

## Market Earnings Preview

No major uptrend yet

### Strategy

We do not foresee any strong earnings uptrend yet for the April-May-June (AMJ) '09 quarter as per our estimates. We expect revenue, margin and net income trends to be broadly in line with that in the past six months, with some selective improvement in sectors such as Automobiles. Positive surprises in some stocks are likely, but in most cases, will be driven by one-offs rather than sustainable operational improvement. Earnings upgrade can be a key positive trigger for the markets, but we do not expect it in the short term. We continue to reiterate our defensive stance on the markets in the short term.

- ▶ **Do not expect a major trend shift in AMJ '09.** We expect revenues for I-Sec universe to decline 2.6% YoY in AMJ '09 versus 2.6% dip in the previous quarter. Also, we estimate EBITDA margin (ex-banks) to dip 160bps versus 50bps decrease in the previous quarter. We estimate net income for I-Sec Universe to fall 10.4%, versus 3% growth in January-March '09. Metals and Real estate are the key sectors contributing to earnings dip.
- ▶ **Sectoral trends intact – Autos to show uptick; Fertilisers may post decline.** We expect most sectors to maintain trends similar to that in the past six months. We believe Autos could be an exception as some volume improvement and easier YoY comparison led to positive revenue growth after nine months. On the other hand, a sharp drop in prices and shift to low-cost raw material (which is a pass-through) will lead to revenue decline for commodity-driven sectors, for the first time in the past many quarters. We expect earnings to dip.
- ▶ **Stock-specific surprises exist.** Expect positive surprises for ITC (higher cigarette volumes & margins), Sesa Goa (volumes and pricing), Ranbaxy (partial reversal of MTM losses), Infosys & Tata Consultancy Services (cross-currency movements and volume stability) and Jagran Prakashan (lower newsprint costs). Companies that can surprise negatively are Hindalco (Novelis' underperformance), Zee Entertainment (lower ad revenue partially offset by positive surprise on costs) and Gujarat State Fertilizers & Chemicals (GSFC, poor caprolactum business & DAP prices).

### I-Sec universe – Quarterly preview for AMJ '09

	Revenue		EBITDA margin (%)		PAT	
	AMJ-09	% YoY	AMJ-09	YoY (bps)	AMJ-09	% YoY
Automobiles	245,190	4.1	11.3	216	17,842	14.5
Banks	165,403	15.3	-	-	64,086	25.6
Fertiliser	28,906	(29.4)	13.0	251	1,721	(3.5)
FMCG	143,829	10.8	20.6	256	21,564	24.6
Media	19,014	3.9	21.3	10	1,525	(17.7)
Metals	323,119	(14.0)	19.9	(1,462)	41,290	(51.8)
Oil & Gas	1,181,196	(8.2)	15.1	67	100,964	1.3
Pharma	82,250	2.6	20.6	(484)	11,151	(20.6)
Real Estate	34,764	(50.5)	38.8	(1,447)	7,630	(74.1)
Technology	236,204	9.9	24.8	99	40,986	8.4
Telecom	201,117	25.9	38.2	(239)	37,782	(2.2)
Utilities	144,860	17.3	23.7	68	23,309	16.6
<b>I-Sec Universe (ex-banks)</b>	<b>2,640,449</b>	<b>(3.5)</b>	<b>19.3</b>	<b>(162)</b>	<b>305,764</b>	<b>(15.5)</b>
Banks	165,403	15.3	-	-	64,086	25.6
<b>I-Sec Universe</b>	<b>2,805,851</b>	<b>(2.6)</b>			<b>369,850</b>	<b>(10.4)</b>

AMJ '09-April-May-June '09; Source: I-Sec Research

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## No major uptrend expected in AMJ '09

### Metals and real estate continue to be a drag

We do not expect any major uptrend for I-Sec coverage universe in AMJ '09 vis-à-vis January-March (JFM) '09. We expect revenues to decline 2.6% YoY, driven by oil & gas, metals and real estate sectors. We expect EBITDA margin to drop 160bps for the I-Sec universe (ex-banks). Metals and real estate remain the key contributors to this decline with Automobiles and FMCG offsetting it to some extent. We expect net income to decline 10.4% YoY, largely driven by Metals and Real estate.

