MONARCH STREET

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Dear all,

we as a monarch would like to take this opportunity to wish you and your family a very happy Diwali & prosperous new year. May God fulfill all your wishes in wealth, health & happiness in your life.

May the festival of lights be the harbinger of joy and prosperity. As the holy occasion of Diwali is here and the atmosphere is filled with the spirit of mirth and love, here's hoping this festival of beauty brings your way, bright sparkles of contentment, that stay with you through the days ahead.

May you be blessed with happiness and well being to last through the year.

happy diwali

Kind Regards,

Mr. Vaibhav Shah,
M.D
Monarch Group.

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GLOBAL SCENARIO

US Employment likely grew only modestly in September, with hiring too weak to pull down a lofty jobless rate and dispel recession fears. But while the tone of the government's closely followed employment report on Friday is expected to be soft, economists said it still should not be viewed as flagging a new downturn in the world's largest economy. U.S. nonfarm payrolls probably increased 60,000 last month after holding steady in August, according to a Reuters survey. August was the first month in a year that the ailing economy failed to create jobs.

The U.K.'s economy grew less than expected in the second quarter, expanding 0.1 percent from the first three months of the year,. That was lower than the 0.2 percent previously published by the statistics body and also missed the 0.2 percent expansion . The E.C.B.'s restraint came in contrast to the action of the Bank of England, which announced another round of bond buying to support the slowing British economy. The pound fell against all major currencies after the announcement; the euro rose against the dollar.

German industrial production slowed less than expected on the month in August, but is expected to continue to deteriorate going forward, Germany's economics ministry said Friday. Total production for the month of July was revised downward slightly to 3.9%, from 4%. Broken down by category, manufacturing production fell 1% on the month for August. Within this, consumer goods production dropped by 4.9% on the month in August, while capital goods production grew by 0.2%. Construction production decreased by 1.2% on the month. On the year, production increased 7.7% in August, when adjusted for working days, and 10.5% in unadjusted terms.

GLOBAL SCENARIO

The precious metal complex declined led by the fall in Silver that fell 26.28% last week. The precious White metal followed Gold rise higher in July and August, but lacks supportive fundamentals by itself. CME's margin raise, together with rapid deterioration Global economic outlook may lead Silver to correct more in the morning.

Moody's downgraded Italy's government bond ratings from Aa2 to A2 with a "negative outlook", suggesting further cuts could be to come. The move threatens to increase Italy's cost of borrowing, and will add yet more pressure to European finance ministers now wrestling with a financial crisis that has spread across the continent. Italy sovereign debt rating has been cut for the second time in as many weeks, with ratings agency Moody's citing "sustained and non-cyclical erosion of confidence" as it slashed its forecast for the country.

The credit ratings agency Moody's Investors Service has downgraded Portugal's debt to junk status. The agency said there was a growing risk the country would need a second bail-out before it was ready to borrow money from financial markets again. Moody's was concerned that if there was a second bail-out, private lenders might have to contribute. Moody's cut Portugal's rating by four notches from Baa1 to Ba2.

Japan's central bank on Friday kept its key interest rate unchanged at nearly zero and extended by six months an emergency loan program for disaster-hit regions. The Bank of Japan's nine-member policy board voted unanimously at a two-day meeting to maintain the overnight call rate target at zero to 0.1 percent. Industrial production figures last week showed that output had nearly recovered to the levels recorded before the March 11 earthquake and tsunami devastated northeastern Japan. Exports in August rose for the first time in six months.

President Barack Obama planned to appeal to Congress Thursday night to support nearly $450 billion in tax cuts and federal spending, including deeper payroll tax cuts to keep more cash in the pockets of dispirited Americans. President has to promise and make some decision without sinking the nation in the precarious situation.

Germany export swelled to the value of Euro 85.3 billion and imported commodities to the value of Euro 73.5 billion in August 2011. As further reported by the Federal Statistical Office (Destatis) on the basis of provisional data, German exports increased by 14.6% and imports by 12.6% in August 2011 on August 2010. Upon calendar and seasonal adjustment, exports rose by 3.5% and imports remained unchanged on July 2011. The foreign trade balance showed a decent surplus of Euro 11.8 billion in August 2011. This might give some relief to the current Euozone crisis

The French economy posted only a slight expansion in the third quarter, as sentiment indicators in the industry and service sectors remained at their lowest for over a year. France's gross domestic product, the euro zone's second-largest, is expected to have grown 0.1% in the three months to September, the central bank said, as sentiment indicators in the industry and services sectors stood at 97 and 96, respectively, far from the highs they have reached since October 2010. National statistics agency Insee, saying France's growth outlook had deteriorated sharply over the summer, and arguing the country is now headed for 0.3% growth in the third quarter and for zero growth in the last three months of the year.

South Korean Finance Minister Bahk Jae-wan said the country's inflation is starting to stabilize but said factors like higher import prices stemming from the weaker Korean won continue to pose risks. Bahk, speaking at a policy meeting, noted that inflation in September eased in comparison to August and said agricultural product prices are continuing to stabilize in October. However, the minister also said the country

INDIAN SCENARIO

India, the world's second largest sugar producer, exported 3.61 million tonnes of the Sugar between October 2010 and April 2011 in view of surplus output. As The government has allowed sugar exports under Advance License Scheme (ALS) and Open General License (OGL) in view of higher production than internal demand, favorable global prices and to enhance liquidity of sugar mills for enabling them to pay cane dues to farmers.

India's foreign exchange (FOREX) reserves dropped by $1.22 billion at $311.48 billion for the week ended Sep 30, registering a sharp decline for the second straight week largely due to revaluation of non-dollar assets, official data showed. The forex reserves had slumped by $4.05 billion during the week ended Sep 23. The reserves have declined for the third time in the last four weeks under review. The country's foreign exchange reserves kitty has shrunk by $9.30 billion in the last four weeks after swelling to an all-time high of $320.78 billion for the week ended Sep 2.

