delhi. These assets (generation + transmission) contributes Rs 503/sh.
 - ▶ Other assets like 4GW of Mundra (COD: FY13), 1GW of Maithon (COD: FY12) contributes Rs 191/sh Cash and investments are valued at Rs 241/sh.

Key Indices: Fwd P/E



Fwd PE range - Apr'07 to date

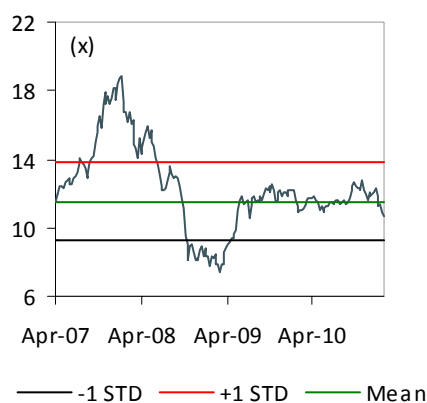
	Sensex *	CNX Mid	BSE Small
Current	15	11	6
Top Quartile	18	14	14
Median	17	13	13
Low Quartile	16	12	12

Source: ENAM Research, Bloomberg; Note: *based on ENAM estimates. Midcap & Small cap estimates are from bloomberg.

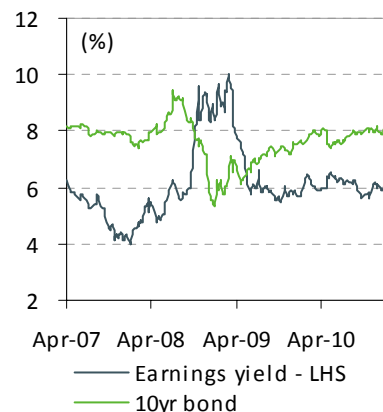
Sx: fwd P/B



Sx: fwd EV/EBITDA



Sx: Erngs yld vs. 10yr G-Sec



Source: ENAM Research; Bloomberg

Sensex: Sector valuation based on ENAM numbers

Sector	Weights (%)	Earnings gwth (%)			PER (x)			PBR (x)			ROE (%)			Fwd PE-Apr05 to date*		
		FY10	FY11E	FY12E	FY10	FY11E	FY12E	FY10	FY11E	FY12E	FY10	FY11E	FY12E	Top Q	Median	Low Q
Auto	8.7	256	121	17	25	11	10	6.1	3.8	2.9	25	33	29	19	12	10
BFSI	23.9	23	18	22	23	19	16	2.8	2.5	2.1	12	13	13	17	16	13
Engg	8.6	32	19	21	24	20	17	5.2	4.3	3.5	21	21	21	23	20	15
FMCG	7.8	17	14	18	29	25	22	10.1	8.8	7.3	35	34	34	24	22	21
Infra	1.4	32	(28)	28	16	21	16	1.2	1.2	1.1	8	6	7	29	18	14
IT Services	16.8	17	18	22	29	25	20	7.9	6.6	5.3	28	27	26	22	20	17
Metals	7.1	(76)	331	22	49	12	10	1.8	1.5	1.2	4	13	13	10	8	6
Oil & Gas	15.0	4	35	18	17	14	11	2.2	1.9	1.7	13	14	15	15	13	11
Pharma	1.2	9	4	16	25	24	21	4.4	3.8	3.3	18	16	16	24	20	17
Power	5.2	39	2	12	16	15	14	2.7	2.4	2.1	18	16	15	16	13	12
Realty	0.7	(32)	(5)	39	22	23	17	1.6	1.5	1.5	7	7	9	37	26	18
Telecom	3.6	(8)	(43)	19	11	20	17	1.7	1.6	1.5	15	8	9	22	19	16
Sensex	100.0	6	30	20	22	17	14	3.2	2.8	2.3	14	16	16	18	16	14

Source: Bloomberg, ENAM Research; Note: Valuations based on current prices; PE not adjusted for value of investments; *Top & Low quartile is the median of the upper/lower half of the data set.

A. Nifty-benchmarked ENAM Model Portfolio

Portfolio Monthly update as of 11-Jan-11: allocations UNCHANGED, while CMP and resultant Upside as of date.

Notes: a) Nil-cash portfolio, b) Non-Nifty stocks highlighted in blue & usually capped at 2%, c) Allocations capped at 10% (RIL)

d) Stocks of mktcap < \$ 1 bn excluded

Sector/ Company name	Mcap (USD m)	CMP (INR)	Weightages (%)		Target Pr. (INR)	Upside (%)	11-Jan-11 Price (INR)	06-Dec-10 Weights (%)	OW/ UW wrt Nifty
			Nifty Current	ENAM 11-Jan-11					
Auto	45,948		7.5	7.5				10.0	◀▶
Tata Motors	15,004	1,150	2.7	2.5	UR	-	1,160	3.0	▼
Bajaj Auto	7,771	1,227	1.0	1.5	1,585	29	1,307	1.5	▲
Maruti Suzuki	7,483	1,183	1.0	2.5	1,605	36	1,324	3.0	▲
Mah & Mah	8,982	668	1.9	1.0	UR	-	736	2.5	▼
Hero Honda	6,709	1,535	0.9	0.0	1,729	13	1,837	0.0	▼
Banks & Financial services	160,431		25.4	27.0				24.1	▲
State Bank	36,788	2,647	4.2	2.0	2,994	13	2,612	2.5	▼
ICICI Bank	25,056	997	7.1	8.0	1,324	33	1,023	8.0	▲
HDFC Bank	20,524	2,019	4.4	4.5	2,250	11	2,147	4.0	◀▶
HDFC	19,378	605	4.9	5.0	721	19	661	5.0	▲
Axis Bank	10,955	1,220	1.9	2.5	NR	-	1,298	2.0	▲
PNB	7,304	1,058	0.9	0.0	1,237	17	1,176	0.7	▼
Kotak Mah Bank	5,812	361	0.8	0.0	-	-	418	0.0	▼
IDFC	4,414	138	0.9	0.0	175	27	162	0.0	▼
Reliance Capital	2,652	493	0.3	0.0	-	-	607	0.0	▼
Power Finance	6,385	254		1.0	356	40	288	0.9	
BoB	6,663	836		1.0	1,055	26	855	0.5	
Rural Electrification	5,652	262		1.0	333	27	270	0.0	
Canara Bank	5,045	562		1.0	768	37	585	0.0	
Yes Bank	1,993	262		0.5	357	36	272	0.5	
Oriental Bank	1,809	330		0.5	450	36	363	0.0	
Cement	16,556		1.8	1.5				1.5	▼
JP Associates	3,889	84	0.6	0.5	120	44	95	0.5	◀▶
Ambuja Cement	4,042	121	0.6	0.0	128	6	127	0.0	▼
ACC	4,015	977	0.6	0.0	905	(7)	1,029	0.0	▼
Grasim Inds	4,611	2,297		1.0	2,928	27	2,309	1.0	
Engineering & Infra	67,397		9.0	11.5				9.5	▲
BHEL	23,446	2,188	2.1	2.0	2,550	17	2,233	2.5	◀▶
Larsen & Toubro	20,916	1,572	5.2	6.5	2,210	41	1,786	5.0	▲
Siemens	6,259	848	0.8	0.0	UR	-	761	0.0	▼
Reliance Infra	3,969	678	0.6	0.0	UR	-	803	0.0	▼
Suzlon Energy	1,867	48	0.2	0.0	UR	-	48	0.0	▼
Mundra	5,916	135		1.0	180	33	139	1.0	
Crompton Greaves	3,777	269		1.0	311	16	293	0.0	
Voltas	1,246	172		1.0	240	39	210	1.0	
FMCG, Media, Retail	42,489		6.8	6.5				6.0	▼
ITC	25,829	153	5.0	2.5	-	-	170	4.0	▼
Hindustan Unilever	13,019	273	1.8	0.0	250	(8)	309	0.0	▼
Pantaloen Retail	1,339	285		2.0	485	70	350	0.0	
Tata Global Beverages	1,287	95		1.0	116	22	102	1.0	
DB Corp	1,014	255		1.0	292	14	251	1.0	
IT - Services	121,943		14.8	15.5				13.0	▲
Tata Consultancy	49,187	1,148	3.6	4.5	1,330	16	1,099	3.0	▲
Infosys Tech	38,284	3,046	9.1	10.0	3,780	24	3,329	8.0	▲
Wipro	23,405	436	1.4	0.0	468	7	468	1.5	▼
HCL Tech	7,215	482	0.7	0.0	520	8	475	0.0	▼
Oracle Financial	3,853	2,098		1.0	2,637	26	2,158	0.5	
Metals / Mining	110,674		7.4	6.0				6.0	▼
SAIL	14,601	162	0.6	0.5	-	-	176	1.0	◀▶
Sterlite Inds	12,403	169	1.7	2.0	-	-	172	2.0	▲
Tata Steel	13,350	636	2.5	0.0	607	(5)	648	0.0	▼
Hindalco Inds	9,927	237	1.9	0.5	231	(2)	231	0.0	▼
Sesa Goa	6,001	319	0.8	0.5	-	-	331	1.0	▼
Coal India	42,584	308		2.5	385	25	309	2.0	
Hindustan Zinc	11,807	1,277		0.5	1,616	27	1,380	2.0	

Continued...

Sector/ Company name	Mcap (USD m)	CMP (INR)	Weightages (%)		Target Pr. (INR)	Upside (%)	11-Jan-11 Price (INR)	06-Dec-10 Weights (%)	OW/ UW wrt Nifty
			Nifty Current	ENAM 11-Jan-11					
Oil & Gas	152,232		14.7	12.5				15.0	▼
Reliance Inds *	65,873	920	9.6	9.0	1,145	25	1,014	10.0	▼
ONGC	55,727	1,190	2.5	2.0	1,355	14	1,188	2.5	▼
Cairn	13,414	322	0.9	0.5	-	-	329	0.0	▼
GAIL	12,570	453	1.3	0.5	480	6	500	1.0	▼
BPCL	4,648	587	0.5	0.5	700	19	610	1.5	◀▶
Pharmaceuticals	32,138		3.7	4.0				5.5	▲
Sun Pharma	9,426	418	1.0	0.0	421	1	478	1.0	▼
Cipla	5,698	324	1.0	0.5	307	(5)	349	0.5	▼
Dr Reddy's	5,849	1,580	1.2	0.5	1,660	5	1,675	0.0	▼
Ranbaxy Lab	4,836	525	0.5	1.0	600	14	563	1.0	▲
Lupin Ltd	4,117	422		0.5	465	10	455	0.5	
Aurobindo Pharma	1,497	1,175		1.5	1,521	29	1,293	1.5	
Jubilant Organosys	714	205		0.0	324	58	261	1.0	
Power Utilities	73,608		5.4	5.0				4.7	▼
NTPC	31,901	177	1.4	0.0	184	4	190	0.0	▼
Jindal Steel & Power	13,023	637	1.5	1.0	UR	-	677	1.5	▼
Power Grid	9,865	97	0.9	1.5	125	28	96	1.2	▲
Reliance Power	7,942	129	0.4	0.0	UR	-	148	0.0	▼
Tata Power	6,145	1,183	1.2	1.5	1,483	25	1,368	1.5	▲
JSW Energy	2,741	76		0.5	115	51	92	0.5	
JP Power Ventures	1,991	43		0.5	71	64	50	0.0	
Real Estate	12,520		0.5	0.5				2.0	◀▶
DLF	8,814	237	0.5	0.0	242	2	258	0.0	▼
Oberoi Realty	1,714	239	0.0	0.5	322	35	243	0.0	
HDIL	1,248	137	0.0	0.0	261	90	161	1.0	
DB Realty	745	140	0.0	0.0	UR	-	191	1.0	
Telecommunications	32,765		3.0	2.0				2.7	▼
Bharti Airtel	27,581	332	2.5	2.0	355	7	339	2.7	▼
Reliance Com	5,184	115	0.5	0.0	-	-	138	0.0	▼
Nifty Index	868,701		100	100				100	
Nifty Index performance		From 11-Jan-11	(6.2)		From Inception 7-Jan-10	2.5			
ENAM Model Portfolio performance		From 11-Jan-11	(6.1)		From Inception 7-Jan-10	4.2			

Source: Bloomberg; ENAM Research

Sector-Relative weightages of Nifty components only (last row provides non-Nifty component)

Sector	Weightages (%)		OW/ UW wrt Nifty
	Nifty Current	ENAM 11-Jan-11	
Auto	7.5	7.5	◀▶
Banks & Financial services	25.4	22.0	▼
Cement	1.8	0.5	▼
Engineering & Infra	9.0	8.5	▼
FMCG, Media, Retail	6.8	2.5	▼
IT - Services	14.8	14.5	▼
Metals / Mining	7.4	3.5	▼
Oil & Gas	14.7	12.5	▼
Pharmaceuticals	3.7	2.0	▼
Power Utilities	5.4	4.0	▼
Real Estate	0.5	0.0	▼
Telecommunications	3.0	2.0	▼
Non-Nifty stocks		20.5	
Total	100.0	100.0	

Source: ENAM Research, Bloomberg

B. ENAM: Earnings Review Q3FY11

Note: For Banking: we have taken Net Income as Sales, Net Interest Income as EBITDA

Company name	Sales (INRm)		EBITDA (INRm)		Adj PAT (INRm)		
	Dec'10a	YoY (%)	Dec'10a	YoY (%)	Dec'10a	YoY (%)	
ACC	20,244	2	3,230	(34)	1,568	(44)	Results expectations : Below EPS up/dngrade : ◀▶ PE up/dngrade : ◀▶ TP up/dngrade : ◀▶
Q4 standalone EBITDA declined 34% YoY despite volumes increasing 4% YoY due to higher costs (avg. cost per tonne up 9% YoY). Aided by a net extraordinary gain of Rs 991 mn, reported net profit was down by only 9% YoY (vs. a decline of 44% in adj. PAT).							
Ambuja Cements	18,274	2	3,529	(21)	2,139	(19)	Results expectations : Below EPS up/dngrade : ◀▶ PE up/dngrade : ◀▶ TP up/dngrade : ◀▶
EBITDA fell 21% YoY due to a 4% drop in realizations and a 5% increase in avg. cost of production. Lower external clinker purchases helped RM costs to subside, however, higher power costs (+30% YoY) negated this impact leading to overall costs increasing.							
Bank of Baroda	29,684	31	22,923	43	10,689	28	Results expectations : In-line EPS up/dngrade : ◀▶ PE up/dngrade : ◀▶ TP up/dngrade : ◀▶
BoB witnessed calibrated business growth (C-D ratio – 73%), stable CASA, improved NIM (up 18 bps QoQ), higher cost efficiency, lower slippages and consistent healthy profit growth in 3QFY11.							
Bharat Electronics	13,730	11	2,228	(28)	1,706	(24)	Results expectations : Below EPS up/dngrade : ▼ PE up/dngrade : ◀▶ TP up/dngrade : ▼
PAT at Rs 1.7 bn (24% YoY decline) came below expectations. Decline in margins by 870 bps was primarily because of changing mix to larger proportion of turnkey contracts from niche engg projects earlier.							
Bharti Airtel	157,560	61	53,211	36	12,129	(41)	Results expectations : In-line EPS up/dngrade : ▼ PE up/dngrade : ▼ TP up/dngrade : ▼
Ex - one time re-branding costs (~ Rs 3340 mn), the company results were in line. African ops were strong with consistent minutes elasticity. Incorporate 3G revs (~2% of FY12E revs).							
Canara Bank	26,558	18	21,192	43	11,057	5	Results expectations : Above EPS up/dngrade : ▼ PE up/dngrade : ◀▶ TP up/dngrade : ▼
Equitable growth in advances and deposits while maintaining its margin and asset quality. However its other income declined by 31% YoY, factoring which we have revised our estimates							
Colgate Palmolive	5,582	14	746	(26)	662	(43)	Results expectations : Below EPS up/dngrade : ▼ PE up/dngrade : ◀▶ TP up/dngrade : ▼
High Ad expenses (up 60% YoY (to Rs. 1.2 bn) at 21.6% of sales in Q3FY11 vs. 15.3% in Q3FY10) impacted earnings							
Crompton Greaves	23,970	7	3,402	6	2,328	17	Results expectations : Above EPS up/dngrade : ▼ PE up/dngrade : ▼ TP up/dngrade : ▼
Op. results inline, PAT higher due to lower tax rate. Muted growth in domestic T&D disappointed while intl subsidiaries growth was better-than-expected							
Cummins	9,925	20	1,796	(5)	1,301	(8)	Results expectations : Below EPS up/dngrade : ▼ PE up/dngrade : ◀▶ TP up/dngrade : ▼
Sales impacted by Rs 1.2 bn lower sales caused by component shortage. Mgmt has guided for 8-10% QoQ growth in Q4 & 100 bps higher margins. For FY12, it expects 20% sales growth and flat margins.							
Dabur India	10,800	17	2,095	19	1,544	11	Results expectations : Below EPS up/dngrade : ▼ PE up/dngrade : ◀▶ TP up/dngrade : ▼
Consumer Care Division (~72% of sales) grew 14% YoY in Q3 led by the health supplements (13% YoY) and foods segments (42% YoY). Growth in hair care was sluggish at 4% due to 30% de-growth in shampoos							
DLF	24,799	22	11,780	40	4,722	2	Results expectations : Below EPS up/dngrade : ▼ PE up/dngrade : ▼ TP up/dngrade : ▼
DLF sold 2.48 msf and leased 1.62 msf in Q3. DLF was unsuccessful in lowering its debt during Q3 on account of delayed launches (lack of approvals); lower execution (prolonged monsoons) which impacted operating cash flows.							