## Broad sectoral trends to sustain in AMJ '09

### Autos to show uptick; Fertilisers may post decline

We expect most sectors to continue with JFM '09 trend in AMJ '09 as well, with the exception of Automobiles and Fertilisers. We expect Automobiles to record 4% YoY growth in AMJ '09 versus 4% decline in JFM '09. We also expect auto sector's net income to grow 15% YoY (versus decline in the previous three quarters) – this will be the highest earnings growth in the past 3 quarters. Key reasons for this are volume improvement in Hero Honda (HHML), Maruti Suzuki (MSIL), Mahindra & Mahindra (M&M) in AMJ '09, margin compression due to sharp rise in raw material cost and currency appreciation. We expect Fertilisers to register its first revenue and net income decline in the past many quarters due to sharp drop in DAP prices and use of low-cost, KG-Basin gas as raw material for urea production.

We expect most other sectors to follow previous trends – Banking will likely post robust earnings due to low base, absence of MTM losses and lower provisioning given better economic environment, despite some NIM pressure. Media is likely to post mixed results – while news broadcasting companies' revenues will benefit from election-related spending, general entertainment channels' (GECs) ad revenues will likely suffer due to cricket events during the quarter. We expect Pharmaceuticals to continue to register net income decline due to issues such as FDA-related concerns, pricing pressure and inventory tightening. We expect IT to continue to register reasonable YoY growth and demand to bottom out in AMJ '09. Continuing ARPU decline, but an improvement in MoUs should result in steady trends for Telecom.

## Key surprises

- **Bajaj Auto's** PAT can be driven by rupee depreciation (currency hedges at Rs41/US\$ in AMJ '08 will make comparisons favourable) and higher exports of three-wheelers
- **MSIL** could see sharp margin improvement due to rebasing of raw material contracts, although yen movement would continue to hurt imported raw material prices
- **Tata Motors'** other income could positively surprise (due to increased fund availability on *Nano* bookings)
- **GSFC** is likely to be impacted due to poor caprolactum performance and DAP prices

- **ITC** could surprise positively due to higher volumes and value
- Lower programming costs could lead to upside surprise for **Zee Entertainment**
- Drop in newsprint prices could cause positive surprise for **Jagran**
- **Sesa Goa** could surprise positively on volumes and pricing
- Novelis could underperform expectations and drag down **Hindalco's** earnings
- **Sterlite** could see some upside via Hindustan Zinc
- Lower provisioning of employee costs could boost **SAIL's** net income
- MTM forex losses of the past two quarters could partially reverse, leading to positive earnings surprise for **Ranbaxy**
- **NTPC** could surprise with higher-than-expected benefits from the new Central Electricity Regulatory Commission (CERC) guidelines
- **Infosys & TCS** could surprise positively due to cross-currency movements

## Sectoral highlights

### Automobiles

- Net sales to grow due to YoY volume improvement, especially for HHML, MSIL and M&M.
- Margin expansion expected on lower raw material cost. However, commercial vehicle segment would continue to be under pressure due to still lower volumes

### Banking

- Sluggish credit growth to 15.8%; falling PLRs would negate repricing benefits, leading to margin pressure
- Non-interest income to remain robust, driven by pick-up in core-fee income and third-party sales of insurance and mutual funds. G-Sec yields at the shorter end of the yield curve declined 50-100bps in Q1FY10, offering opportunity to book trading gains
- Provisioning expected to remain low for public sector banks; restructured advances could increase

### Fertilisers

- Falling DAP prices and urea producers substituting naphtha & spot gas with KG-Basin gas will reduce topline for all fertiliser companies
- Timely payment of fertiliser subsidy in Q1FY10 is likely to boost other income as reduction in working capital cycle would improve cash position

**FMCG**

- FMCG sector continued to post YoY growth on increased volume in Q1FY10
- EBITDA margin likely to expand YoY as full benefits from excise duty reduction and benefits of lower raw material costs flow in

**Media**

- Q1FY10 revenue growth/decline misleading in light of better revenues for news broadcasting companies owing to election-related ad spending that is a one-off
- GEC players are likely to show poor revenue growth due to high ad-budget allocation to sports events
- International newsprint prices have dropped ~50% from '08 highs. This coupled with rupee appreciation will lead to significant cost savings for print companies.