India's weekly inflation for primary articles eased to 10.84% in the week ended 24 September from 11.43% in the previous week. Within the primaryarticles group, the inflation for non-food articles and minerals eased to 10.77% and 21.05%, respectively. The inflation for non-food articles andminerals has eased sharply from 38.6% and 27.48% a month ago

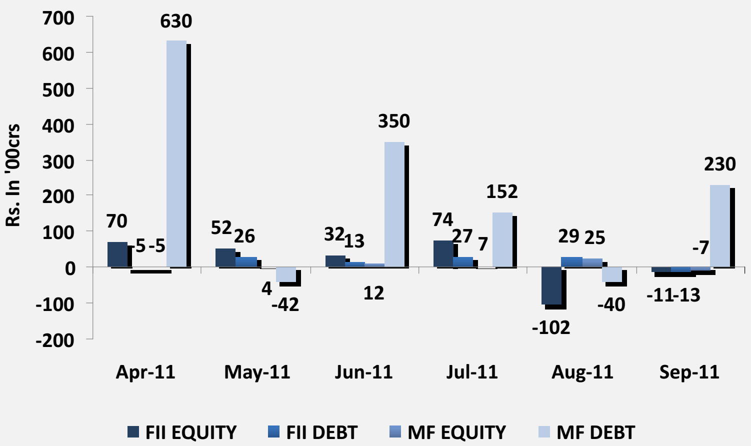
The RBI's most important goal is to maintain monetary stability - moderate and stable inflation - Increases or decreases in the repo and reverse repo rate have an effect on the interest rate on banking products such as loans, mortgages and savings. Latest Interest rate changes on 16th-Sep-2011 was 8.250% while on 26th-July-2011 was 8.0%. with compare to 25th-Jan-2011 rate was 6.50.

INDIAN SCENARIO

KEY STATISTICS

	APR-11	MAY-11	JUN-11	JUL-11	AUG-11
MONETARY & BANKING INDICATOR					
Cash reserve ratio(%)	6	6	6	6	6
Bank Rate (%)	6	6	6	6	6
Moneysupply(M3)(Rs Crore)	6648098	6658565	6686002	6798108	6835013
Aggregate Deposit(Rs Crore)	5350651	5321641	5372295	5485377	5509100(P)
Bank Credit (Rs Crore)	3923063	3950383	4014124	4011368	4044862(P)
INTEREST RATE					
Base Rate (Maximum) (%)	8.5-9.5	9.25-10	9.25-10	9.50-10.75	9.50-10.75
Deposit Rate Maximum)(%)	8	9.1	8.25-9	9-9.25	9-9.25
INDEX OF INDUSTRIAL PRODUCTION (YOY) (BASE YEAR 2010=100)					
General	166.2	166.2	170.4	167.5	162.4
Mining	128.4	130.9	123.9	125.1	117.6
Manufacturing	176.1	174.5	182.6	177.5	172.6
Electricity	146	152.1	144.3	152.1	149.4
EXTERNAL SECTOR INDICATORS					
Exports (USD Million)	23849	25941	29213	29344	NA
Imports (USD Million)	32834	40906	36872	40426	NA
Trade Balance (USD Million)	-8985.04	-14965.7	-7659	-11082	NA

FUND ACTIVITY



High Interest rate enticed the Foreign players in the Debt market and that is witnessed by the following chart.

But looking at the forward picture we assume RBI might increase the interest rate and that turned out to be the final hike. Hence fund continuous to flow in the debt market, but sooner than later we will see the reverse direction

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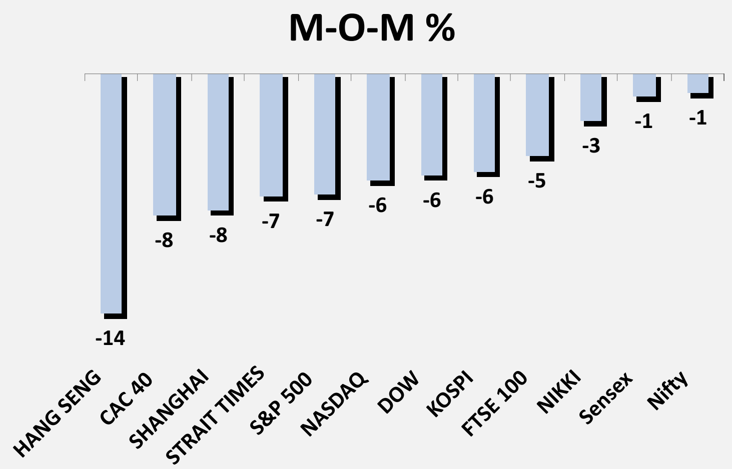
INDIAN SCENARIO

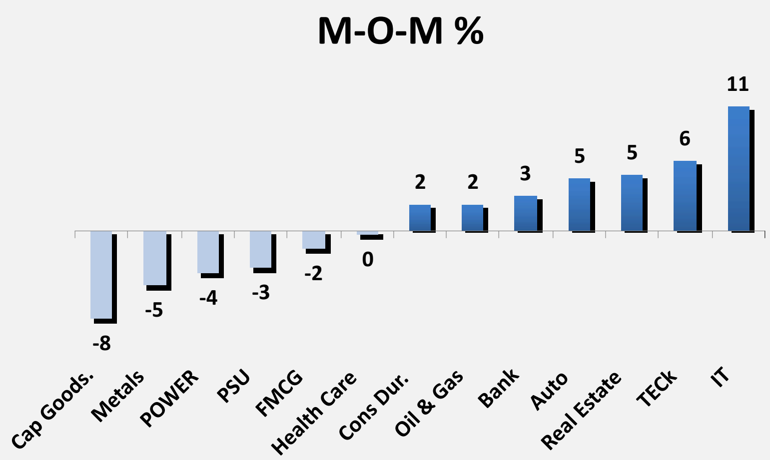
WORLD EQUITY INDICES- MONTHLY PERFORMANCE



Major equity markets savaged and gave the negative gains. Continuous fear of Euro crisis and US weak economic picture kept its tight grip on the Equity markets.

Hangseng, CAC, Strait Times were the worst performers among the major players. We expect markets might show some strength , but we will call it a Dead Cat Bounce

BSE SECTORIAL MONTHLY PERFORMANCE



All the sectors has nosedived and gave the negative return in the month of October (M-O-M). all credit goes to RBI tighting policy, high import bills and weak global scenario.