Continued...

Company name	Sales (INRm)		EBITDA (INRm)		Adj PAT (INRm)		
	Dec'10a	YoY (%)	Dec'10a	YoY (%)	Dec'10a	YoY (%)	
Glenmark Pharma	7,585	17	1,741	(5)	1,096	7	Results expectations : In-line EPS up/dngrade : PE up/dngrade : TP up/dngrade :
Sales at Rs 7.6 bn (up 17%) was in-line with estimates. However, EBITDA at Rs 1.7 bn (up 9% - adj. for R&D income of Rs 232 mn in Q3FY10) was marginally lower than estimates due to higher staff cost.							
GVK Power & Infra	4,596	(3)	1,292	(8)	419	(8)	Results expectations : In-line EPS up/dngrade : PE up/dngrade : TP up/dngrade :
Power segment profitability was impacted, given lower gas availability during quarter. However, PAT came in line with expectations as low tax rate offset impact of low profitability of Power segment.							
Hero Honda	51,617	35	6,226	(6)	5,548	4	Results expectations : Below EPS up/dngrade : PE up/dngrade : TP up/dngrade :
Higher raw material costs (up 120 bps QoQ) and other expenses (up 50 bps QoQ) - on account of Rs 380 mn spent towards commonwealth games impacted operating profitability.							
IDFC	5,186	29	5,126	27	3,042	27	Results expectations : In-line EPS up/dngrade : PE up/dngrade : TP up/dngrade :
Consol. PAT rose 18% YoY led by 67% YoY increase in NII. NII from infra grew 59% YoY, with infra loan book expanding to Rs 350 bn (up 51% YoY). Asset quality saw marginal improvement							
Jagran Prakashan	2,860	26	897	37	526	32	Results expectations : In-line EPS up/dngrade : PE up/dngrade : TP up/dngrade :
Jagran reported strong Q3 numbers led by advertising growth. However to factor in higher newsprint prices and heightened competition, we have revised EPS downwards for FY12 from Rs 9.3 to Rs 8.5. We maintain BUY rating on the stock							
JP Associates	29,487	(1)	8,464	(4)	2,332	(26)	Results expectations : Above EPS up/dngrade : PE up/dngrade : TP up/dngrade :
PAT came in 7% above our expectations, as real estate sales (JPA's JayPee Green, Greater Noida property) offset weak performance of the cement and EPC business							
Maruti Suzuki	93,261	26	7,335	(27)	5,652	(18)	Results expectations : Below EPS up/dngrade : PE up/dngrade : TP up/dngrade :
Adverse product mix and a one-time charge Rs 520 mn (55 bps) for higher wages led to EBITDA margin decline of ~100 bps QoQ to 9.5%.							
NMDC	26,212	65	20,159	87	15,180	77	Results expectations : Below EPS up/dngrade : PE up/dngrade : TP up/dngrade :
3Q sales volume was up 6% YoY at 6.2 mnt. Volumes were slightly impacted due to Maoist related disruptions for 20 days in December at Bailadila. We retain our EPS estimate for FY11 but lower that of FY12 by 6% to Rs 17.8 due to lower volume assumptions.							
NTPC	128,951	18	32,316	1	20,715	(2)	Results expectations : Above EPS up/dngrade : PE up/dngrade : TP up/dngrade :
PAT boosted by prior period (one-time) adjustments. Tax adjustments in Q4 to help achieve consensus estimates. Concerns on capacity addition delays and coal sourcing remain.							
Oberoi Realty	3,987	89	2,469	82	2,052	57	Results expectations : In-line EPS up/dngrade : PE up/dngrade : TP up/dngrade :
As a result of Exquisite I project crossing the revenue threshold, contributed significantly to Q3 revenues. Strong traction in sales achieving ~0.15 msf (vs. 0.09 msf in Q2) of residential space totaling Rs 2 bn in Q3.							
ONGC	189,062	22	116,336	25	57,629	89	Results expectations : Above EPS up/dngrade : PE up/dngrade : TP up/dngrade :
Strong growth in earnings backed by Rs 18.9bn income from Gas Pool Account. Production and realization improved. Upgrade to BUY amid cheap valuation and stability in earnings.							
OnMobile	1,486	29	336	46	209	59	Results expectations : Above EPS up/dngrade : PE up/dngrade : TP up/dngrade :
Strong Int'l Revenue growth on the back going live in 3 more Telefonica LatAm countries and Dilithium integration. However, recognising full qtr Telefonica LatAm revs from implementation in all countries from Q1FY12 (vs. Q4FY11)							

Continued...

Company name	Sales (INRm)		EBITDA (INRm)		Adj PAT (INRm)		
	Dec'10a	YoY (%)	Dec'10a	YoY (%)	Dec'10a	YoY (%)	
Oriental Bank	12,613	14	10,299	18	4,083	41	Results expectations : Above
Moderate but balanced business growth ensuring sufficient liquidity. NII growth led by margins increase of 10 bps YoY. Non interest income declined due to lower treasury gains; Asset quality disappointed due to higher NPA accumulation							EPS up/dngrade : ◀▶
							PE up/dngrade : ▼
							TP up/dngrade : ▼
Redington	45,942	30	1,116	35	527	18	Results expectations : Above
A stronger demand, exploration/success with new/existing vendors and healthy growth in high-margin biz segments (smart phones, networking products etc.) were the key highlights. India revs grew ~39% YoY and overseas revs grew ~23% YoY.							EPS up/dngrade : ◀▶
							PE up/dngrade : ◀▶
							TP up/dngrade : ◀▶
Shree Cement	7,804	(10)	1,583	(53)	299	(82)	Results expectations : Below
EBITDA fell 53% YoY due to a 11% YoY decline in cement realizations and higher costs, particularly petcoke (avg. petcoke price of Rs 7,900/ tonne, up ~65% YoY). We have lowered our EPS estimates for FY11 and FY12 to factor in lower volumes. Our revised target price is Rs 1,863							EPS up/dngrade : ▼
							PE up/dngrade : ◀▶
							TP up/dngrade : ▼
Shriram Transport Finance	8,550	45	4,388	(4)	3,014	27	Results expectations : In-line
Revision in estimates is to factor in moderating NIMs . On the back of STFC's strong return ratios (highest amongst peers), healthy biz growth & focus on a better ALM mix, we believe the stock is well poised to deliver a steady performance							EPS up/dngrade : ▼
							PE up/dngrade : ◀▶
							TP up/dngrade : ▼
Siemens	25,381	33	3,627	(1)	2,438	2	Results expectations : Above
Results beat our expectations due to better-than-expected sales & margins. Open offer announced at Rs 930. Stock now Under Review.							EPS up/dngrade : ▲
							PE up/dngrade : --
							TP up/dngrade : --
Sun Pharma	16,011	58	4,405	20	3,501	3	Results expectations : --
Q3FY11 result is not comparable to Q3FY10 due to consolidation of Taro. On a like-to-like basis, Sun's sales (at Rs 11.3 bn) grew 12%, while EBITDA (at Rs 3.3 bn) and Adj. PAT (at Rs 3.3 bn) fell 11% and 2% respectively. Though Sun has revised its FY11 sales growth guidance upwards, we are reducing our FY11E and FY12E EPS estimates by 7.4% and 8.5% to Rs 17.3 and Rs 21.6 resp. mainly on account of higher staff cost and tax rate. We reduce our target price to Rs 421							EPS up/dngrade : --
							PE up/dngrade : --
							TP up/dngrade : --
Sun TV	5,979	51	5,017	61	2,254	48	Results expectations : In-line
Results (ex-Endhiran) in line with expectations. Sun TV remains the key beneficiary of high growth in regional markets.							EPS up/dngrade : ◀▶
							PE up/dngrade : ◀▶
							TP up/dngrade : ◀▶
Tata Global Beverages	16,024	4	1,781	(5)	721	(25)	Results expectations : Below
Earnings were impacted by higher commodity costs, higher expenses on growth initiatives and lower interest earnings (other income).							EPS up/dngrade : ▼
							PE up/dngrade : ◀▶
							TP up/dngrade : ▼
Titan Inds	19,546	47	1,950	82	1,376	82	Results expectations : Below
PAT growth of 82% was led by impressive growth in jewellery (~50%) and watch business (~35%), which accounts 97% of turnover.							EPS up/dngrade : ▲
							PE up/dngrade : ◀▶
							TP up/dngrade : ▲
Voltas	10,422	5	793	(12)	598	(13)	Results expectations : Below
Results came below expectations, due to margin disappointment of MEP (MEP EBIT margin of 6.4% v/s 8.9% YoY). Mgmt mentioned that negative swing was due to its MEP subsidiary (Rohini Electricals), showing loss of Rs 90 mn, v/s PAT of Rs 40 mn YoY.							EPS up/dngrade : ▼
							PE up/dngrade : ▼
							TP up/dngrade : ▼

Source: ENAM Research

C. EPS changes during the week

Shaded cells are where any changes in TP/ EPS have been made during the week.

Company Name	CMP (INR)	Tgt Price (Rs)		EPS (Rs)					
				FY11e			FY12e		
		Prev	Cur	Prev	Cur	% Chg	Prev	Cur	% Chg
Sensex	18,008			1,049	1,044	(0)	1,269	1,251	(1)
Autos									
Hero Honda *	1,535	2,039	1,729	107	103	(4)	118	111	(6)
Maruti Suzuki *	1,183	1,755	1,605	87	83	(4)	105	99	(6)
Banking & Fin Serv									
						(Adj. BV [Rs])			
Canara Bank	562	774	768	393	395	1	484	480	(1)
IDFC	138	185	175	73	73	-	86	85	(1)
Manappuram Gen Fin	103	173	160	45	45	-	58	57	(2)
Oriental Bank	330	491	450	322	322	-	378	375	(1)
Shriram Transport	674	788	780	209	209	-	263	260	(1)
Cement									
Ambuja Cement	121	128	128	8	8	(3)	10	10	-
Shree Cement	1,602	2,031	1,863	83	72	(13)	183	163	(11)
Engineering									
Crompton Greaves	269	360	311	14	14	1	17	17	(3)
Cummins	649	800	750	32	31	(5)	39	37	(5)
Voltas	172	305	240	13	11	(10)	15	13	(13)
FMCG									
Colgate Palmolive	810	857	730	34	29	(17)	39	33	(15)
Dabur	92	101	97	3	3	(3)	4	4	(5)
Tata Global Beverages Ltd	95	139	116	7	5	(21)	9	7	(16)
Infrastructure									
Nagarjuna Construction	104	150	105	9	8	(6)	9	9	(9)
IT Services									
Persistent Systems Ltd	392	533	540	34	34	-	36	36	1
Logistics									
Gateway Distriparks	104	133	132	8	8	5	10	10	-
Media									
Jagran Prakashan	123	148	136	8	7	(11)	9	9	(9)
Metals									
NMDC	265	253	249	17	16	(5)	18	18	-
Pharmaceuticals									
Cipla *	324	315	307	14	13	(8)	16	15	-
Sun Pharma	418	458	421	19	17	(7)	24	22	-
Power Utilities									
NTPC *	177	185	184	10	11	12	10	11	5
Real Estates									
DLF *	237	295	242	11	10	(10)	18	14	(21)
Oberoi Realty	239	322	322	18	18	2	20	23	15
Prestige Estates	132	217	217	8	7	(10)	11	12	8
Retail									
Titan Inds	3,509	3,573	3,694	100	107	7	132	137	3
Telecom									
Bharti Airtel *	332	360	355	17	16	(7)	23	19	(14)
OnMobile Global	224	354	336	12	14	20	19	19	-

Source: ENAM Research, Bloomberg Note: *Sensex cos

For ENAM Universe Rating/ valuation please refer Section 6

2. SUMMARIES OF REPORTS RELEASED THIS WEEK:

- A. Automonitor (Jan'11):** Car sales continue to be buoyant
- B. Manappuram Gen Fin:** Change in gold loan classification for NBFCs [Rel. to Sector: Outperformer]
- C. Persistent Systems Ltd:** Broadening its spectrum persistently [Rel. to Sector: Outperformer]

A. Automonitor: Car sales continue to be buoyant (3rd Feb) (sahil.kedia@enam.com; 91 22 6754 7621)

- ❑ Pass. vehicle vols remained robust in Jan'11, despite price hikes of ~1-3% across the board and lower discounts. 2Ws continued to be steady, while CV segment saw muted performance with pre-buying in Dec'10.
 - ▶ **2Ws:** HH's vols declined by 7% MoM to 466,524 units (↑ 20% YoY); while Bajaj's motorcycle sales increased by 13% MoM (↑ 18% YoY) to 275,622 units. TVS' vols fell by 4% MoM to 161,725 units (↑ 29% YoY), on account of 7-day maintenance shutdown in Jan'11.
 - ▶ **CVs:** TAMO's dom. M&HCV vols slipped 5% MoM (↑ 5% YoY) to 16,487 units; but that for ALL rose 7% MoM to 6,830 (↓ 7% YoY).
 - ▶ **Cars:** Maruti's dom. volumes were healthy at 100,422 units (↑ 12% MoM, 24% YoY), with strong showing from A3 segment. Tata Motors' saw 52% MoM growth in dom. car sales at 25,750 units (↑ 13% YoY). *Nano* sales increased to 6,703 (vs. 5,784 in Dec'10).
- ❑ **Q3FY11 Highlights:** Vols for our auto universe rose by 3% QoQ (↑ 26% YoY), with a 9% sequential decline in M&HCVs. But higher commodity costs have significantly impacted op. profitability across the board in Q3, despite ~1-3% pricing action by most OEMs
- ❑ With macro headwinds on tightening interest rates and hardening commodity costs, we believe that two-wheelers remain well poised, in terms of the ability to take timely pricing action and lower proportion of credit sales. **Top picks:** Maruti (TP of Rs 1,605, 32% upside), Bajaj (TP of Rs 1,584, 31% upside).