**Metals**

- Steel companies posted increased volumes; however, prices remained subdued on account of rising Chinese imports, deferment of contracts pre Budget and onset of monsoons, leading to margin pressures
- Non-ferrous space posted robust QoQ realisation growth

**Oil & Gas**

- Mixed earnings outlook. Oil marketing companies' (OMCs) earnings will be impressive led by inventory gains and lower subsidy sharing despite low refining margins. Upstream companies (GAIL, ONGC) would benefit from the benign subsidy policy. Higher gas volumes would improve earnings for Indraprastha Gas (IGL), Gujarat Gas Company (GGCL) and Gujarat State Petronet (GSPL)
- Reliance Industries' (RIL) earnings would dip due to low refinery margin, despite commencement of KG-D6 production
- Subsidy overhang to reduce despite sharp rise in crude prices and spike in under-recoveries due to favourable policy announcement.

**Pharma**

- Indian pharma companies would continue to be under pressure owing to US FDA-related issues, pricing pressure, delayed approval of new products, inventory tightening and reduction in demand from customers
- Sun Pharma to witness 39% PAT decline due to dip in revenues from generic *Protonix*, negative impact of inventory filling in Q4FY09 in domestic dosage form and FDA issues for Caraco
- Dr. Reddy's Laboratories (DRL) is likely to report the highest PAT growth of 94% due to strong sales of generic *Imitrex*, focus on cost efficiencies and low base

**Real estate**

- Liquidity improves; overall D/E of real estate companies would decline. Developers may further lighten up landbanks; we expect asset sales to provide further cashflows
- The residential segment has seen significant demand pick-up with most developers achieving volume run-rate close to pre-slump levels

**Technology**

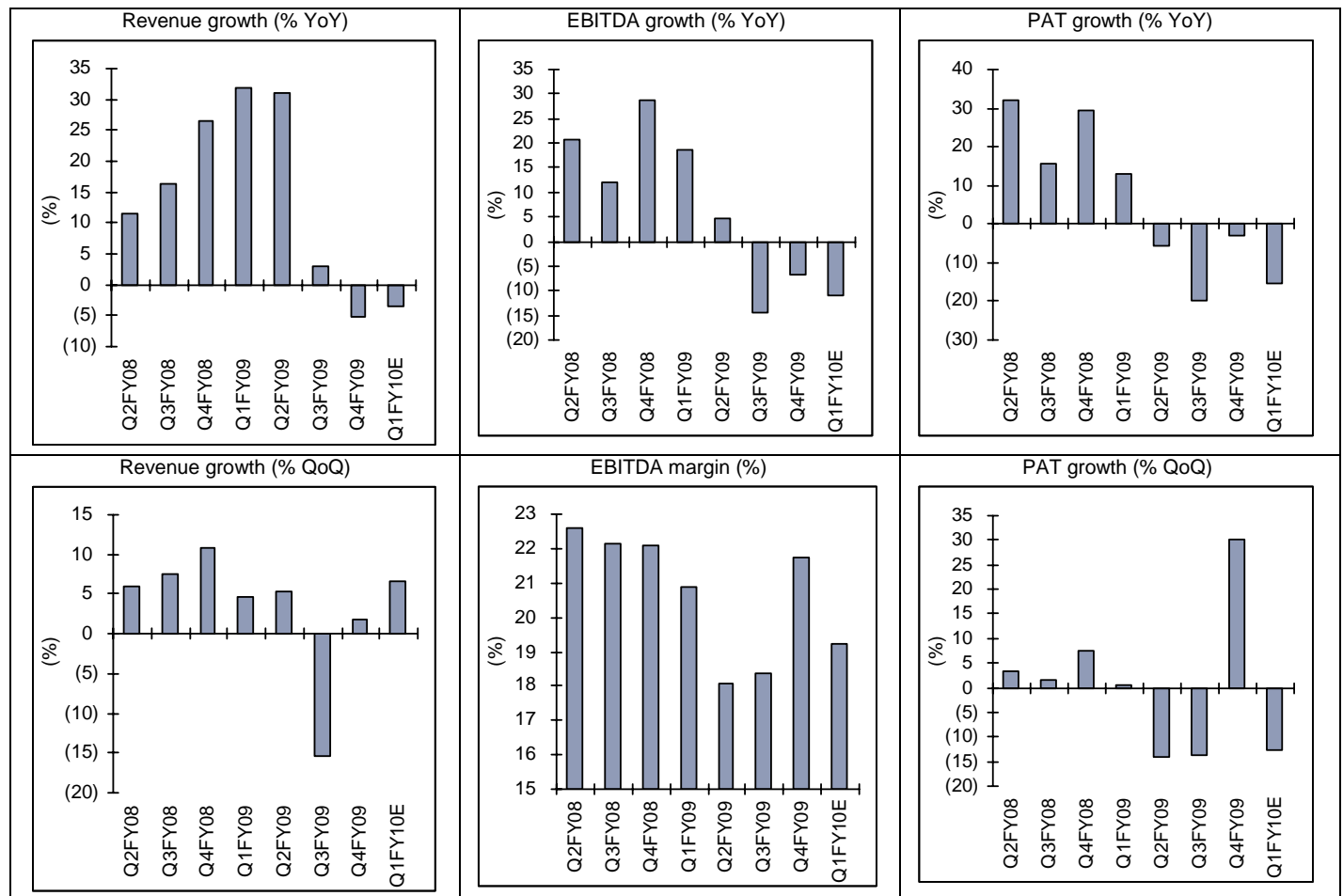
- Q1FY10 to reflect bottoming of demand. Reported billing rate will be flat-to-marginally positive given ~1.5-2% QoQ cross-currency gain for large-caps; however, in constant currency, billing rate is likely to dip QoQ
- With improved cost efficiency, EBITDA margin is likely to dip 20-120bps QoQ for large-caps despite rising rupee
- Expect TCS to outperform peers, both on dollar revenues and rupee EPS