For the coming sessions we expect banking and metal sector might outperform to its peers because of the favorable market condition and leaders are trying to soothing the Euro issue

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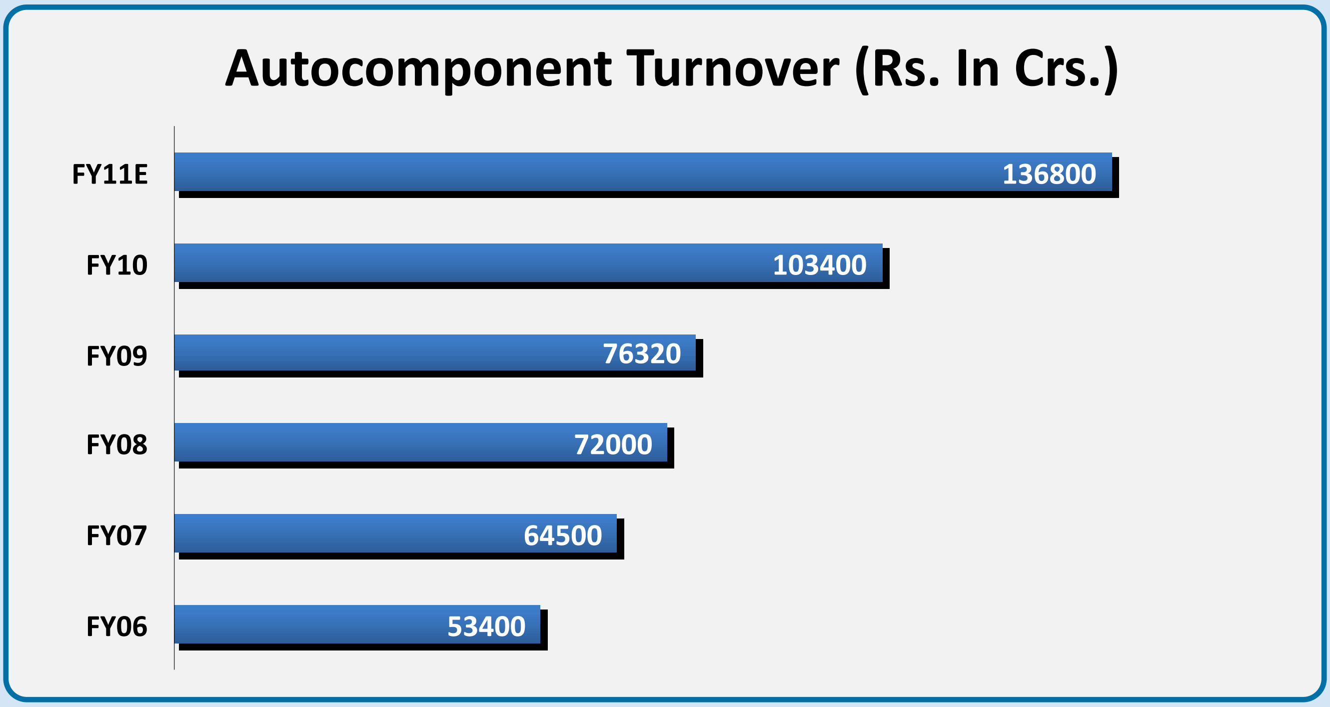
FUNDAMENTAL EQUITY RESEARCH

OVERVIEW OF THE AUTO COMPONENT INDUSTRY

We have witnessed surge in automobile industry since 1990's has led to robust growth of the auto ancillaries sector in the country. Indian auto component industry is quite comprehensive with around 500 firms in the organized sector producing practically all parts and more than 10,000 firms in small unorganized sector, in tierized format. The sector has been growing at a CAGR of 21% over the period FY06-11. We expect that the growth of the auto-component segment will be maintain the high-growth phase of 15-20 per cent till 2015.



DEVELOPMENT OF THE AUTO-COMPONENT INDUSTRY

In early 1940's, the auto Components Manufacturing took the shape of an industry in India Since than passing through various phases of ups and downs, the industry has emerged as one of the fastest growing manufacturing sectors that is globally competitive as well. The complete development of the auto-component industry is divided basically in three stages:

1. **Period prior to the entry of Maruti Udyog Ltd,**
2. **Period after the entry of Maruti Udyog Ltd and**
3. **Period post Liberalization**

The period prior to the entry of Maruti Udyog Ltd was mainly characterized by small number of auto majors like Hindustan Motors, Premier Automobiles, Telco, Bajaj and Mahindra & Mahindra. During this phase entire auto-component has the phenomenon of low technology and assured business.

The entry of Maruti Udyog Ltd in the 1980s was the beginning of the second phase of the industry. It has been witnessed that this period was the complete turnaround for the auto component industry. During this period the auto ancillary industry in the country really showed a spurt in growth. Technological development and quality standard came in picture since then, as there was a requirement to meet the stringent quality standards of Maruti's Korean collaborator Suzuki of Japan. During this period, auto components from India began to be exported.

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FUNDAMENTAL EQUITY RESEARCH

Post Liberalization period lead to the entry of foreign automobile manufacturers ranging from Mercedes Benz, Ford, and General Motors to Daewoo this was the beginning of the third phase of the evolution of the industry. In tandem with the industry trends, the Indian component sector has shown great advances in recent years in terms of growth, spread, absorption of new technologies and flexibility.