B. Manappuram Gen Fin: Change in Gold loan classification for NBFCs (3rd Feb)

(praveen.agarwal@enam.com; 91 22 6754 7609)

- ❑ RBI recently changed the regulation regarding classification of loans against gold jewellery:
 - ▶ Loans sanctioned to NBFCs for lending against gold jewellery, cannot be classified as Agri loans
 - ▶ Investments by banks in securitized assets originated by NBFCs, where underlying assets are loans against gold jewellery, and purchase/assignment of gold loan portfolio from NBFCs are also not eligible for classification under agri sector
- ❑ We expect cost of funds to increase by ~100 bps, leading to ~40 bps moderation in margins
 - ▶ Assignment route will be less attractive for NBFCs like MGFL, which will spur cost of funds
- ❑ We have revised our EPS and ABV estimates by 6% and 1% downwards respectively and consequently revised our book value multiple downwards to 2.8x (earlier 3x) to factor in the regulatory pressures
- ❑ However, MGFL has corrected by 43% from its recent high in November 2010 and looks attractive at current levels. We do not see any significant impact of the recent regulation on MGFL's operating performance
- ❑ We maintain our **BUY rating** with a **revised TP of Rs 160** (2.8x FY12E ABV and 12x FY12E EPS)

C. Persistent Systems Ltd: Broadening its spectrum persistently (3rd Feb)

(priya@enam.com; 91 22 6754 7611)

- ❑ Persistent announced acquisition of the Offshore Product Development business of Infospectrum Inc. (~200 employees) for an all-cash deal of ~USD 6 mn (~1x current revenue base). With similar profitability margins as that of Persistent (~18% NPM), the deal is valued at ~6x PE.
- ❑ The key value propositions include:
 - ▶ **Rich clientele acquisition and minimum overlap:** The acquisition adds 20 clients with just 2 clients in common btw the 2 entities. 3 / 20 clients have a > USD 1 bn topline.
 - ▶ **Help strengthen European presence:** Infospectrum derives ~50% of revenues from Europe vs. ~5% for Persistent (Q3FY11) providing the latter increased access to European clients.
 - ▶ **Access to niche verticals:** Infospectrum caters to niche verticals such as Aerospace, Defence (combined rev share of ~15%), Maritime Systems, Network Surveillance & Monitoring (rev share of ~35%).
 - ▶ **Better DSO but lower billing rates vs. Persistent**
- ❑ We have revised Persistent's FY12E topline upwards by ~2% & PAT by ~1.4% to factor in: 1) rev stream from the acquisition; 2) lower other income on account of cash outgo; & 3) integration related expenses in the first year of operations. Our revised TP of Rs 540 (vs. Rs 533 earlier) at 15x FY12E EPS implies an upside of 39% from CMP (as of 3rd Feb 2011). **Maintain BUY.**

3. EAR TO THE GROUND

A. Visit/Call Anecdotes

Cap Goods: Anecdotes & key trends from Q3FY11 results

(bhavin@enam.com; 91 22 6754 7634)

The earnings of majority of Capital Goods companies have been announced. We summarize the key trends and anecdotes of the same

- ❑ **Order intake growth slowed down** from 20-50% last year to 0-(10) % for most companies due to various reasons such as high base, delay in ordering of large projects, end-markets demand etc. There were slippages in ordering from most user-industries esp for large segments such as power plant equipments (thermal/ hydro), T&D and Oil & Gas. Reasons for this slowdown, according to various managements, include: regulatory hassles (land/ environment), political issues, liquidity tightening, etc. However, certain segments such as small/ mid-size captive power plants, mining & construction equipments and textile machinery reflected strong trends.
- ❑ **Exports outlook has improved:** In the recent earnings con-calls, global companies such as Siemens AG, Cummins Inc etc. have highlighted significant uptick in developed regions like the US, EU etc. This trend was corroborated by results of Crompton (int'l subsidiaries sales up 11% & orders up 83%) & Cummins (export up 200% & guidance of ~30% growth).
- ❑ **Execution on track, for now, but likely to get impacted due to low intake:** Overall sales was largely in-line/ ahead of our estimates (excl Cummins), reflecting that execution was on track. However, given slower-than-expected order intake, FY12 growth could get affected. Anecdotally, Crompton (standalone) & Thermax have lowered their growth guidance in Q3 vs Q1 due to lower intake.
- ❑ **Pricing pressure due to rising competitive intensity; passing the input cost inflation would be a challenge:** Gross contribution across the board (Ex BHEL, Cummins) have declined by 100-500 bps in 9mFY11 owing to a combination of factors such as adverse sales mix & inability to fully pass on input cost inflation. While certain companies have a prop. of their existing backlog with price variation clause (BHEL/ CG) & the ones with fixed price orders may have hedged the near term exposure, the impact of rising input costs will be visible with a lag of a few quaters. Margin pressures will be further compounded due to: a) increased capacity by most cap goods companies; b) rising threat of imports (esp from China); & c) lower-than-anticipated demand growth.
- ❑ **Op. leverage may not support margins now:** Overall operating leverage (employee/ overhead) has added 100-200 bps to OPM in the last 3 yrs (Siemens by 700 bps). However, with low utilization/ capacity additions, operating leverage may not support margins in the near-term.
- ❑ **Rise in capital employed reflects increasing working capital:** 3 out-of 5 companies reported higher % rise in capital employed vs sales, indicating possible increase in working capital requirements.

Stock Preference: We believe that companies with respectable exposure to int'l markets (US/ EU), through exports/ int'l subsidiaries would be a better play in the current environment, where domestic demand is showing signs of sluggishness and int'l demand is picking up. Hence, **we prefer Crompton Greaves** (~40% of int'l exposure) & **Cummins** (30% of biz). We also prefer **BHEL** at current valuations of FY12 PER of 15x ((10 year lower quartile) – as risk-reward is favorable with potential triggers such as possible upside to order inflow guidance

4. MACRO OVERVIEW

A. Eco highlights

FY10 GDP: Revised to 8% from 7.4%

FY10 GDP break-up (%)	Old	Revised
Agriculture	0.2	0.4
Mining	10.6	6.9
Manufacturing	10.8	8.8
Electricity, gas & water supply	6.5	6.4
Construction	6.5	7.0
Trade, hotels, transport & comm	9.3	6.7
Financing & business services	9.7	9.2
Community, social & personal	5.6	11.8
Overall GDP	7.4	8.0

Source: CSO, MOSPI

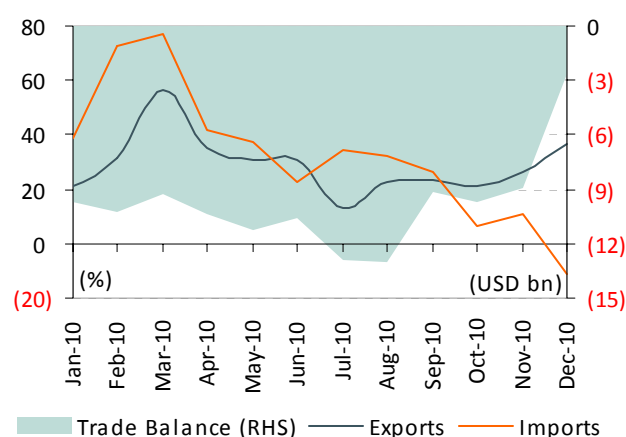
Core Industries: Grew at 6.6% in Dec

Sector (%)	December		Apr-Dec	
	2009	2010	2009-10	2010-11
Crude Oil	1.1	15.8	(1.1)	12.0
Petro products	0.9	8.3	(1.0)	1.6
Coal	1.2	3.0	8.4	1.0
Electricity	6.6	4.3	5.9	4.5
Cement	11.0	(2.2)	11.0	4.4
Finished steel*	9.6	11.2	3.6	7.3
Overall	6.2	6.6	4.7	5.3

Note: *Carbon

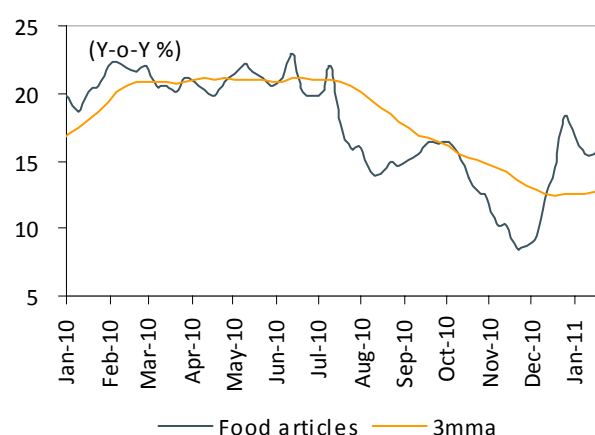
Source: MOSPI

Exports jump sharply, shrinking trade deficit



Source: Bloomberg

Price spurt reflects high veggie and petrol prices



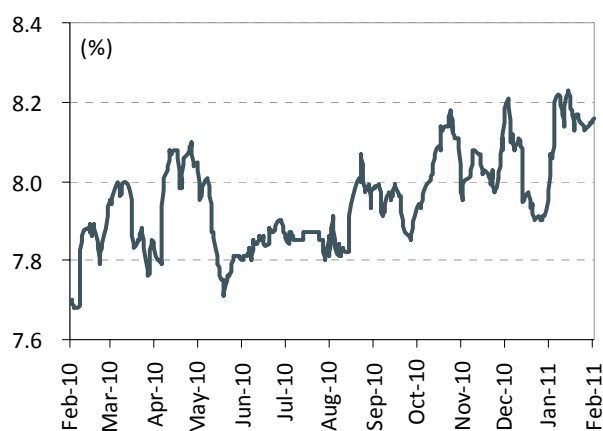
Source: EA-Industry

FY10 GDP growth revision: India's 2009-10 GDP estimates have been revised upwards, from 7.4% to 8%. This partially reflects the change in the GDP deflators, due to the use of newer WPI base. India's savings and investments have risen to 33.7% and 36.5% respectively in FY10 as compared to 32.2% and 34.5% in the previous year.

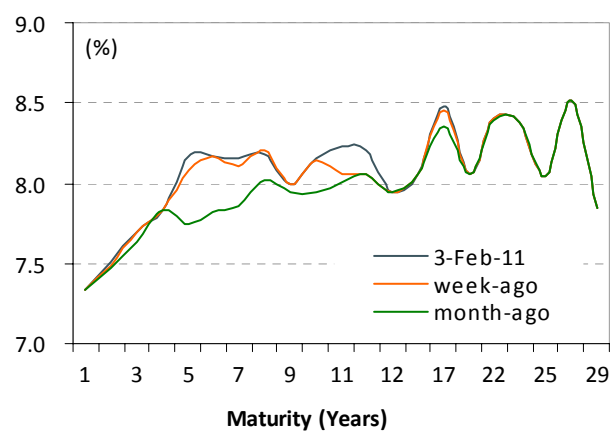
Sectorally, the FY10 GDP growth is higher due to a rise in agriculture and services sector growth. We maintain our FY11 growth estimate at 8.7% but there exists downside risks to our FY12 growth estimate of 8.6% if interest rate hikes by RBI are steeper (> 25 bps by March), capex cycle fails to revive and global growth recovery falters. Importantly, the base for FY10 GDP also now stands revised significantly upwards.

B. Debt & Money market

10-yr bond yield



G-Sec yield curve



Source: RBI

Interest Rate Indicator

Money Market	(%)	MIFOR	(%)
Call Money	5.35-6.70	1 Month	6.91
Notice Money	5.70-6.00	3 Month	7.18
Term Money	7.50-7.65	6 Month	6.94
CBLOs	6.30-6.75	1 Year	6.81
MIBOR	(%)	Fwd Prem.	(%)
Overnight	6.59	1 Month	6.45
14 Day	7.51	3 Month	6.80
1 Month	8.14	6 Month	6.42
3 Month	9.30	12 Month	5.98

Source: RBI, Debitnet, NSE, Reuters

CP / CD - Primary Market

CP	Issuer	Rating	Rate (%)
1 Month	Magma Fincorp Ltd.	--	9.03
3 Months	NABARD	P1+	9.09
1 Year	KMPL	P1+	9.04
CD	Issuer	Rating	Rate (%)
3 Months	Punjab & Sind Bank	P1+	9.78
4 Months	Vijaya Bank	P1+	9.83
1 Year	IDBI Bank	A1+	10.05

Note: The above table shows rates at which leading Companies and Banks are raising short-term debt for different tenor.

US Yields Data

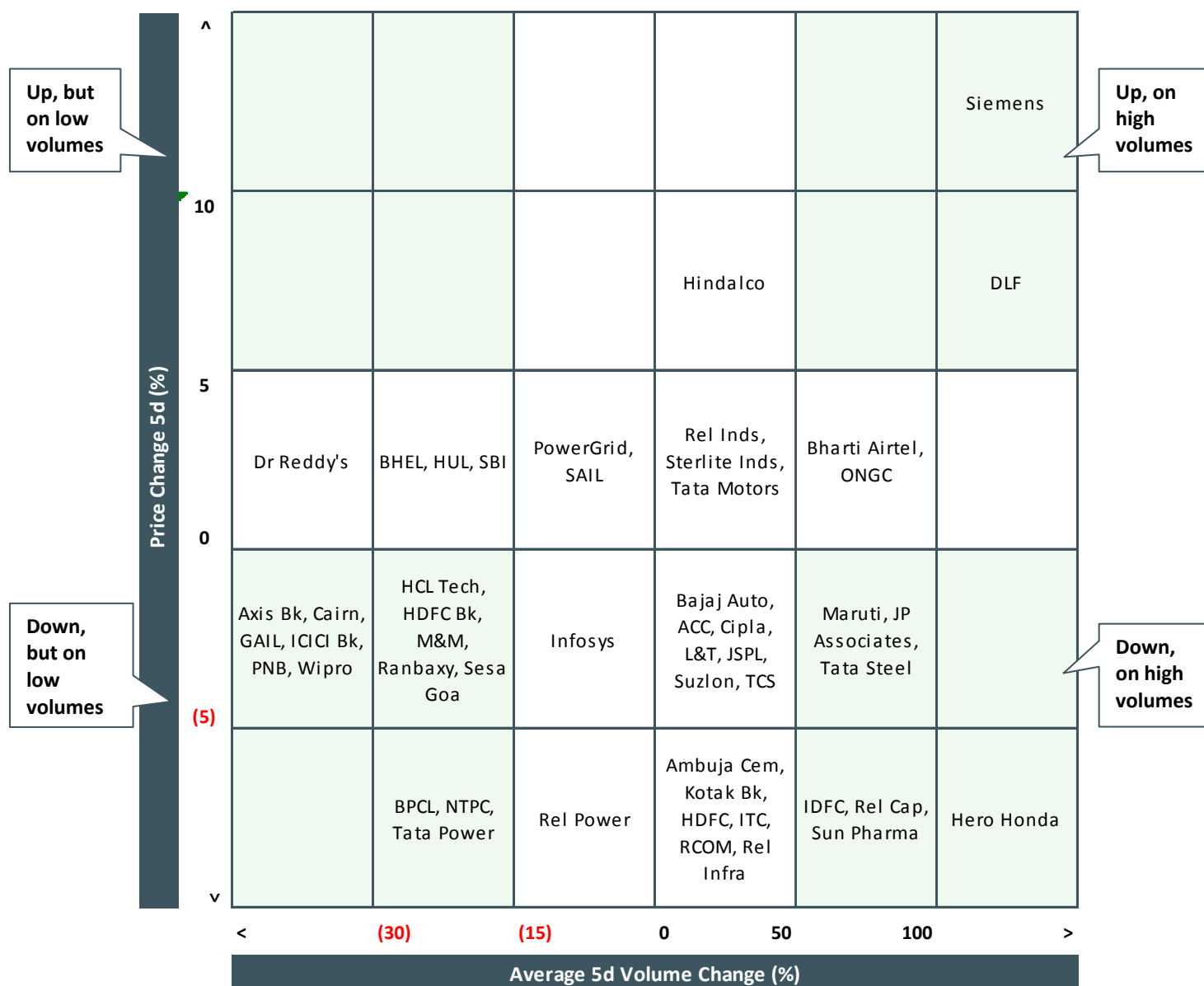
US Yield	3 rd Feb	2 nd Feb
2 Year	0.72	0.66
5 Year	2.19	2.09
10 Year	3.56	3.48
30 Year	4.67	4.62

Source: Bloomberg

5. MARKET SNAPSHOT

A. Major Nifty stock moves this week

Price & volume performance grid



Source: ENAM Research, Bloomberg

Comment

- ❑ **Siemens** – Open offer at Rs 930
- ❑ **DLF** – Unconfirmed expectations of receipt of all approvals (incl. Environmental) for its Lower Parel project.