**Telecom**

- Sequential ARPU decline to continue for all telecom operators owing to higher sequential ARPM
- Q1FY10 saw new circle launches by Idea, Aircel, Loop and MTS as well as launch of GSM services by Tata Teleservices in Orissa as of end-June '09.

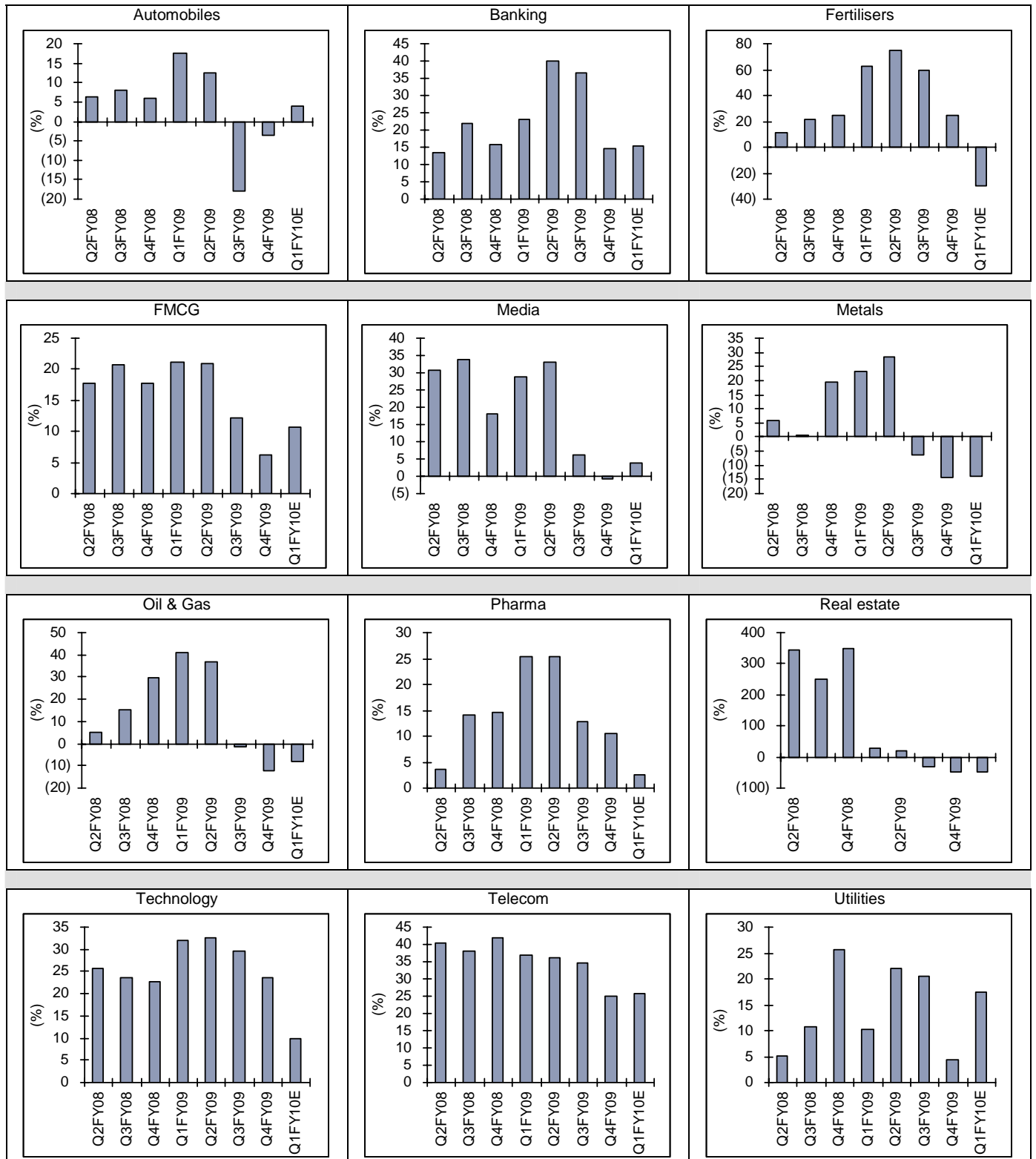
**Utilities**

- NTPC's PAT to grow ~15% on 2,000MW capacity addition & favourable new CERC guidelines
- Merchant component to boost Tata Power's Q1FY10E PAT 71% YoY to Rs2.6bn