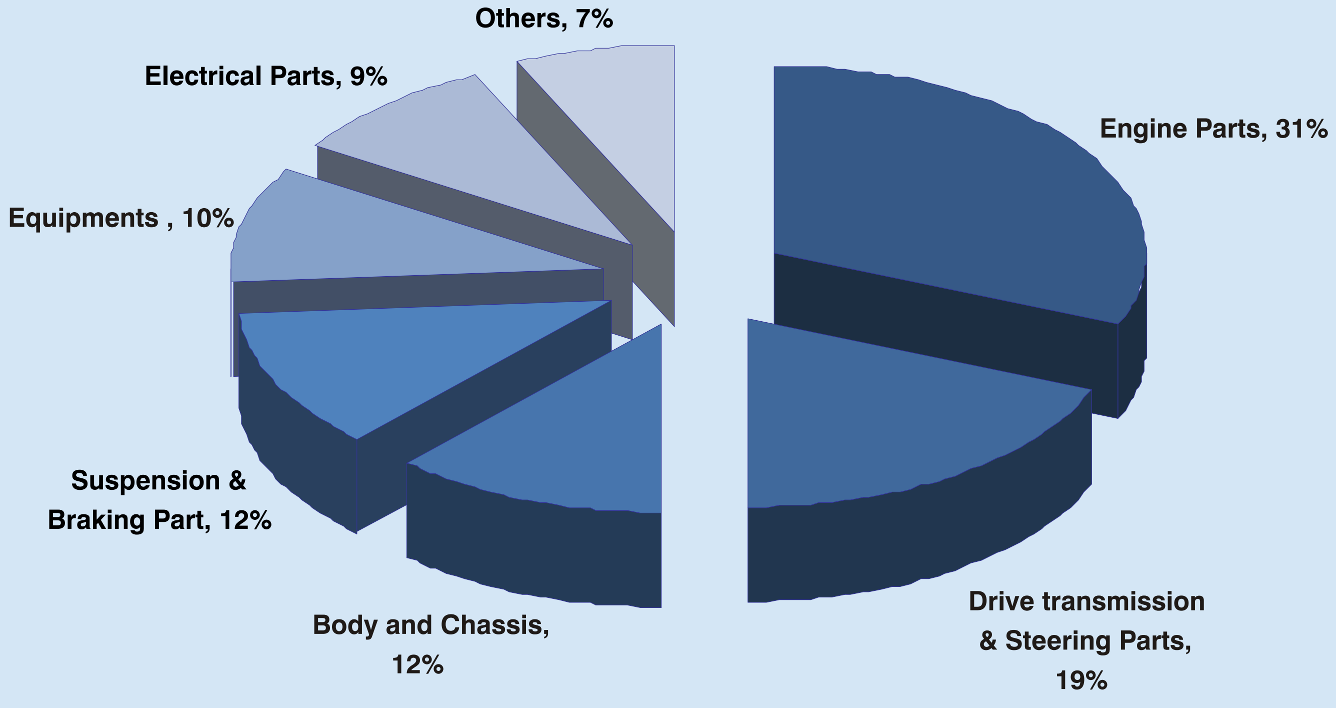
85% of the India's total production is contributed by the 500 key players. India has also emerged as an outsourcing hub for auto parts for international companies such as Ford, General Motors, Daimler Chrysler, Fiat, Volkswagon, and Toyota. As India enjoys cost advantage with regard to castings & forgings and employee cost. The manufacturing costs in India are 25- 30 % lower than its western counterparts. India's competitive advantage does not come from costs alone, but from its full service supply capability.

As per the Automotive Mission 2016 it is expected that Automotive segment will contribute nearly 10% to the India's GDP, with an expected turnover of $145bn and export revenue to $35bn. Further as per the plan it expected to provide employment to 25mn people in this industry by 2016.

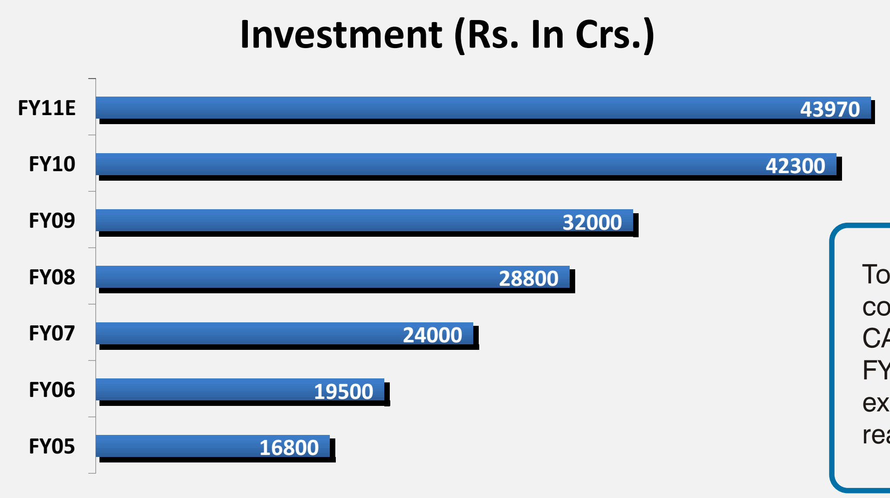
INDUSTRY SCENARIO

Over the years, the industry developed the capability of manufacturing all components requreire to manufacture vehicle, which is evident from the high levels of indigenization achieved in the vehicle industry as well as the components developed for the completely Indian made vehicles like the Tata Indica, Tata Indigo, Mahindra Scorpio, Bajaj Pulsar, TVS Victor and TVS star. The industry has now holistic capability to manufacture the entire range of auto components e.g. Engine parts, Drive, Transmission Parts, Suspension & Braking Parts, Electricals, Body and Chassis Parts, Equipment etc.

Component-wise share of production



AUTO-COMPONENT INVESTMENTS

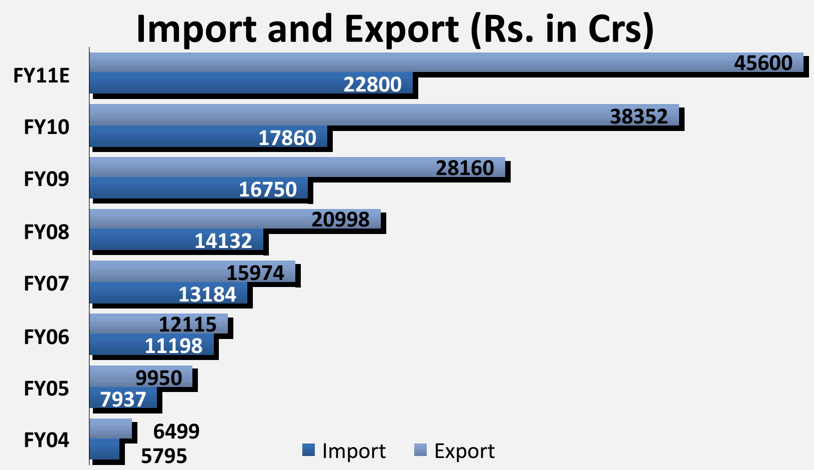


Total Investment of the auto component industry has grown at a CAGR of 15% over the period of FY05 to FY11. Going forward it is expected that this investment will reach to Rs.580000 Crs. by 2016.