Major Indices: 3 - Best/ worst performing stocks in each index/sector this week

Note: Green & red bar indicates number of stocks that closed in the positive/ negative

Sector	Price 5d %	Best performing stocks	Price 5d %	Avg 5d vol chg %	Worst performing stocks	Price 5d %	Avg 5d vol chg %
Nifty	(2)	Siemens India Ltd	17	400	ITC Ltd	(9)	24
		DLF Ltd	7	165	Reliance Communications Ltd	(8)	22
		Hindalco Industries Ltd	6	32	Reliance Capital Ltd	(8)	55
CNX Midcap 100	(2)	Rashtriya Chemicals & Fert	8	31	Jet Airways India Ltd	(13)	25
		Welspun Corp Ltd	6	(44)	Godrej Consumer Products Ltd	(13)	(16)
		Divi's Laboratories Ltd	6	58	IVRCL Infrastructures & Projects	(12)	125
BSE-Smallcap	(3)	Andhra Cement Co Ltd	29	(6)	Relaxo Footwears Ltd	(28)	144
		Sigrun Holdings Ltd	26	6	Shreenath Commercial & Finan	(22)	(5)
		Ruchi Infrastructure Ltd	25	64	Gemini Communications Ltd	(20)	352
BSE Auto	(3)	Apollo Tyres Ltd	3	64	Cummins India Ltd	(11)	94
		Exide Industries Ltd	3	14	Hero Honda Motors Ltd	(7)	182
		Tata Motors Ltd	0	44	Ashok Leyland Ltd	(7)	(21)
BSE Bankex	(1)	Union Bank of India	4	(31)	Kotak Mahindra Bank Ltd	(5)	8
		IndusInd Bank Ltd	2	(46)	IDBI Bank Ltd	(4)	(22)
		Yes Bank Ltd	2	(34)	Punjab National Bank Ltd	(3)	(31)
BSE Cap Goods	0	Siemens India Ltd	17	400	Jyoti Structures Ltd	(13)	53
		Usha Martin Ltd	10	62	BEML Ltd	(10)	2
		Crompton Greaves Ltd	2	29	Gammon India Ltd	(9)	49
BSE FMCG	(6)	McLeod Russel India Ltd	3	(29)	Godrej Consumer Products Ltd	(13)	(16)
		Dabur India Ltd	2	44	ITC Ltd	(9)	24
		Hindustan Unilever Ltd	0	(19)	Nestle India Ltd	(7)	171
BSE Healthcare	(2)	Divi's Laboratories Ltd	6	58	Jubilant Life Sciences Ltd	(10)	51
		Piramal Healthcare Ltd	2	(22)	Sun Pharmaceutical Industries	(7)	56
		Dr Reddy's Laboratories Ltd	1	(51)	Apollo Hospitals Enterprise Ltc	(5)	778
CNX IT	(3)	Polaris Software Lab Ltd	14	(26)	MindTree Ltd	(15)	1,234
		Financial Technologies India L	5	(53)	Oracle Financial Sevices Softw	(9)	38
		Patni Computer Systems Ltd	1	25	Moser Baer India Ltd	(4)	(7)
BSE Metal	1	National Aluminium Co Ltd	8	242	Jindal Steel & Power Ltd	(4)	36
		Welspun Corp Ltd	6	(44)	Sesa Goa Ltd	(3)	(30)
		Hindalco Industries Ltd	6	32	Tata Steel Ltd	(0)	55
BSE Oil & Gas	1	Oil & Natural Gas Corp Ltd	5	65	Bharat Petroleum Corp Ltd	(7)	(21)
		Reliance Industries Ltd	1	22	Hindustan Petroleum Corp Ltd	(7)	(40)
		GAIL India Ltd	(0)	(34)	Indian Oil Corp Ltd	(5)	(43)
BSE Power	(2)	Siemens India Ltd	17	400	JSW Energy Ltd	(9)	(12)
		Lanco Infratech Ltd	2	(4)	GVK Power & Infrastructure Ltd	(8)	19
		Crompton Greaves Ltd	2	29	NTPC Ltd	(8)	(16)
BSE PSU	0	National Fertilizers Ltd	11	14	BEML Ltd	(10)	2
		National Aluminium Co Ltd	8	242	NTPC Ltd	(8)	(16)
		Rashtriya Chemicals & Fert	8	31	Bharat Petroleum Corp Ltd	(7)	(21)
BSE Realty	(4)	DLF Ltd	7	165	Unitech Ltd	(16)	183
		Anant Raj Industries Ltd	2	(15)	Sobha Developers Ltd	(13)	176
		Ackruti City Ltd	1	326	Parsvnath Developers Ltd	(12)	109

Source: Bloomberg; Note: Average 5d volume change = current 5d average vs. previous 5d average

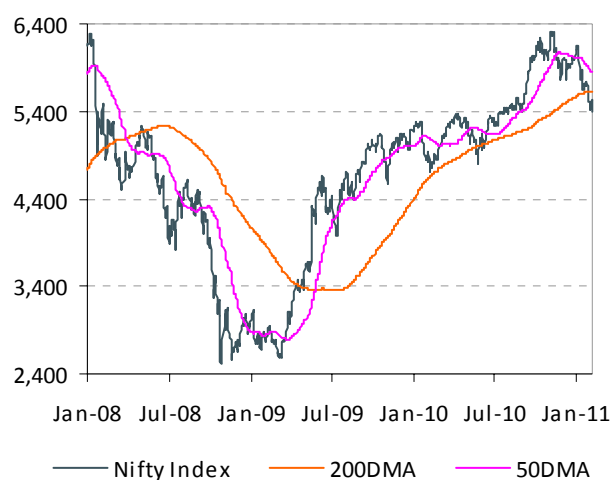
B. Indian markets

FII net flows in Asian equities

Country (USD mn)	Last Update	WTD	MTD	CYTD
India - FII	03-Feb	(154)	42	(1,345)
India - DII	03-Feb	498	278	1,430
Indonesia	01-Feb	2	24	(417)
Philippines	04-Feb	(65)	(40)	(134)
Korea	01-Feb	(750)	(117)	466
Taiwan	28-Jan	1,308	3,439	3,439
Thailand	01-Feb	4	32	(900)

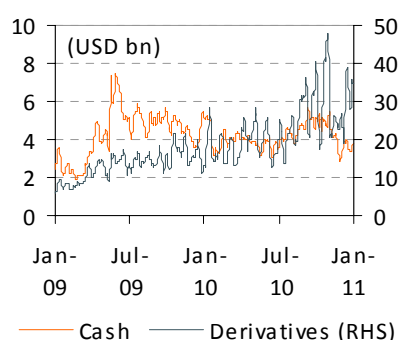
Note: WTD/ MTD/ YTD represents the cumulative net flows since the 1st business day of the week, month & year

Nifty: 50 & 200 DMA

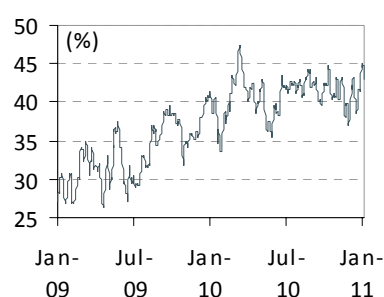


Source: Bloomberg, BSE, NSE, SEBI

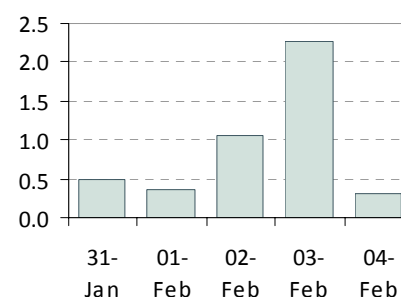
Volumes: 5 DMA



Market delivery: 5 DMA

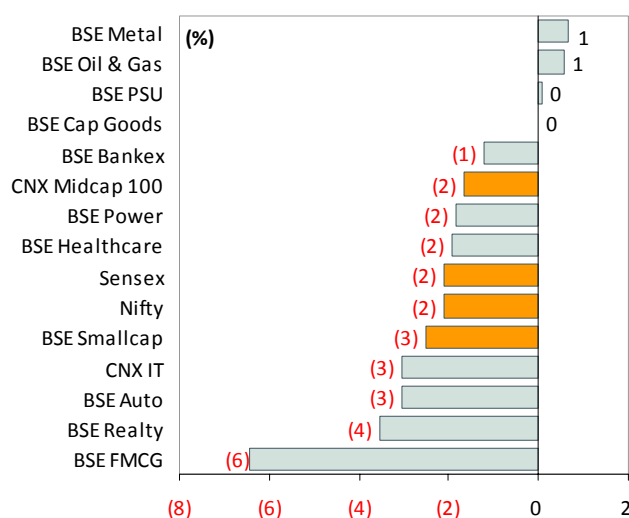


NSE: Adv /Dec ratio



Source: Bloomberg, BSE, NSE, ENAM Research

Sectoral indices: 5-day performance



ADR/GDR prices*

Company name	CMP	5d chg (%)	Prem / (Disc) %
Dr Reddys Lab	35.4	2.9	2.1
HDFC Bank	143.9	(1.7)	8.5
ICICI Bank	44.6	(0.7)	2.1
Infosys	68.4	(2.4)	2.3
ITC	3.4	(8.6)	0.1
L&T	34.1	(1.6)	(0.9)
MTNL	2.1	(6.2)	4.5
Reliance Industries	40.0	0.5	(0.9)
Satyam Computer	2.8	(5.8)	4.6
State Bank of India	119.5	1.8	2.9
Sterlite Industries	14.9	(0.5)	0.9
Tata Communications	10.3	(4.1)	0.8
Tata Motors	25.7	(2.3)	1.9
Wipro	13.4	(0.7)	40.3

Source: Bloomberg; * Data as on Thursday

Trading disclosures

Company Name	Quantity ('000)	Value (INRm)	Value % of free float	Comments
BUY				
LIC Housing Finance Ltd	403	72	0.1	FII's buying
SELL				
Aurobindo Pharma Ltd	19	22	0.1	Promoter group selling

Source: BSE; Note: Stks part of the BSE200 & Value traded equal/ greater than 0.1% of free float are covered in the above table

Bulk Deals (> Rs 100 mn traded value)

Date	Company Name	Client Name	Traded Vol ('000)	Traded Value (INRm)	Avg. Price (INR)
BUY					
31-Jan-11	India Cements Ltd	The Bank Of New York Mellon Representative	1,952	192	99
01-Feb-11	Dhanlaxmi Bank Ltd	Birla Sun Life Insurance Company Ltd	1,275	122	96
02-Feb-11	Standard Chartered Plc Ltd	Swiss Finance Corporation (Mauritius) Ltd	1,650	192	116
03-Feb-11	Apollo Hospital Ltd	Bny Mel Inv Fd New Oriental Fund	3,000	1,365	455
03-Feb-11	Apollo Hospital Ltd	Bny Mellon Asian Equity Fund	1,500	683	455
03-Feb-11	Simplex Infrastructures Ltd	Citigroup Global Markets Mauritius Private Ltd	1,967	688	350
SELL					
02-Feb-11	Astra Microwave Ltd	Reliance Mutual Fund	2,685	138	51
02-Feb-11	Eicher Motors Ltd	Deutsche Securities Mauritius Ltd	250	255	1,020
02-Feb-11	Eicher Motors Ltd	Deutsche Securities Mauritius Ltd	250	255	1,020
02-Feb-11	Jain Irrigation Ltd	ICICI Prudential Life Insurance Company Ltd	2,902	497	171
03-Feb-11	Apollo Hospital Ltd	Olivia Holdings Dr Ac	5,520	2,512	455
03-Feb-11	Simplex Infrastructures Ltd	HSBC Global Investment Fund	1,966	688	350

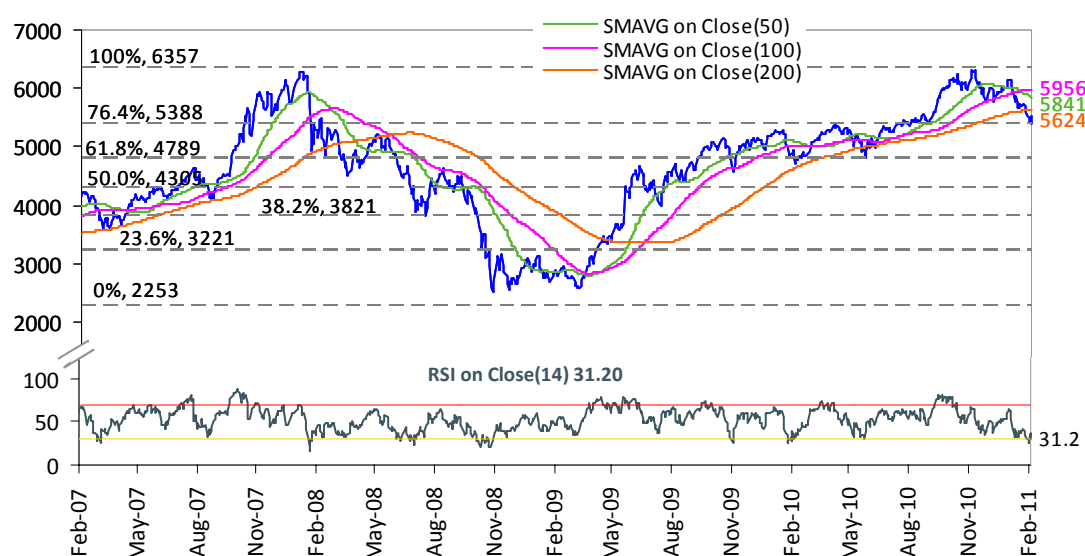
Buybacks (upto Thursday 3rd February, of value> Rs 100 mn)

Scrip Name	Total Buyback Value (Cr)	Bought Qty (Nos)	Incr bought qty over last week (Nos)	Buyback Avg Rate	Value (Cr)	CMP 03/02	Bal Qty (mn)	Bal Value (Cr)
Hindustan Unilever	630	5,208,981	5,008,981	271	141	279	17.5	489
India Infoline	104	12,612,877	6,994,696	80	101	78	0.4	3
Manaksia	50	2,709,809	153,149	109	30	77	2.6	20
Sasken Comm	35	628,000	421,781	164	10	157	1.5	24

Note: The balance quantity has been arrived at, by taking previous closing rate for the remaining buyback amount. Stocks > Rs 10crs only.