**Chart 1: Quarterly trends in the past eight quarters**

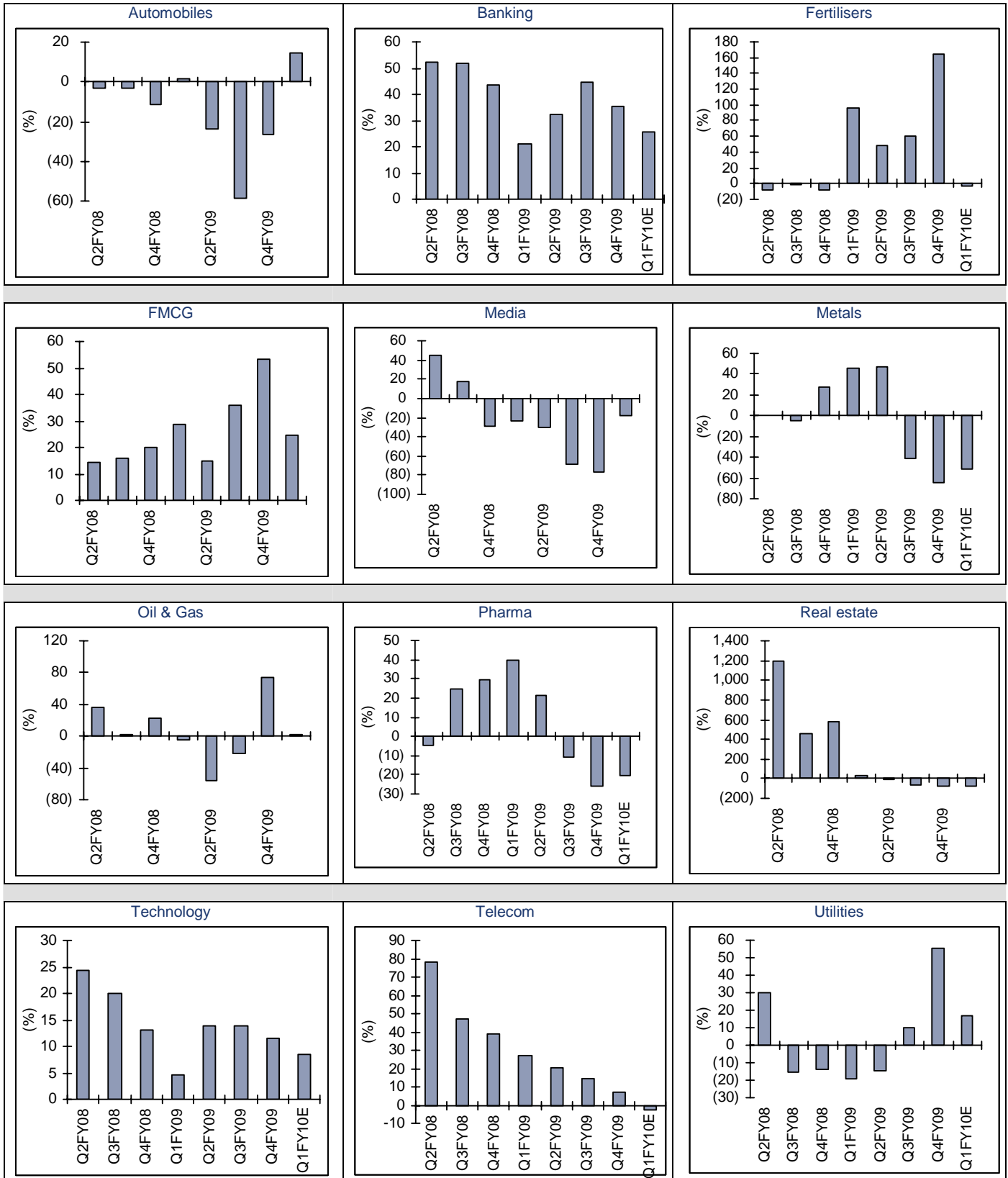
Source: I-Sec Research

Chart 2: Sector-wise revenue growth (YoY)



Source: I-Sec Research

Chart 3: Sector-wise PAT growth (% YoY)



Source: I-Sec Research



## Key sector/stocks surprises

Sector	Sector surprises	Key stocks to watch for
Automobiles	Surprises in terms of EBITDA margin expansion; most of the topline growth is already factored in	<ul style="list-style-type: none"> <li>● <b>Bajaj Auto</b>: PAT growth due to rupee depreciation (unavailable in Q1FY09 due to currency hedges at 41) and higher exports of three wheelers</li> <li>● <b>Tata Motors</b>: Other income could positively surprise (due to increased fund availability on <i>Nano</i> bookings)</li> <li>● <b>Maruti Suzuki</b>: Sharp margin improvement due to rebasing of raw material contracts, although higher Japanese Yen rate would continue to affect imported raw material</li> </ul>
Banking	No significant surprises expected	
Fertiliser	<ul style="list-style-type: none"> <li>● Unviable DAP business for April due to price mismatch</li> <li>● Drop in Urea turnover with cheaper fuel from KG-basin to lower working capital requirements boosting other income</li> <li>● Chemical business – Caprolactum and methanol subdued</li> </ul>	<ul style="list-style-type: none"> <li>● <b>GSFC</b>: Negative surprise because of poor caprolactum and DAP performance</li> </ul>
FMCG	<p>We expect good PAT</p> <ul style="list-style-type: none"> <li>● companies will receive full benefit of excise reduction for the first time in this quarter</li> <li>● companies will see raw material benefits as many were carrying high-priced inventory</li> </ul>	<ul style="list-style-type: none"> <li>● <b>ITC</b>: Positive surprises due to strong earnings growth</li> <li>● <b>Asian Paints</b>: Negative surprises in margins</li> </ul>