AUTO-COMPONENT EXPORT

Before liberalization auto component industry was completely dependent upon the domestic automobile industry, but after liberalization there is a complete turnaround in the industry is found in the auto component industry. This derived a complete new driver for demand in the auto component industry i.e. domestic automobile manufacturer; internationally OEM manufactures as well as TIER 1 manufactures fetch demand for Indian auto component industry. At the same time, a bright outlook for the domestic automobile industry also offers significant growth potential, given the fast rising income levels with a rapidly growing middle and high income consumers.

Exports of auto components have been strong growing at a CAGR of 32% since 2004. This growth in exports if sustained for another five years will see India's auto components exports will touch USD 35 billion by 2016.



AMTEK AUTO LIMITED

Amtek Auto Ltd (AAL), is one of the largest integrated auto components manufacturers globally and engaged in manufacturing of casting, forging, machining and sub-assemblies. The company caters to wide range of Original Equipment Manufacturer (OEMs) across all the segments of automobile industry. AAL is a tier-1 & tier-II vendor and it is one of the largest OEM supplier in domestic and export market with its 48 manufacturing facilities. Strategically located across three continents to serve the top OEMs just in time. Further the company has a backup of in-house Design and Development facilities. We recommend 'BUY' on stock with a price target of `186.

INVESTMENT COGENCY :

Operating margin boosts up : with increase in capacity utilization.

After the slowdown seen in 2009 in 2010 the company has shown improvement in its operating margin. This was mainly due to the increase in capacity utilization in FY06/10. In FY06/10 the company's utilization level of Machined component, Forging and Aluminum Casting was 50%, 39%, 16% respectively resulting to the operating margin at 27%. As per our expectation the company's utilization level would increase to 55%, 50%, 25% of Machined component, Forging and Aluminum Casting respectively resulting to the operating margins at 29%. Operating margins of the company is expected to grow at 3% CAGR from 2010 to 2012.

Growth in OEM to fuel domestic demand

Over 90% of AAL's Automotive segment comes from the OEM market of India. The company is catering to all the segments of Automobile sector. For the coming 3-4 years passenger vehicle will grow at a CAGR of 6.3% from 2009-2014 according to ACMA. Indian automobile industry will grow at a CAGR of 14% over 2009-2020 as per the Earnest & Young's (E&Y) estimates. The car manufacturing capacity will increase to 5.7million units by 2015 from 1.48 million units in 2009. Healthy growth of Automobile industry will translate into high sales of the company.

Diversified Product Mix with a wide range of customer.

The company has a diversified range of product portfolio. It has more than 400 products in its portfolio. It has mainly three division Machined Auto, forging and aluminum casting. The company is increasing its installed capacity on continuous basis. No single customer of the company is contributing more that 15% of the company's revenue. The company has a well diversified portfolio in terms of Products, Customer, Geographical Presence.

Foray into non auto segment.

AAL has entered in the Non Auto Segment to reduce its dependency on the automobile sector. Currently the company is operating in manufacturing of Rail Components and Wagon manufacturing. Apart from this the company has also entered in the Defense segment for forging and up gradation of tanks. Currently the non auto segment is contributing 11% of the total revenue and the company has a plan to increase this to 25% by 2014.

Healthy Financial and Valuation

We expect the revenue and profit of Amtek Auto Ltd to grow at 16% and 31% CAGR to ₹5841 and ₹554 Crs during 2010 to 2012E period respectively. Growth in sales is mainly due to the growth of the OEMs and it is assumed that in India there would be high growth in passenger car as per SIAM guidance. Further, the company is also in the expansion mode and the improving utilization level should result in higher operating margins. Apart from domestic growth, with improvement in the US economy there would an increasing demand from the global business. It is expected that by next year there would be a high demand from the global market on the back of recent bounce back of 25% in the volume numbers of US market. On the other hand European market has also shown some positive signs.

AMTEK AUTO LIMITED

The operating margin and net margins are expected to grow at 200bps and 1200bps CAGR to 22.4% and 9.6% over the period 2010 to 2012E resulting to operating and net profit of ₹1090 and ₹462.

We expect the revenue and profit of AAL to grow at 29% and 50% CAGR to ₹5863 and ₹609 Crs during 2010 to 2012E period respectively. At the CMP of ₹136 the company is trading at multiples of 11.62X and 5.83X of its FY2011E and FY2012E EPS of ₹11.71 and ₹23.33 respectively. We recommend BUY rating with a price target of ₹186 in 12-15 month. Historically the company is trading between P/E band of 10-15, we conservatively take the multiple of 8 with its FY2012E EPS of ₹23.33.

	FY06/09	FY06/10	FY06/11E	FY06/12E	FY06/13E
Revenue (₹ crs)	3295.80	3544.21	4979.90	5863.07	6542.83
YoY	-27%	8%	41%	18%	12%
EBITDA (₹ crs)	557.63	761.10	1135.80	1339.56	1530.69
EBITDA (%)	17%	21%	23%	23%	23%
PAT (₹ crs)	190.36	270.78	500.54	609.15	694.24
PAT (%)	6%	8%	10%	10%	11%
DEPS (₹)	10.22	11.29	11.71	23.33	26.98
BV (₹)	230.41	228.82	234.37	243.18	272.51
ROE (%)	5.9%	5.9%	10.2%	11.1%	11.3%
ROCE (%)	3.9%	5.2%	8.8%	9.6%	9.8%

NIFTY GLANCE

After a massive sell off in the Indian Indices Nifty touched the 4720 levels which is 38% of the Fibonacci retracement from the high of 6300 level. Nifty formed a rock solid support near 4720 levels and formed a Twizzer Bottom candle stick pattern. But the global uncertainties are still hovering in the sky and any negative news might plunge the Nifty till 4650 levels