C. Deciphering Derivatives

Re-tracement levels: Nifty Fifty RSI



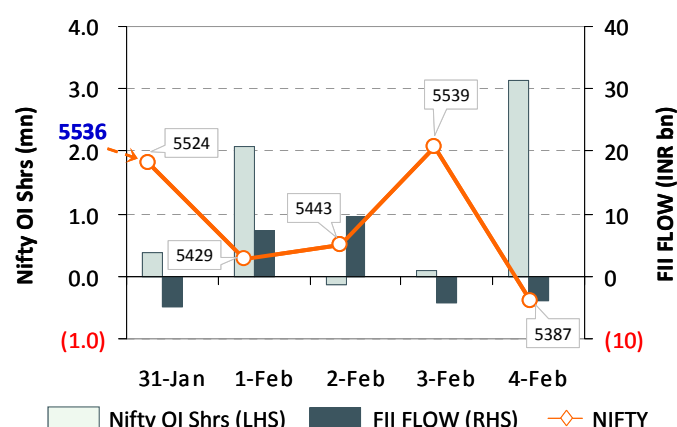
- ❑ Another "Black Friday" as the benchmark indices declined by 2.7%. Nifty closed below the 5400 mark and giving up all the intraweek gains. Nifty closed at 5387, down by 2.7% WoW.
- ❑ Nifty Fut added 5.5 mn shrs this week while FIIs were net buyers of INR 3.8 bn in index fut this week. Nifty has declined with volumes (+45% over previous day).
- ❑ Nifty has closed right at the 76.4% retracement level (considering the entire move from Lows of Oct 2008 and recent high of Nov'10).
- ❑ The 61.8% retracement level, the next Fibonacci level stands at 4,789. (see graph)
- ❑ **Hindalco:** OI added 5mn shrs (+45%) while the stock gained by 55% with high delivery based buying. Copper and Aluminium prices continued to trade firm in LME..

Stocks with the highest open interest (value-wise)

Co. Name	Open Interet (mn shrs)	OI Chg %	% of Float	OI Value (Rs bn)	CMP (Rs)	Price Chg (%)	Trend
RELIANCE	16	-3%	0.6	15	919	-0.1%	Fresh Short
TATASTEEL	21	-17%	4.2	13	638	1.4%	Long Liquidation
TATAMOTORS	10	13%	3.7	11	1,137	-0.2%	Fresh Long
ICICIBANK	10	26%	1.6	10	995	-2.8%	Fresh Short
SBIN	4	11%	1.9	9	2,638	0.1%	Fresh Long
INFOSYSTCH	3	4%	0.6	8	3,051	-4.3%	-
LT	5	18%	1.3	7	1,566	-3.1%	Fresh Short
BHEL	2	0%	1.7	5	2,165	0.3%	-
RELINFRA	7	1%	6.2	5	679	-6.7%	-
DLF	20	14%	5.6	5	234	4.5%	Fresh Short
NIFTY	27	26%		145	5,387	-2.7%	Fresh Short

Source: ENAM Research

Nifty FII Flow Vs Nifty OI



FII Flow

(Rs bn)	04-02	03-02	02-02	01-02	31-01	Wkly
Index Futures						
- Buy	23.6	16.1	29.8	28.7	24.8	123.1
- Sell	27.7	20.3	20.2	21.5	29.6	119.2
Net	(4.1)	(4.2)	9.6	7.3	(4.8)	3.8
Stock Futures						
- Buy	22.1	4.7	20.9	18.0	16.2	81.7
- Sell	19.0	5.2	15.1	17.9	19.0	76.1
Net	3.1	(0.5)	5.8	0.0	(2.8)	5.6
Net Futures	(1.0)	(4.7)	15.4	7.3	(7.6)	9.4

Increase in OI Week-on-Week (wow)

Co Name	CMP	Current OI (mn shrs)	OI Change (mn shrs)	Change (%)	Price
UNITECH	43	58.7	14.3	11	(16)
IDFC	139	25.1	7.5	32	(7)
ITC	153	17.7	6.3	41	(10)
HINDALCO	237	16.2	5.1	54	6

- ❑ **UT:** OI Increased by 14.3 mn shrs (+32%) while the stock declined by 16% - Negative Bias.
- ❑ **IDFC:** OI Increased by 7.5 mn shrs (+43%) while the stock price decreased by 7.3% indicating fresh short creation..

Decrease in OI (wow)

Co Name	CMP	Current OI (mn shrs)	OI Change (mn shrs)	Change (%)	Price
INDIACEM	89	7.3	(3.3)	(39)	(11)
GMRINFRA	39	47.7	(2.3)	(7)	(3)
RENUKA	89	37.5	(2.3)	(1)	5
HDIL	138	17.3	(1.7)	(11)	(2)

- ❑ **IndiaCem:** OI decreased by 3.3 mn shrs (-30%) and the price decreased by 10.8% - negative bias.
- ❑ **HDIL:** OI declined by 1.7 mn shrs (-9%) while price decreased by 1.9% - positive bias.

Sector Watch – Tech

Script	Curr. OI mn shrs	OI Chg	CMP	Price Chg
HCLTECH	1.86	27%	482	-3%
INFOSYSTCH	2.79	4%	3051	-4%
MOSERBAER	5.40	7%	50	-4%
PATNI	1.54	2%	465	0%
TCS	3.41	27%	1145	-4%
WIPRO	3.31	13%	436	-1%

Sector Watch – Auto

Script	Curr. OI mn shrs	OI Chg	CMP	Price Chg
ASHOKLEY	12.83	7%	53	-7%
BAJAJ-AUTO	1.81	19%	1231	-2%
HEROHONDA	2.39	12%	1519	-8%
M&M	4.06	8%	669	-5%
MARUTI	1.84	13%	1171	-4%
TATAMOTORS	9.95	13%	1137	0%
TVSMOTOR	5.98	-10%	51	-5%

OI Value Breakup

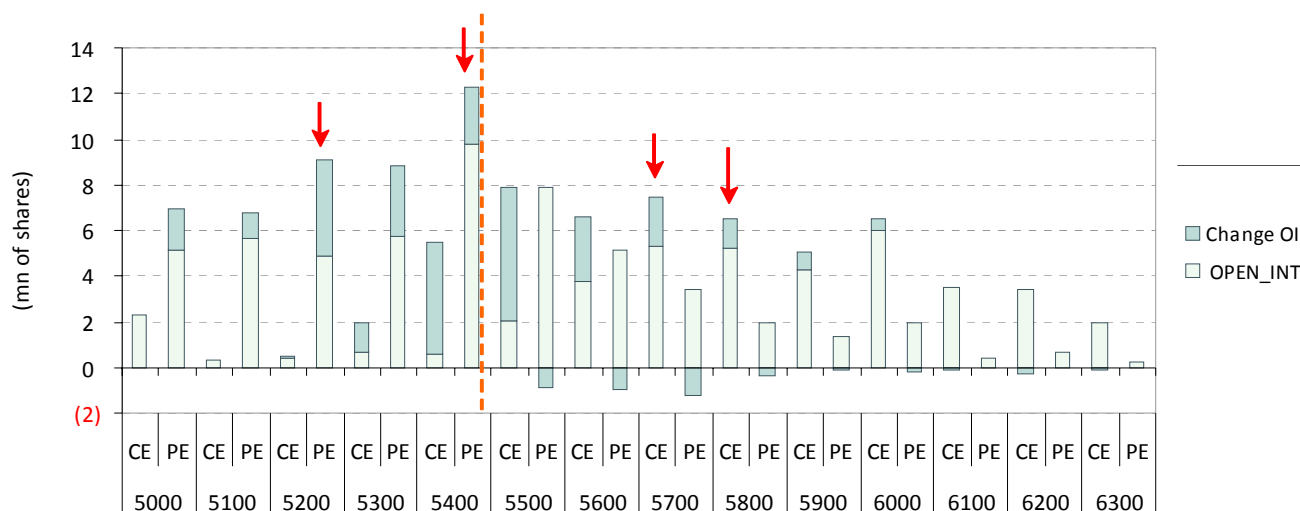
(Rs bn)	04 Feb 11 - Open Int Value.			
Instrument	Total	FII *	Local	FII %
Future Index	169	60	109	36
Future stocks	389	142	246	37
Option Index	917	254	663	28
Options Stocks	95	3	92	3
Total	1570	460	1110	29

Local - Other than FIIs

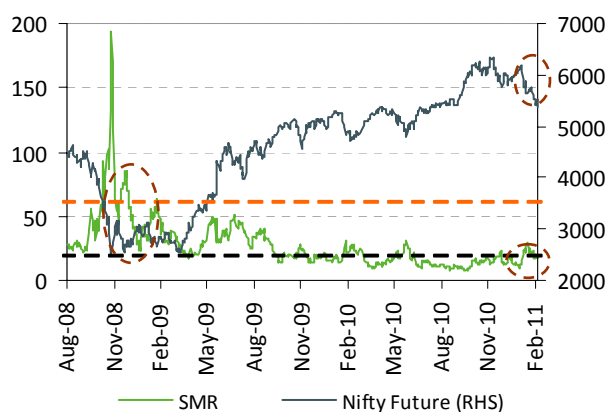
FII OI - single side positions have been considered.

- ❑ **TECH:** Fresh Shorts in Tech lead by TCS, HCL and Wipro with the OI increasing by 27%, 27% and 13% resp.
- ❑ **Auto:** AshokLeyland and HeroHonda underperformed the most, declining by 7% and 8% resp while TataMotors outperformed closing the week flat. HeroHonda added 0.3 mn shrs with more delivery based selling.

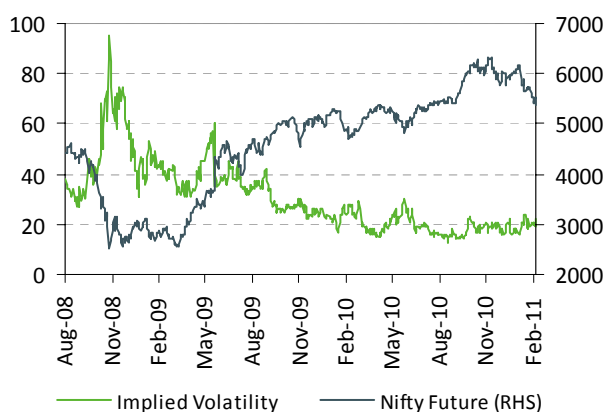
Option Distribution



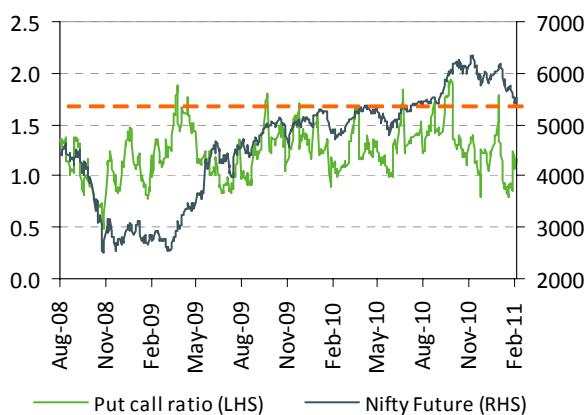
Nifty Fut. Vs Smart Money (SMR= IV/PCR)



Nifty Fut. Vs Implied Volatility



Nifty Fut. Vs Put-Call ratio



- 5,400 Put open interest stands at 12mn (indicating near term support) while call writers were active at 5700 strike with the OI standing at 7.4 mn shrs
- Implied Volatility currently at 22% has SPIKED from 19% this week.

D. Global sector equity performance

5-day: Best / Worst performing sectors*

Note: Best sector = shaded green; Worst sector = shaded red; Sector classification as per GICS

Markets Country Index	Developed			BRIC				Asian			
	US Dow	UK FTSE	Japan Nikkei	Brazil Bovespa	Russia Micex	India Sensex	China HSCEI	HK H S I	Korea Kospi	S'Pore Straits	Taiwan Taiaex
Index Value	12,062	5,983	10,544	66,765	1,761	18,008	12,711	23,909	2,072	3,211	9,145
Index Performance	1	0	2	(2)	1	(2)	0	0	(1)	(1)	2
Automobiles & Components	-	(7)	1	-	-	(4)	(1)	-	(5)	-	(1)
Banks	-	1	1	(6)	(3)	(2)	(0)	(0)	(1)	(0)	3
Capital Goods	1	(3)	2	3	-	(0)	0	(1)	(1)	2	1
Commercial & Professional Serv	-	(1)	(0)	-	-	-	-	-	(7)	-	(1)
Consumer Durables & Apparel	-	5	(1)	(2)	-	-	-	-	(1)	-	0
Consumer Services	(1)	(2)	1	-	-	-	-	-	(0)	3	2
Diversified Financials	2	(1)	4	(3)	-	-	-	0	(2)	(2)	3
Energy	4	(0)	3	4	3	2	5	3	6	-	(0)
Food & Staples Retailing	(3)	2	0	(6)	-	-	-	(4)	(2)	1	(2)
Food Beverage & Tobacco	0	0	5	(5)	-	(9)	(4)	-	(3)	(1)	(0)
Health Care Equipment & Servic	-	2	3	-	-	-	4	-	(1)	-	(2)
Household & Personal Products	(2)	(1)	0	(8)	-	0	-	-	3	-	(0)
Insurance	1	(0)	2	-	-	-	(1)	(2)	1	-	1
Materials	4	3	6	(1)	1	0	1	3	1	-	3
Media	3	(0)	1	-	-	-	-	-	(3)	(1)	3
Pharmaceuticals, Biotechnology	1	(1)	3	-	-	(3)	-	-	(2)	-	(2)
Real Estate	-	(1)	1	-	-	6	(2)	(1)	0	(2)	(2)
Retailing	(3)	(1)	5	(7)	-	-	-	(0)	2	(4)	0
Semiconductors & Semiconductor	(1)	8	2	-	-	-	-	-	2	-	2
Software & Services	(2)	0	1	(11)	-	(3)	-	3	(2)	-	(0)
Technology Hardware & Equipmen	2	-	(0)	-	-	-	4	2	(1)	-	3
Telecommunication Services	(0)	(1)	2	(3)	0	(0)	0	2	(3)	(1)	1
Transportation	-	-	1	(4)	2	-	(3)	2	(4)	(0)	2
Utilities	-	(2)	3	(1)	0	(8)	0	1	(1)	-	0

Source: Bloomberg, ENAM Research; Note: *US, UK, and Brazil performance are with 1-day lag