OUTLOOK

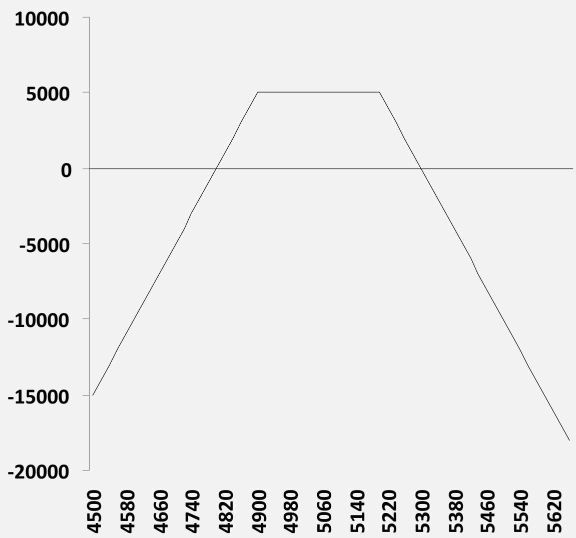
Prices moving in a downtrend channel and formed a Double bottom pattern Interestingly, RSI was moving in a long downtrend and finally given breakout. Prices has pierced its 10D weekly EMA and formed a strong resistance near 5184 levels. We assume it might face some difficulty in surpassing this level. Below 4970 would act as a strong support. Anything breakdown below this levels might plunge the market till 4900 - 4850 levels.

Option Strategy (Short Strangle)

As we are heading towards the October expiry we assume Nifty might end near 4900 -5000 levels. Because we can witness strong put writing near 4900 levels and upside 5200 calls is adding high open interest. Looking from all the angels, we advise Short Strangle Option strategy for the month of October.

SELL ONE 4900 PE @ 39 | SELL ONE 5200 CE @61

Maximum one can gain 5000, if the Nifty ends between 4900-5200. Start to lose if it ends below 4800 and upside 5300 levels



TECHNICAL PICK

HINDOIL EXPO

Looking at the weekly chart , prices has bounced back after taking support at its trend line i.e. at 100 levels.

Prices and RSI is showing the positive divergence and that too backed by the Stochastic Oscillator. Hence we expect bounce back till 125 -130 where is heading a strong resistance.

HINDOIL EXPO	
BUY	106-108
Stop loss	100
TGT	125-132

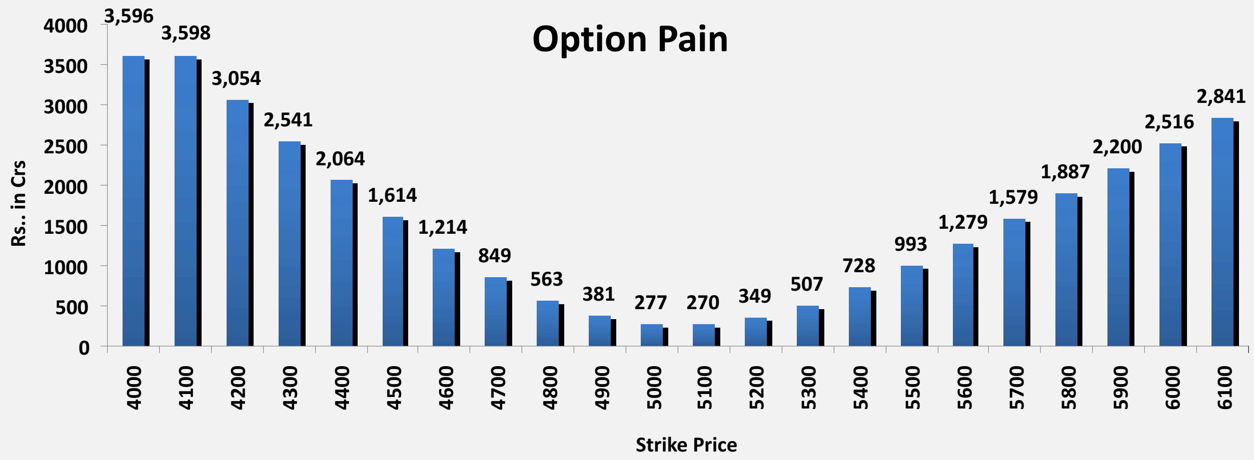
After losing 28% in last 5 weeks , prices find support near 400 levels. Prices pierced the 5d weekly EMA from below and stock is also showing the perfect weekly positive divergence.

Stochastic momentum has also given the positive divergence. Hence we advice to Accumulate on every dips upside till 480-500 levels.

TATA STEEL	
BUY	425-440
Stop loss	390
TGT	480-500

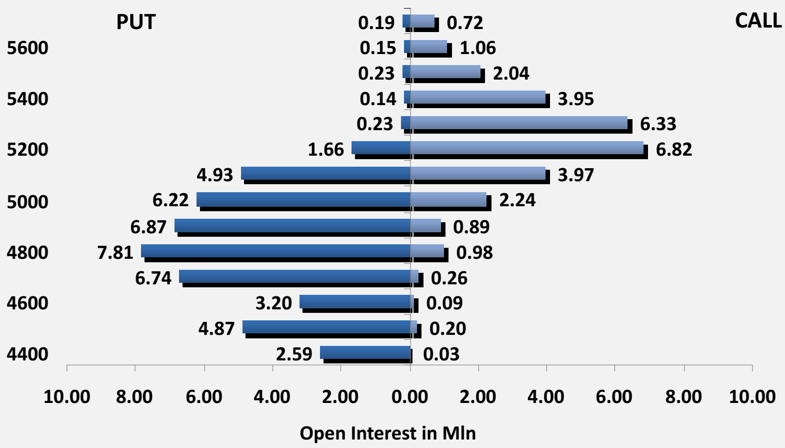
TECHNICAL PICK

OPTION PAIN



Option pain is the theory which gives indication that at which levels Nifty or stock gets closed at the time of maturity.

Looking the chart we can witness the minimum figures i.e. in crores is at 5100 levels (270 Cr). We assume that market will end somewhere near 5100-5200 levels and we will call this levels as the Option pain. This data is variable hence might get change as the time passes. But looking at the current juncture 5100 would act as a strong closing level



Looking at the chart we can witness the maximum open interest in call is at 5200 levels and maximum open interest in put is at 4800 levels.

It means market might face some difficulty to bounce above 5200 levels and below 4800 would act as strong support levels. Currently, the P/C ratio is 1.52, it means market might face downside pressure till 4920-4950 levels.