E. Global equity valuations

Global indices *

Indices	Country Mcap (\$bn)	Index value	PER (x)		PBR (x)		ROE (%)		Div Yield (%)
			CY10 / FY11E	CY11 / FY12E	CY10 / FY11E	CY11 / FY12E	CY10 / FY11E	CY11 / FY12E	CY10 / FY11E
Developed									
US (Dow Jones)	16,037	12,062	13	11	2.5	2.2	20	20	2.5
UK (FTSE 100)	3,489	5,983	11	10	1.8	1.6	16	16	3.5
Germany (DAX)	1,575	7,194	11	10	1.5	1.4	13	14	3.5
France (CAC)	1,884	4,037	11	9	1.3	1.2	12	12	4.2
Japan (Nikkei 225)	4,116	10,544	18	16	1.3	1.2	7	8	1.7
BRIC									
Brazil (IBOV)	1,463	66,765	11	9	1.5	1.4	14	15	3.4
Russia (Micex)	719	1,750	7	7	1.1	1.0	15	14	2.2
India (Sensex)	1,450	18,008	17	14	2.9	2.5	17	18	1.4
China (HSCEI)	3,708	12,711	11	9	1.8	1.6	17	17	3.2
Asian									
HK (H S I)	2,598	23,909	13	11	1.8	1.6	14	14	3.3
Korea (Kospi)	1,115	2,072	10	9	1.4	1.3	13	13	1.4
Singapore (Straits)	585	3,211	15	13	1.7	1.6	12	12	3.1
Taiwan (Taiex)	938	9,145	13	12	1.9	1.7	14	14	3.6

Source: Bloomberg; Note: *Western market data as on Thursday

F. Global sectoral valuations

Note: Country index used for sector valuations, US = S&P500, Brazil = IBOV, Russia = Micex, India = Nifty and China = HSCEI

Price to earnings (x)	US		Brazil		Russia		India		China	
GISC sector classification	CY10e	CY11e	CY10e	CY11e	CY10e	CY11e	FY11e	FY12e	CY10e	CY11e
Automobiles & Components	10	9	-	-	-	-	15	13	12	11
Banks	13	10	10	8	10	9	16	13	10	8
Capital Goods	15	13	-	-	-	-	17	14	13	10
Diversified Financials	11	9	18	15	-	-	17	14	-	-
Energy	13	12	13	12	7	6	12	10	14	12
Food Beverage & Tobacco	15	14	19	16	-	-	24	20	27	23
Household & Personal Products	15	14	26	20	-	-	28	24	-	-
Materials	15	12	12	8	17	11	11	9	25	17
Pharmaceuticals, Biotechnology	11	10	-	-	-	-	22	19	-	-
Real Estate	61	43	-	-	-	-	20	16	9	8
Software & Services	15	13	9	10	-	-	24	20	-	-
Telecommunication Services	17	15	11	10	21	4	18	14	20	16
Utilities	12	13	10	9	15	12	17	15	22	18

Price to book (x)	US		Brazil		Russia		India		China	
GISC sector classification	CY10e	CY11e	CY10e	CY11e	CY10e	CY11e	FY11e	FY12e	CY10e	CY11e
Automobiles & Components	5.1	3.3	-	-	-	-	4.0	3.2	3.0	2.4
Banks	1.2	1.1	2.4	2.2	1.9	1.6	2.4	2.1	1.8	1.6
Capital Goods	2.6	2.4	-	-	-	-	4.0	3.3	1.6	1.4
Diversified Financials	1.0	0.9	1.2	1.2	-	-	2.0	1.8	-	-
Energy	2.1	1.9	2.5	2.4	1.0	0.9	1.9	1.7	2.2	2.0
Food Beverage & Tobacco	4.2	4.0	3.9	3.7	-	-	7.1	6.2	4.5	3.9
Household & Personal Products	3.9	3.8	3.9	3.5	-	-	19.3	17.1	-	-
Materials	2.6	2.3	4.1	3.4	2.7	2.3	2.0	1.7	2.6	2.3
Pharmaceuticals, Biotechnology	2.1	1.8	-	-	-	-	4.4	3.7	-	-
Real Estate	2.0	2.2	-	-	-	-	1.4	1.3	1.7	1.5
Software & Services	4.1	3.4	14.0	12.4	-	-	6.4	5.2	-	-
Telecommunication Services	1.9	1.8	2.7	2.6	1.9	1.6	1.6	1.5	1.3	1.2
Utilities	1.4	1.3	1.1	1.1	0.7	0.6	2.0	1.9	1.6	1.5

Return on Equity (%)	US		Brazil		Russia		India		China	
GISC sector classification	CY10e	CY11e	CY10e	CY11e	CY10e	CY11e	FY11e	FY12e	CY10e	CY11e
Automobiles & Components	53	38	-	-	-	-	28	26	26	22
Banks	9	11	25	27	18	19	15	17	18	19
Capital Goods	17	18	-	-	-	-	24	24	12	14
Diversified Financials	9	10	7	8	-	-	12	13	-	-
Energy	15	16	18	20	15	14	16	16	16	16
Food Beverage & Tobacco	29	29	20	23	-	-	30	31	16	17
Household & Personal Products	26	27	15	17	-	-	70	71	-	-
Materials	18	18	35	40	16	21	18	18	10	14
Pharmaceuticals, Biotechnology	19	18	-	-	-	-	20	19	-	-
Real Estate	3	5	-	-	-	-	7	9	18	20
Software & Services	28	26	153	130	-	-	27	26	-	-
Telecommunication Services	11	12	24	26	9	39	9	10	7	8
Utilities	11	10	11	12	5	6	12	13	7	8

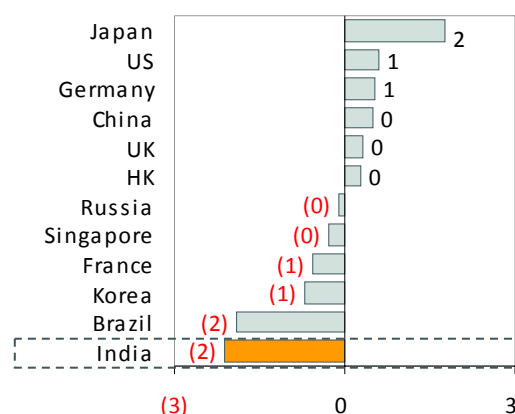
Source: Bloomberg

G. Global asset class performance*

Equity

	Value	Performance (%)		
		1m	12m	CYTD
Developed				
US (Dow Jones)	12,062	3	21	4
UK (FTSE 100)	5,983	(0)	17	2
Germany (DAX)	7,194	3	30	4
France (CAC)	4,037	3	10	6
Japan (Nikkei 225)	10,544	1	2	3
BRIC				
Brazil (IBOV)	66,765	(5)	4	(4)
Russia (Micex)	1,750	5	26	5
India (Sensex)	18,008	(12)	11	(12)
China (HSCEI)	12,711	(1)	7	0
Asian				
HK (H S I)	23,909	2	15	4
Korea (Kospi)	2,072	1	30	1
Singapore (Straits)	3,211	(1)	17	1
Taiwan (Taiex)	9,145	2	20	2

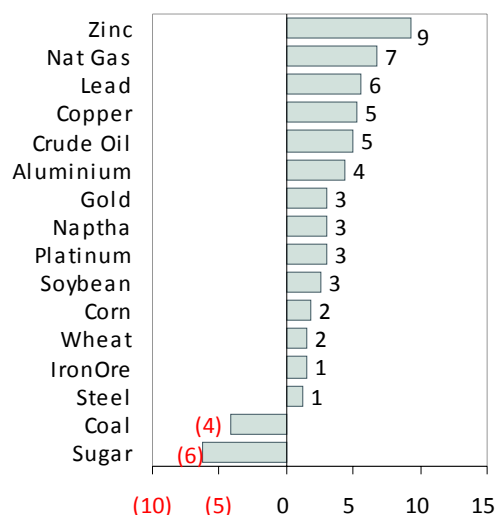
5-day performance (%)



Commodity

	Value	Performance (%)		
		1m	12m	CYTD
Metals				
Aluminium (\$/ton)	2,514	2	23	2
Copper (\$/ton)	9,944	3	51	3
Zinc (\$/ton)	2,452	0	18	0
Lead (\$/ton)	2,619	2	31	2
China HR Steel (\$/ton)	738	7	28	6
IronOre-Qingdao (\$/ton)	203	6	37	6
Gold (\$/t oz)	1,354	(2)	27	(5)
Platinum (\$/OZ)	1,839	5	22	4
Energy				
Coal (\$/ton)	117	(2)	42	(12)
Crude Oil (\$/bbl)	101	10	43	8
Naptha (\$/bbl)	95	(0)	31	(0)
Natural Gas (\$/MMBtu)	5	4	(15)	11
Food				
Wheat (\$/bu)	859	9	50	8
Corn (\$/bu)	663	9	65	6
Soybean (\$/bu)	1,436	5	55	2
Sugar (\$/lb)	32	5	55	1

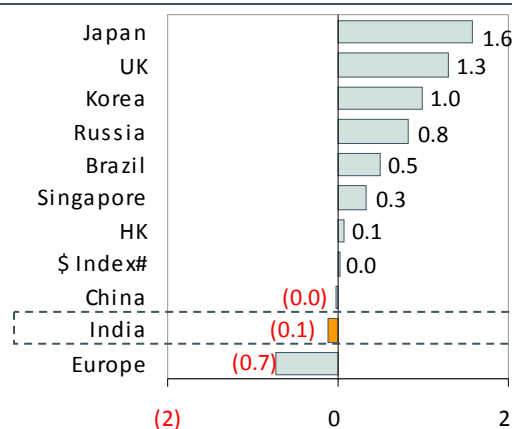
5-day performance (%)



Currency

	Value	Performance (%)		
		1m	12m	CYTD
Dollar Index#	77.7	(2)	(0)	(0)
Developed				
Europe	1.4	2	(1)	2
UK	1.6	3	2	3
Japan	81.6	0	9	(1)
BRIC				
Brazil	1.7	(0)	13	(0)
Russia	29.4	4	3	4
India	45.6	(1)	1	(2)
China	6.6	0	4	0
Asian				
HK	7.8	(0)	(0)	(0)
Korea	1,103	2	4	2
Singapore	1.3	1	12	1

5-day performance (%)



USD INR Futures: 1m = 46.01; 3m = 46.50; 5m = 46.87

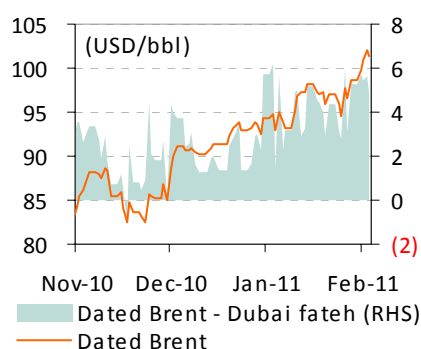
Source: Bloomberg, ENAM Research; Note: *Western markets, Commodity & Currency data as on Thursday; # Indicates the general international value of the USD by averaging exchange rates between USD and 6 major world currencies

H. Commodity Snapshot

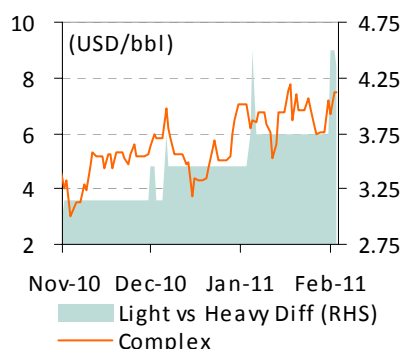
Oil & Gas

- ❑ **Brent crude oil** prices rose beyond \$100/bbl as unrest in Egypt raised concerns of possible supply disruption.
- ❑ **Singapore refining margins** increased to \$7.5/bbl amid strength in gasoline, diesel and fuel oil margins. Light-heavy differential increased to \$4.4/bbl, which is likely to help complex refiners such as RIL.
- ❑ **PE & PP spread on naphtha improved** on the back of strengthening polymer prices.

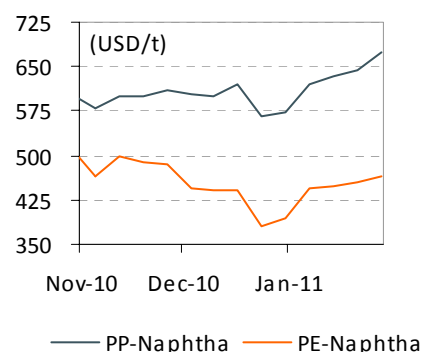
Dated Brent Prices



Singapore Refining Margins



PE & PP Differential to Naphtha

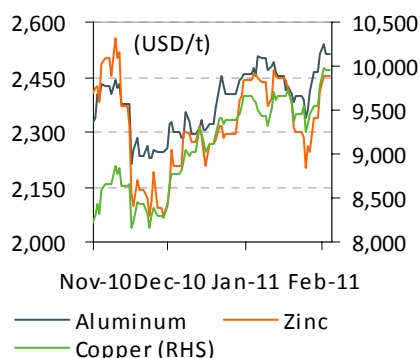


Source: Bloomberg

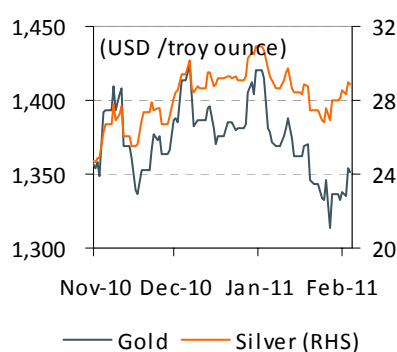
Metals & Others

- ❑ Base metals, particularly copper and zinc were up 4-5% on production concerns in Australia due to bad weather. For instance, Century zinc mine (world's second largest mine) suspended production during the week due to cyclone concerns.
- ❑ **Baltic Dry Index** continued its downfall with continued concerns of excess supply

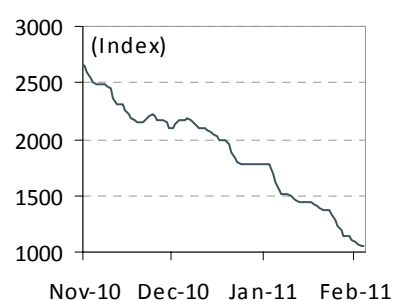
Aluminum, Zinc & Copper



Gold, Silver Spot price



Baltic Dry Index



Source: Bloomberg

6. ENAM VALUATION & RECOMMENDATIONS

RSR (Rating relative to Sector) based on CMP: N = Neutral, OP = Outperformer, UP = Underperformer, UR = Under Review, NR = Not Rated: All ratings 1 yr horizon. Sector average upside is the market cap weighted average of upsides of all stocks in the sector. This sector average is provided against the sector heading row in the RSR column. RSR is compared against this.

Sector/ Company name	Mcap (\$m)	CMP (INR)	Vol (Rs) FY12	Tgt Pr (INR)	Upside (%)	Rating rel to sector	FDEPS (INR)			PE (x)			PB (x)			EV/Ebitda (x)			ROE (%)			Div Yield (%)		
							FY10	FY11e	FY12e	FY10	FY11e	FY12e	FY10	FY11e	FY12e	FY10	FY11e	FY12e	FY10	FY11e	FY12e	FY10	FY11e	FY12e
Autos						15 to 25	-	-	-	25	13	11	5.6	3.8	2.9	12	8	7	23	30	28	2.0	1.3	1.4
Ashok Leyland	1,533	53		73	39	OP	3	5	6	19	12	10	1.9	1.7	1.5	11	9	7	10	16	17	2.8	2.8	2.8
Bajaj Auto	7,771	1,227		1,585	29	OP	64	89	104	19	14	12	12.1	8.6	6.1	13	10	8	81	73	61	3.3	3.3	3.3
Bharat Forge	1,697	333		397	19	N	1	13	21	524	27	16	4.8	3.6	3.0	27	11	8	1	16	21	0.3	0.6	0.6
Bosch	4,167	6,063		6,803	12	UP	156	268	324	39	23	19	5.6	4.6	3.8	23	13	10	15	22	22	0.5	0.5	0.5
Exide Inds	2,419	130	19	161	24	N	6	7	9	21	16	12	5.0	4.0	3.2	12	12	10	31	24	24	0.3	0.8	0.8
Hero Honda	6,709	1,535		1,729	13	UP	112	103	110	14	15	14	8.8	6.5	4.9	9	10	9	61	50	41	7.2	2.0	2.0
Mah & Mah ^ *	8,982	668		UR	-	UR	32	44	48	21	15	14	5.1	4.0	3.3	15	12	11	29	30	26	1.4	1.4	1.4
Maruti Suzuki	7,483	1,183		1,605	36	OP	87	83	99	14	14	12	2.9	2.4	2.1	7	7	6	24	19	19	0.5	0.5	0.5
Motherson Sumi	1,581	186		UR	-	UR	6	9	12	30	21	15	5.3	4.1	3.3	12	9	7	21	22	24	0.7	1.2	2.1
Tata Motors	15,004	1,150		UR	-	UR	7	127	154	171	9	7	7.8	3.4	2.3	13	5	4	6	56	39	1.3	0.7	0.7
TVS Motor	532	51		70	37	OP	3	5	6	18	11	8	2.9	2.4	1.9	15	10	7	17	24	27	1.2	1.2	1.2
Banking & Fin Serv						15 to 25	Adj BV (INR)			14	11	9	2.6	2.2	1.7	-	-	-	15	16	15	1.2	1.2	1.5
Axis Bank	10,955	1,220		NR	-	NR	389	456	608	20	15	14	3.1	2.7	2.0	-	-	-	19	19	17	1.0	1.0	1.1
Bank of Baroda	6,663	836		1,055	26	OP	366	455	589	10	8	7	2.3	1.8	1.4	-	-	-	24	26	23	1.8	1.8	2.0
Bank of India	5,074	441		492	11	UP	215	264	328	13	9	9	2.1	1.7	1.3	-	-	-	14	19	17	1.6	1.7	2.0
Canara Bank	5,045	562		768	37	OP	276	395	480	8	6	5	2.0	1.4	1.2	-	-	-	27	26	22	1.8	1.9	2.7
Corp Bank	1,739	554		735	33	OP	393	464	563	7	6	5	1.4	1.2	1.0	-	-	-	22	23	20	3.0	3.1	3.2
HDFC Bank	20,524	2,019		2,250	11	UP	465	525	600	31	24	22	4.3	3.8	3.4	-	-	-	16	17	16	0.6	0.7	0.8
HDFC *	19,378	605	286	721	19	N	105	136	153	16	14	12	6.2	3.9	3.3	-	-	-	20	18	18	1.2	1.3	1.3
ICICI Bank *	25,056	997	354	1,324	33	OP	441	462	501	18	14	12	2.0	1.8	1.7	-	-	-	8	10	11	1.2	1.2	1.2
IDFC *	4,414	138	32	175	27	OP	53	73	85	14	12	10	2.9	1.9	1.6	-	-	-	16	14	13	1.1	1.1	1.1
ING Vysya	817	309		434	41	OP	173	200	255	15	12	11	1.8	1.5	1.2	-	-	-	13	13	13	0.9	1.0	1.0
LIC Housing *	1,843	177	4	203	14	UP	71	85	105	12	9	7	2.5	2.0	1.7	-	-	-	24	24	24	1.7	1.7	2.0
Manappuram Gen Fin	943	103		160	55	OP	17	45	57	29	16	8	5.9	2.3	1.8	-	-	-	31	22	25	0.2	0.4	0.6
Oriental Bank	1,809	330		450	36	OP	273	322	375	7	5	6	1.2	1.0	0.9	-	-	-	16	20	17	2.8	3.0	3.6
Power Finance	6,385	254		356	40	OP	115	136	178	12	11	10	2.2	1.9	1.4	-	-	-	19	19	17	1.8	1.2	1.4
PNB	7,304	1,058		1,237	17	N	495	598	773	9	8	7	2.1	1.8	1.4	-	-	-	27	24	23	2.1	2.2	2.6
Rural Electrification	5,652	262		333	27	OP	108	127	151	13	10	8	2.4	2.1	1.7	-	-	-	24	22	23	2.3	1.7	1.7
SBI *	36,788	2,647	883	2,994	13	UP	929	1,060	1,419	12	10	9	2.1	1.8	1.3	-	-	-	15	16	16	1.1	1.1	1.2
Shriram Transport	3,338	674		780	16	N	165	209	260	17	13	11	4.1	3.2	2.6	-	-	-	28	28	26	1.0	1.4	1.7
South India Bank	485	20		30	53	OP	12	14	17	10	8	7	1.6	1.4	1.2	-	-	-	17	18	19	2.0	2.0	2.0
Union Bank	3,645	330		341	3	UP	162	189	244	8	8	7	2.0	1.7	1.4	-	-	-	26	22	21	1.7	1.8	2.1
Yes Bank	1,993	262		357	36	OP	91	110	149	19	12	11	2.9	2.4	1.8	-	-	-	20	21	20	0.6	0.6	0.8

continued...

Sector/ Company name	Mcap (\$m)	CMP (INR)	Vol (Rs) FY12	Tgt Pr (INR)	Upside (%)	Rating rel to sector	FDEPS (INR)			PE (x)			PB (x)			EV/Ebitda (x)			ROE (%)			Div Yield (%)		
							FY10	FY11e	FY12e	FY10	FY11e	FY12e	FY10	FY11e	FY12e	FY10	FY11e	FY12e	FY10	FY11e	FY12e	FY10	FY11e	FY12e
Cement						0 to 10	-	-	-	11	15	12	2.5	2.1	1.9	7	8	7	22	14	15	1.6	1.7	1.6
ACC	4,015	977		905	(7)	UP	84	52	61	12	19	16	3.1	2.9	2.7	6	10	8	30	16	17	2.8	3.7	2.8
Ambuja Cem	4,042	121		128	6	N	8	8	10	16	15	12	2.8	2.5	2.2	9	9	7	19	17	19	2.3	2.3	2.7
Grasim Inds *	4,611	2,297	364	2,928	27	OP	328	222	254	6	9	8	1.5	1.4	1.2	5	6	5	24	14	15	1.4	0.7	0.7
India Cement	600	89		109	22	OP	10	2	7	9	38	14	0.8	0.8	0.8	6	11	7	10	2	6	2.6	2.6	2.9
Madras Cement	498	96		125	31	OP	15	9	11	6	10	9	1.5	1.3	1.2	6	7	6	25	13	15	2.4	2.2	2.0
Shree Cement	1,222	1,602		1,863	16	OP	212	72	163	8	22	10	3.0	2.8	2.3	4	7	5	49	13	25	1.1	1.4	1.8
UltraTech Cem	6,031	1,006		971	(3)	UP	88	53	68	11	19	15	2.7	3.0	2.6	14	9	7	27	21	19	0.7	0.7	0.8
Engineering						15 to 25	-	-	-	27	22	17	5.6	4.7	3.9	16	14	11	19	20	22	1.0	1.1	1.2
ABB	3,214	693		650	(6)	UP	17	10	22	41	72	32	6.1	5.8	5.1	23	37	18	16	8	17	0.3	0.5	0.7
AIA Engg	748	362		530	46	OP	18	21	27	20	18	14	3.8	3.2	2.7	13	12	9	20	20	22	0.8	1.3	1.4
Bharat Electronics	2,971	1,697		1,570	(7)	UP	93	88	105	18	19	16	3.1	2.8	2.5	12	11	9	18	15	16	1.3	1.4	1.5
BHEL	23,446	2,188		2,550	17	N	92	113	142	24	19	15	7.4	5.8	4.5	15	12	9	35	34	33	1.2	1.3	1.4
Blue Star	699	355		375	6	UP	21	17	21	17	20	17	6.5	5.8	5.1	12	12	11	43	30	32	2.5	3.0	3.6
Crompton Greaves	3,777	269		311	16	N	13	14	17	21	19	16	6.9	5.2	4.0	13	12	10	38	31	29	0.5	0.5	0.5
Cummins	2,812	649	17	750	16	N	22	31	37	28	21	17	8.2	6.8	5.5	22	16	13	30	35	34	2.2	2.3	2.3
Hindustan Dorr Oliver	128	81		GP	-	GP	7	9	12	11	9	7	2.6	2.1	1.6	6	5	4	26	26	27	1.1	1.4	1.7
L & T *	20,916	1,572	341	2,210	41	OP	50	60	72	24	21	17	5.2	4.5	3.9	20	18	15	20	18	19	0.9	0.9	1.1
Siemens	6,259	848		UR	-	UR	16	24	29	53	36	29	10.3	8.7	6.7	26	20	16	21	26	26	0.7	0.7	0.8
Sterlite Tech	420	54		UR	-	UR	6	7	9	9	8	6	2.3	1.8	1.5	5	5	4	32	26	27	1.0	4.3	4.3
Suzlon Energy	1,867	48		UR	-	UR	(4)	(1)	4	NA	NA	11	1.1	1.1	1.0	11	11	7	(8)	(2)	9	NA	NA	NA
Thermax	1,719	659		685	4	UP	22	31	38	30	21	17	7.2	5.8	4.7	17	12	10	25	30	30	0.8	1.1	1.4
Voltas	1,246	172		240	39	OP	10	11	13	16	15	13	5.2	4.1	3.3	11	11	9	36	30	28	1.3	1.7	2.0
FMCG						(5) to 5	-	-	-	30	27	23	11.1	9.3	7.8	20	18	15	37	34	35	3.7	1.8	2.0
Asian Paints	5,205	2,481		2,380	(4)	N	79	89	108	32	28	23	13.2	10.2	8.0	19	17	14	49	41	39	1.1	1.3	1.6
Colgate Palmolive	2,412	810		730	(10)	UP	31	29	33	26	28	24	33.8	29.7	26.5	22	21	17	155	112	115	2.5	2.7	3.2
Dabur	3,517	92		97	5	OP	3	3	4	32	28	23	17.1	12.3	9.1	25	21	17	57	51	46	2.2	1.1	1.3
Godrej Consumer	2,380	336		405	21	OP	11	14	17	31	24	19	9.9	6.2	5.2	25	18	15	45	33	29	1.4	1.5	1.7
Hindustan Unilever	13,019	273		250	(8)	UP	10	10	11	28	29	25	23.0	24.5	19.9	20	21	18	91	83	87	2.4	2.4	2.6
Jyothy Lab	395	224		285	27	OP	10	11	14	22	20	16	4.2	2.7	2.5	17	16	12	20	17	16	1.8	2.0	2.2
Marico	1,542	115		131	14	OP	4	4	6	29	26	20	10.5	7.9	6.0	20	18	14	43	35	34	0.6	0.7	0.9
Nestle	6,859	3,250		3,068	(6)	UP	69	82	96	47	40	34	53.9	43.7	32.4	30	26	22	127	122	110	1.5	1.8	1.8
Tata Global Beverages	1,287	95		116	22	OP	6	5	7	16	18	13	1.2	1.2	1.1	10	10	7	8	7	9	2.1	2.6	3.2

Continued...

Sector/ Company name	Mcap (\$m)	CMP (INR)	Vol (Rs) FY12	Tgt Pr (INR)	Upside (%)	Rating rel to sector	FDEPS (INR)			PE (x)			PB (x)			EV/Ebitda (x)			ROE (%)			Div Yield (%)		
							FY10	FY11e	FY12e	FY10	FY11e	FY12e	FY10	FY11e	FY12e	FY10	FY11e	FY12e	FY10	FY11e	FY12e	FY10	FY11e	FY12e
Infrastructure ^^						25 to 40	-	-	-	29	21	17	2.9	2.2	2.1	20	14	13	8	8	10	1.0	0.9	0.9
Adani Enterprises	14,474	601		654	9	UP	9	17	29	65	35	20	5.0	3.5	3.0	48	22	15	22	15	16	0.1	0.1	0.1
GMR Infra	3,276	38		50	30	N	0	2	1	100	22	61	1.9	1.7	1.6	27	12	14	2	8	3	NA	NA	NA
Gammon India *	357	128	91	175	37	N	7	7	8	6	5	4	0.8	0.8	0.7	7	7	7	5	4	5	0.6	0.9	0.9
GVK Power & Infra	1,042	30		50	66	OP	1	1	2	31	31	17	1.3	1.3	1.2	20	21	18	5	4	7	0.6	0.6	0.6
Hindustan Construction	481	36	30	50	38	N	1	2	2	4	3	3	1.4	1.4	1.4	10	9	9	7	7	8	2.6	3.2	3.2
JP Associates	3,889	84	45	120	44	OP	5	3	4	8	11	9	2.1	1.9	1.8	12	11	10	13	8	10	1.5	1.7	1.8
Mundra Port *	5,916	135	39	180	33	N	3	4	5	28	23	19	7.8	6.7	5.6	30	24	20	22	22	23	3.5	0.9	0.9
Nagarjuna Construction	585	104	20	105	1	UP	8	8	8	11	11	10	1.2	1.1	1.0	8	9	9	10	9	9	1.5	1.7	1.7
Punj Lloyd	650	89		100	12	UP	(13)	3	7	NA	26	12	1.0	1.0	0.9	19	8	7	(16)	4	7	0.2	0.7	0.7
Ramky Infrastructure	323	258	108	500	94	OP	21	29	33	7	5	5	3.0	1.6	1.3	11	6	6	28	24	18	NA	NA	NA
Reliance Infra *	3,969	678	392	UR	-	UR	39	26	29	7	11	10	1.2	1.1	1.1	15	14	14	8	4	5	1.1	3.5	3.5
Simplex Infra	375	346		430	24	UP	26	27	31	14	13	11	1.7	1.6	1.4	6	6	5	13	13	13	0.7	1.0	1.0
IT Services						10 to 20	-	-	-	27	22	19	6.8	5.7	4.6	20	17	13	26	26	24	0.8	1.5	0.9
CMC	683	2,061		2,769	34	OP	95	121	146	22	17	14	6.1	4.8	3.8	19	13	10	31	32	30	1.0	1.2	1.4
Financial Technologies	746	740		UR	-	UR	37	-	-	20	-	-	1.7	-	-	25	-	-	9	-	-	1.1	-	-
HCL Tech	7,215	482		520	8	UP	19	22	31	25	22	16	4.7	3.9	3.1	16	13	9	20	20	22	0.8	0.8	0.8
Infosys Tech	38,284	3,046		3,780	24	OP	109	121	151	28	25	20	7.6	6.4	5.1	21	18	14	30	27	28	0.8	1.3	0.8
Mphasis	2,972	647		748	16	N	43	52	53	15	12	12	5.8	4.1	3.5	14	12	9	48	39	31	0.5	0.6	0.4
Oracle Financials	3,853	2,098		2,637	26	OP	92	124	132	23	17	16	4.1	3.3	2.7	15	13	10	20	22	19	NA	NA	NA
Patni Computer	1,336	464		399	(14)	UP	36	41	39	13	11	12	1.8	2.2	1.9	6	6	5	15	18	17	0.5	0.5	0.5
Persistent Systems	343	392		540	38	OP	32	34	36	12	11	11	2.0	2.1	1.8	9	7	5	22	20	17	0.8	0.7	0.8
Redington	617	71		99	39	OP	5	6	7	15	12	10	2.1	2.0	1.7	11	8	6	18	21	22	1.4	1.7	2.0
TCS	49,187	1,148		1,330	16	N	35	44	53	33	26	22	10.5	9.1	6.9	26	19	15	37	38	37	0.8	2.4	1.2
Tech Mahindra #	1,747	634		754	19	N	54	55	58	12	12	11	2.7	2.3	1.9	8	9	7	29	23	20	0.6	0.5	0.5
Wipro	23,405	436		468	7	UP	19	22	25	23	20	18	5.4	4.4	3.6	20	17	14	27	24	23	1.2	0.7	0.7
Logistics						10 to 20	-	-	-	17	11	9	1.9	1.7	1.6	12	8	7	10	13	14	1.8	2.2	2.4
Allcargo Global *	419	147	21	UR	-	UR	9	11	13	15	11	9	1.8	1.6	1.4	9	8	6	14	13	13	3.4	4.1	4.8
Container Corp *	3,307	1,162	201	1,265	9	UP	59	66	74	17	15	13	3.5	3.1	2.7	14	12	10	19	19	18	1.2	1.2	1.2
Gateway Distriparks *	245	104	15	132	27	OP	7	8	9	14	11	9	1.5	1.5	1.4	10	8	6	10	12	13	3.4	4.3	4.3
G E Shipping	979	294		369	26	OP	13	41	57	22	7	5	0.8	0.7	0.7	11	5	5	4	10	13	2.7	4.1	5.1
Media						5 to 15	-	-	-	38	29	22	4.8	4.1	3.5	18	13	10	13	14	16	1.0	1.0	0.9
DB Corp	1,014	255		292	14	N	10	13	15	25	19	17	6.5	4.7	3.7	14	11	10	38	28	24	NA	NA	NA
Dish TV	1,340	58		69	20	OP	(2)	(2)	(0)	NA	NA	NA	1.4	1.1	0.9	67	28	12	(22)	(9)	(0)	NA	NA	NA
HT Media	763	148		138	(7)	UP	6	7	9	23	20	17	3.7	3.6	3.6	14	11	10	17	19	21	NA	NA	NA
Jagran Prakashan	814	123		136	10	N	6	7	8	21	17	15	5.6	4.6	3.8	13	11	9	29	29	28	1.6	1.6	1.6
Sun TV	4,000	464		517	11	N	13	17	21	35	27	22	9.5	7.6	6.1	16	12	10	28	32	30	1.6	1.0	1.1
Zee Ent	2,460	115		121	5	N	5	5	6	24	22	19	2.9	2.7	2.5	17	14	12	13	13	14	0.9	2.2	1.3