COMMODITY INSIGHT

SILVER

In Mid 2011, the United States produced approximately 1,370 tons of silver with an estimated value of $900 million. Silver's traditional use categories include coins and medals, industrial applications, jewelry and silverware, and photography. silver prices tanked on speculation that European governments will find it difficult to contain the debt crisis. Gains registered by the US dollar against the euro are unlikely to be reversed, eroding the demand for precious metals as an alternative investment. The wild movement has worsened because of the exchanges'' requirement of increasing the margin requirement.

Important Factors :

- ETF made inflows into its physical silver exchange-traded product reached their highest level in 18 weeks last week as investors took advantage of the largest gap between the white metal and its sister commodity gold in almost a year. Total inflows into ETFS Physical Silver equaled $14.7 million.
- Gold to Silver ratio has climbed to 55 levels this has deviated from its average of 44 levels. We expect Silver might out form the Gold in terms of price.
- Euro is trying hard to combating its crisis and if the talks among the Euro turned out to be fruitful , it might be positive new for the Euro and for the Silver prices.

Technical View

Silver prices plunged from $ 42 to $26 in just 2 days , that was a clear massacre. Finally, prices has halted and formed a strong base near 49000 levels.

Coming to the daily chart, prices has formed the diamond (bottom) pattern , and prices had pierced its Apex. Looking at the Chaikin money flow, it has formed a same bottom which was formed in January 2011, and after that we witnessed a sharp jump in the prices.

MCX SILVER DECEMBER	
BUY	51200-51400
Stop loss	50100
TGT	54600-55000

COMMODITY INSIGHT

LEAD

China consumes about 40% of the total world Lead production thanks to its burgeoning auto industry. The country also houses the most number of lead-acid battery plants than any other country in the world. China's Ministry of Environmental Protection (MEP) states that operations of 1015 lead-acid battery manufacturing plants were suspended in this year. This comes in the wake of heavy metal pollution causing serious concerns in China. Almost 300 children were diagnosed with Lead poisoning in the Hunan province this year alone. This resulted in an inspection of 1,930 such manufacturing plants of which only 252 were given permission to continue operating. This new has created some upside room for the Lead prices.

Important Factors :

- Chinese Biggest lead producer building a 200,000-tonne-per-year lead smelter and a 200,000-tonne-per-year zinc smelter .
- Global refined lead production was expected to increase by about 5% from that in 2010, to 9.10 million tons. Lead consumption was expected to increase by about 6% in 2011 from that in 2009 worldwide, partially owing to a 4% increase in Chinese lead consumption, driven by growth in the automobile and electric bicycle markets. During the first 8 months of 2011, 85.8 million lead-acid batteries were shipped in North America, a 9% increase from those in the same period of 2010
- Total imports of lead for consumption through May 2011 were about 9% higher than those in the same period of 2010. Canada (81%) and Mexico (18%) were the principal sources of imported refined lead through May 2011. Total exports of lead, exclusive of scrap, in May 2011 were 29% lower than those through the same period of 2010.
- The average North American producer price for lead in June 2011 was $1.25 per pound, up slightly from that of the previous month and 19% higher than that in June 2010.

Technical View

After a massive blood bath in the lead, prices tried to form a base near 92 levels. Looking at the daily chart we can witness prices is forming the Double bottom formation with a neckline near 98 levels.

MACD has pierced its 9d signal line and given golden crossover hence we expect some bounce back

MCX LEAD OCTOBER	
BUY	95-95.30
Stop loss	92.50
TGT	99-103

COMMODITY INSIGHT

ZINC

Global zinc mine production in 2011 was forecast to increase to 12 million tons, mostly owing to increases in zinc mine production in Australia and China. According to the International Lead and Zinc Study Group, refined metal production increased by 11% to 12.5 million tons, while world metal consumption increased by 13% to 12.3 million tons, resulting in a market surplus of 233,000 tons of metal. The rise in global zinc consumption in 2010 was credited to a strong recovery of consumption in Europe (24%) as well as continued strong growth in consumption in China (11%).

Important news

- Zinc supply crunch is expected . And this will stem from three main causes-mine closures, steep decline in ore grades and a decrease in Chinese production growth. But this supply crunch is not expected to happen till 2013-2014
- Zinc stockpiles declined 142 tons to 414,494 tons, based on a survey of 15 warehouses in Shanghai, Guangdong and Zhejiang, while lead stored in the warehouses added 435 tons to 65,010 tons.

Technical View

After a massive blood bath in the lead, prices tried to form a base near 92 levels. Looking at the daily chart we can witness prices is forming the Double bottom formation with a neckline near 98 levels.

MACD has pierced its 9d signal line and given golden crossover hence we expect some bounce back

Prices moving in a channel and formed a crucial support near 89-89.50 levels. We assume prices might maintain this levels in the coming sessions.

Looking at chart closely , we can witness that Price ROC has formed a Symmetrical triangle and current P ROC is trading near its lower trendline. Hence we assume it to maintain this ground and bounce back.

MCX ZINC OCTOBER	
Buy	92.10
Stop loss	89.60
TGT	97.20

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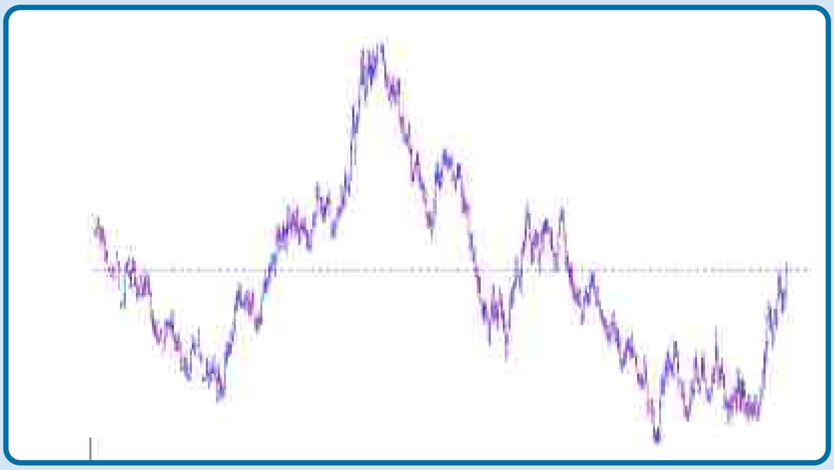
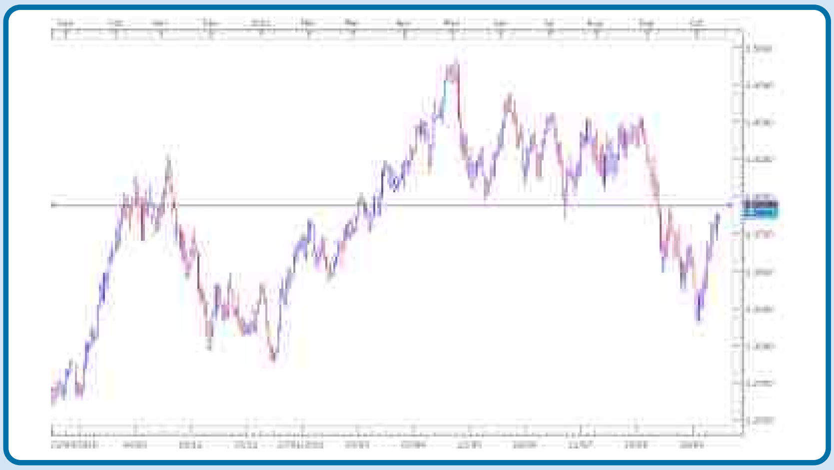
CURRENCY SCENARIO

DOLLAR INDEX



Prices has pierced its important resistance area i.e. 78 levels , and the next resistance formed at 80 levels. Looking at the current global scenario we expect demand for dollar might remain in the market and soon we can witness the 80 levels.

EUR/USD



Looking at the daily chart of EUR /USD dollar came near its important resistance of 1.39 levels (CMP 1.38) and Euro is still not of the woods. Hence we assume, sooner than latter prices might see some fall till 1.35-1.36 levels.

Coming to the USD/INR chart, prices formed a strong support near 44.64 levels, hence we assume prices might bounce back till 49.40 levels in the coming trading sessions

USD/INR

MUTUL FUND INSIGHT

EQUITY SCHEME PERFORMERS

Fund Name	Category	AUM (Rs. In Cr.)	Current NAV	1 Month (%)	6 Month (%)	1 Year (%)	3 Years (%)	5 Years (%)	Inception
Reliance Equity Opportunities Fund- Growth Plan	Multicap	3032	33.16	-1.97	-7.71	-15.49	31.97	11.87	20.15
HDFC Equity Fund- Growth	Multicap	9738.9	244	-2.99	-14.76	-18.72	27.51	12.58	20.97
IDFC Premier Equity Fund Plan A Growth	Mid & Small Cap	2302.63	31.84	-3.47	-2.89	-10.32	32.14	22.67	21.15
ICICI Prudential Dynamic Plan - Growth	Large & Mid Cap	3814.4	96.2	-1.57	-12.37	-13.02	22.21	11.32	28.79
HDFC Top 200 Fund - Growth	Large & Mid Cap	11064.99	187.04	-2.33	-13.52	-17.56	23.95	13.04	21.64

DEBT SCHEME PERFORMERS

Fund Name	Category	AUM (Rs. In Cr.)	Current NAV	1 Month (%)	6 Month (%)	1 Year (%)	3 Years (%)	5 Years (%)	Inception
Pramerica Short Term Income Fund - Growth Option	Short Term Debt	70.53	1072.92	0.77	5.2	NA	NA	NA	10.91
Pramerica Ultra Short Term Bond Fund - Growth Option	Ultra Short Term	575.43	1093.43	0.78	4.7	8.98	NA	NA	8.93
Kotak Floter Short Term - Growth	Liquid	3213	16.8	0.75	4.44	8.64	6.29	7.17	6.49
HDFC Floating Rate Income Fund- Short Term Plan - Retail Option- Growth	Ultra Short Term	2353.63	17.18	0.68	4.29	8.18	6.56	7.29	6.42
DSP Blackrock Money Manager Fund - Regular Plan - Growth	Ultra Short Term	2437.61	1405.63	0.7	4.2	8.1	6.2	6.8	6.69

KEY ECONOMIC EVENTS - OCTOBER 2011

12-Oct French CPI m/m Unemployment Rate (U.K.) Industrial Production m/m Unemployment Rate	**18-Oct** CPI y/y (U.K.) Core CPI y/y (U.K) PPI m/m (U.S.A)	**26-Oct** Core Durable Goods Orders m/m Crude Oil Inventories New Home Sales
13-Oct PPI m/m (Canada) Trade Balance (U.S.A) Unemployment Claims Natural Gas Storage Crude Oil Inventories	**19-Oct** Current Account (EUR) CPI m/m (U.S.A) Housing Starts Crude Oil Inventories	**27-Oct** Advance GDP q/q (U.S.A) Unemployment Claims (U.S.A) Natural Gas Storage (U.S.A)
14-Oct German Final CPI m/m Italian Trade Balance Trade Balance (U.S.A) Business Inventories m/m (U.S.A)	**20-Oct** German PPI m/m Retail Sales m/m (U.K) Leading Index m/m (Canada) Unemployment Claims (U.S.A) GDP q/y (China) Natural Gas Storage (U.S.A)	**28-Oct** Core PCE Price Index m/m (U.S.A) Personal Spending m/m (U.S.A) Personal Income m/m (U.S.A)
15-Oct G20 Meetings	**21-Oct** French Flash Manufacturing PMI Core CPI m/m (Canada) Retail Sales m/m (Canada) German Flash Manufacturing PMI	**30-Oct** GfK Consumer Confidence
16-Oct Rightmove HPI m/m (U.K)	**24-Oct** CSPI y/y (Japan)	**31-Oct** Manufacturing PMI (China) Chicago PMI (U.S.A) GDP m/m (Canada) Unemployment Rate (EUR)
17-Oct Revised Industrial Production m (JPY) Industrial Production m/m	**25-Oct** Prelim GDP q/q (U.K.) CPI q/q (AUS) RBI Policy	

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