Continued...

Sector/ Company name	Mcap (\$m)	CMP (INR)	Vol (Rs) FY12	Tgt Pr (INR)	Upside (%)	Rating rel to sector	FDEPS (INR)			PE (x)			PB (x)			EV/Ebitda (x)			ROE (%)			Div Yield (%)		
							FY10	FY11e	FY12e	FY10	FY11e	FY12e	FY10	FY11e	FY12e	FY10	FY11e	FY12e	FY10	FY11e	FY12e	FY10	FY11e	FY12e
Metals						0 to 20	-	-	-	20	14	12	3.2	2.5	2.0	11	8	7	16	18	17	1.2	1.3	1.5
Coal India	42,584	308		385	25	OP	15	17	19	20	18	16	7.1	5.7	4.6	12	11	10	41	34	31	1.5	1.9	2.2
Hindalco Inds *	9,927	237	16	231	(2)	UP	9	17	20	24	13	11	2.1	1.8	1.6	9	7	7	9	13	14	0.7	0.7	1.0
Hindustan Zinc	11,807	1,277		1,616	27	OP	93	113	155	14	11	8	3.0	2.4	1.9	9	7	4	24	24	25	0.5	0.6	0.6
NALCO	5,934	421		395	(6)	UP	12	22	34	34	19	13	2.6	2.4	2.0	21	10	7	8	13	17	0.6	1.2	1.4
NMDC	22,989	265		249	(6)	UP	9	16	18	30	17	15	7.4	5.3	4.1	21	10	9	27	37	31	0.8	0.8	0.8
Tata Steel	13,350	636		607	(5)	UP	(15)	59	49	NA	11	13	2.2	1.8	1.5	13	7	6	(5)	18	13	1.5	1.3	1.5
Oil & Gas						10 to 20	-	-	-	14	12	11	2.1	1.9	1.7	9	7	6	15	15	16	1.8	2.0	2.1
BPCL	4,648	587		700	19	N	48	33	24	12	18	24	1.4	1.3	1.3	16	12	14	12	8	5	2.3	1.7	2.0
Chennai Petro	689	211		UR	-	UR	40	38	33	5	6	6	0.9	0.8	0.8	8	6	6	18	16	12	5.7	5.7	5.7
GAIL	12,570	453		480	6	UP	25	30	33	18	15	14	3.4	2.9	2.5	12	10	9	20	21	20	1.7	1.5	1.9
Gujarat Gas	926	330		NR	-	NR	14	17	18	24	19	18	5.1	4.3	3.7	15	12	11	22	24	22	2.4	1.2	1.8
GSPL	1,254	102		NR	-	NR	7	8	10	14	13	11	3.4	2.8	2.3	7	7	5	27	23	23	1.0	1.2	1.5
HPCL	2,526	341		370	9	UP	61	29	21	6	12	16	1.0	0.9	0.9	9	11	12	19	8	6	3.5	2.9	3.5
Indian Oil	16,964	319		350	10	UP	44	31	30	7	10	10	1.4	1.3	1.2	10	7	8	21	13	12	4.1	3.1	3.1
Indraprastha Gas	966	315		UR	-	UR	15	17	21	20	18	15	5.3	4.4	3.7	12	10	8	29	27	27	1.4	1.6	1.7
Oil India	6,866	1,305		1,470	13	N	109	144	147	12	9	9	2.3	2.0	1.7	6	5	5	23	23	21	2.6	3.5	3.5
ONGC	55,727	1,190		1,355	14	N	90	116	132	13	10	9	2.5	2.2	1.9	5	5	4	20	22	22	2.8	3.4	3.7
Petronet LNG	2,071	126		UR	-	UR	5	7	9	23	18	14	3.8	3.3	2.8	13	11	10	17	20	23	1.4	1.6	2.0
Reliance Inds	65,873	920		1,145	25	OP	49	61	74	19	15	12	2.1	1.9	1.7	11	8	7	12	13	14	0.7	0.8	0.8
Tata Chemicals	1,874	336		UR	-	UR	26	28	32	13	12	10	1.6	1.5	1.3	7	6	5	13	13	13	2.7	3.0	3.3
Pharmaceuticals						(10) to 10	-	-	-	34	20	16	5.4	4.4	3.6	20	15	12	16	22	22	0.6	0.7	0.8
Aurobindo Pharma	1,497	1,175		1,521	29	OP	77	98	127	15	12	9	3.1	2.5	2.1	11	9	7	26	25	27	0.4	0.5	0.6
Biocon	1,479	338		440	30	OP	15	18	20	23	18	17	3.8	3.3	2.8	14	11	10	18	19	18	1.0	1.2	1.3
Cadila Healthcare	3,555	793		715	(10)	N	25	33	40	32	24	20	9.7	7.6	5.9	21	17	14	35	35	33	0.6	0.9	1.0
Cipla	5,698	324		307	(5)	N	13	13	15	25	26	21	4.3	3.9	3.4	19	18	15	21	16	17	0.6	0.6	0.7
Dishman Pharma	221	125		146	17	OP	12	12	15	11	10	9	1.3	1.2	1.0	8	8	7	13	12	13	0.8	1.0	1.1
Divi's Lab	1,906	657		643	(2)	N	26	27	32	26	25	20	5.7	4.7	3.9	20	20	16	24	21	21	0.4	0.4	0.4
Dr Reddys Lab	5,849	1,580		1,660	5	N	12	60	75	134	27	21	6.2	5.1	4.2	17	17	13	5	21	22	0.4	0.4	0.4
GlaxoSmithKline Pharm	4,137	2,231		1,913	(14)	UP	59	67	80	38	33	28	10.6	9.4	8.2	25	23	19	30	30	31	1.3	1.5	1.7
Glenmark Pharma	1,735	293		365	24	OP	13	17	21	23	17	14	3.3	2.8	2.4	15	13	11	18	18	19	0.1	0.6	0.6
Jubilant Life Sciences	714	205		324	58	OP	19	21	29	11	10	7	1.4	1.4	1.1	9	8	6	17	14	18	NA	NA	NA
Lupin	4,117	422		465	10	OP	15	20	23	28	21	18	7.2	5.6	4.5	21	16	13	30	29	27	0.7	0.8	0.9
Piramal Healthcare	2,057	450		UR	-	UR	23	-	-	20	-	-	5.6	-	-	16	-	-	32	-	-	1.4	-	-
Ranbaxy Lab	4,836	525		600	14	OP	0	50	74	2,061	10	7	5.0	3.2	2.3	34	8	5	0	38	38	NA	0.4	0.6
Sun Pharm	9,426	418		421	1	N	11	17	22	38	24	19	5.7	4.8	4.0	34	20	15	16	22	23	0.7	0.8	0.9

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Sector/ Company name	Mcap (\$m)	CMP (INR)	Vol (Rs) FY12	Tgt Pr (INR)	Upside (%)	Rating rel to sector	FDEPS (INR)			PE (x)			PB (x)			EV/Ebitda (x)			ROE (%)			Div Yield (%)		
							FY10	FY11e	FY12e	FY10	FY11e	FY12e	FY10	FY11e	FY12e	FY10	FY11e	FY12e	FY10	FY11e	FY12e	FY10	FY11e	FY12e
Power Utilities						10 to 15	-	-	-	19	18	14	2.8	2.4	2.1	14	14	11	15	13	15	1.4	1.4	1.5
Adani Power	5,877	123		152	23	OP	1	4	11	158	33	11	4.6	4.1	3.0	149	38	13	4	13	30	NA	NA	NA
JSW Energy	2,741	76		115	51	OP	5	6	12	15	14	7	2.6	2.3	1.7	15	13	6	27	18	30	1.1	1.3	2.7
JP Power Ventures	1,991	43		71	64	OP	1	1	3	38	72	16	2.0	1.9	1.6	25	33	10	6	3	11	NA	NA	NA
NTPC	31,901	177		184	4	UP	11	11	11	16	17	17	2.3	2.1	2.0	12	12	12	15	13	12	2.5	2.6	2.5
Power Grid	9,865	97		125	28	OP	5	6	7	19	17	13	2.6	2.1	1.9	13	11	10	14	14	15	1.8	1.8	2.2
Reliance Power	7,942	129		UR	-	UR	3	3	2	45	40	68	2.1	2.0	2.0	NA	50	32	5	5	3	NA	0.0	0.0
Tata Power *	6,145	1,183	155	1,483	25	OP	75	86	93	14	12	11	1.9	1.7	1.5	11	10	8	14	13	13	1.0	1.0	1.0
Real Estate						15 to 25	-	-	-	17	14	10	1.4	1.2	1.1	17	12	8	8	8	11	0.1	0.1	0.1
Century Textile *	654	321	223	505	57	OP	46	30	26	3	4	4	1.7	1.5	1.4	6	9	9	26	15	11	2.0	2.0	2.0
DB Realty	745	140		UR	-	UR	10	17	59	13	8	2	1.1	1.0	0.7	11	7	2	13	13	34	NA	NA	NA
DLF	8,814	237		242	2	UP	11	10	14	22	23	17	1.6	1.5	1.5	19	15	13	7	7	9	NA	NA	NA
HDIL	1,248	137		261	90	OP	16	24	23	9	6	6	0.7	0.6	0.6	11	7	7	10	12	10	NA	NA	NA
Indiabulls Real Estate	1,025	116		175	50	OP	(0)	5	12	NA	22	10	0.4	0.4	0.4	NA	25	15	(0)	2	4	NA	NA	NA
Oberoi Realty	1,714	239		322	35	OP	14	18	22	17	13	11	4.3	2.4	2.0	16	11	5	28	23	20	NA	NA	NA
Prestige Estates	948	132		217	64	OP	5	7	12	29	18	11	4.2	1.7	1.5	21	12	8	16	14	15	NA	NA	NA
Sobha Developers	485	226		399	77	OP	14	21	32	17	11	7	1.3	1.1	1.0	14	9	4	9	11	15	1.1	NA	NA
Unitech	2,466	43		UR	-	UR	3	3	5	16	13	9	1.1	1.0	0.9	16	11	7	9	8	10	NA	NA	NA
Vascon Engineers	215	109		181	66	OP	6	7	15	18	15	7	1.5	1.3	1.1	12	10	3	10	9	17	NA	NA	NA
Retail						20 to 30	-	-	-	47	24	17	5.1	4.2	3.3	20	14	11	10	16	17	0.3	0.5	0.6
Pantaloon Retail *	1,339	285	117	485	70	OP	9	12	16	19	14	10	1.6	1.5	1.3	11	9	7	6	6	8	0.2	0.4	0.4
Titan Inds	3,410	3,509		3,694	5	UP	57	107	137	61	33	26	21.5	14.2	9.9	39	24	19	40	52	46	0.4	0.6	0.7
Sugar						(5) to (15)	-	-	-	24	15	11	2.0	1.8	1.5	10	8	7	9	12	14	1.6	1.1	0.9
Bajaj Hindustan	410	82		101	23	OP	(2)	3	7	NA	31	12	0.7	0.7	0.7	9	9	7	(2)	2	6	0.9	0.7	0.7
Balrampur Chini	404	71		90	27	OP	8	3	9	8	24	8	1.6	1.6	1.4	6	10	6	20	7	18	4.2	2.1	2.1
Shree Renuka	1,302	89		64	(28)	UP	4	8	8	25	12	11	3.6	2.8	2.2	15	7	7	19	27	22	1.1	0.9	0.6
Telecom **						(10) to 0	-	-	-	12	21	18	1.8	1.7	1.6	8	9	7	15	8	9	NA	NA	NA
Bharti Airtel	27,581	332		355	7	OP	22	16	19	15	21	17	2.8	2.5	2.2	8	9	7	22	13	13	NA	NA	NA
Idea Cellular	5,045	70		66	(5)	N	3	3	2	25	27	32	2.0	1.8	1.7	9	9	7	7	7	6	NA	NA	NA
OnMobile Global	288	224		336	50	OP	7	14	19	31	16	12	1.8	1.6	1.4	14	10	6	6	11	13	NA	NA	NA

Note

- 1) * EPS & BV are for core business while target price includes value of investments
- 2) ^ M&M FY10 numbers not comparable due to merger with PTL
- 3) # For TechM, consolidated EPS including Satyam is Rs 67 for FY11E and Rs 78 for FY12E
- 4) ** Telecom company valuations include tower valuations
- 5) ^^L&T included while calculating weighted sector upside

Source: ENAM estimates, Bloomberg

7. APPENDIX

A. Completed QIPs

Completed QIPs

Issue Date	Company name	Issue Size (INRm)	Issue Price (INR)	CMP (INR)	Performance (%)
04-Nov-10	Prime Focus	730	69	54	(22)
09-Nov-10	Manappuram General Finance	10,000	168	103	(38)
10-Nov-10	Northgate Technologies	287	21	14	(34)
29-Nov-10	Usher Agro	1,000	93	93	1
Total		12,017			

Source: Prime Database, NSE

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