Media	<p>Mixed quarter –</p> <ul style="list-style-type: none"> <li>● Print companies to witness significant expansion in EBITDA margin driven by low newsprint prices and appreciating rupee.</li> <li>● Challenging for general entertainment channels owing to IPL T-20 and World cup T-20 eating away into ad spend-negative for Zee Entertainment.</li> </ul>	<ul style="list-style-type: none"> <li>● <b>Zee Entertainment</b> to positively surprise on lower programming costs</li> <li>● <b>Jagran Prakashan</b> and <b>TV Today</b> to benefit from election ad spend</li> </ul>
Metals	Little scope for topline or EBITDA surprise, despite positive volume & price newsflow throughout the quarter	<ul style="list-style-type: none"> <li>● <b>SAIL</b> can yet again surprise with lower-than-expected provisioning of employee costs</li> <li>● <b>Sesa Goa</b> should surprise positively on price and volume front</li> <li>● <b>Hindalco</b> – Novelis would underperform Street expectations; would drag earnings</li> <li>● <b>Sterlite</b>, positive surprise can come in via Hindustan Zinc, with strong MoM production pick-up in steel globally in May</li> </ul>
Oil & Gas	No significant surprises expected	
Pharma	Unlikely to see significant surprises	<ul style="list-style-type: none"> <li>● <b>Ranbaxy</b>: Expecting rupee-US dollar related positive surprise (in the past two quarters it had huge MTM forex losses, which could be partly reversed)</li> </ul>
Real Estate		<ul style="list-style-type: none"> <li>● <b>DLF, Unitech</b>: Sales of assets could positively surprise</li> </ul>
Technology	<ul style="list-style-type: none"> <li>● Volume performance expected to be slightly better than expectations due to reduced pace of project cancellations.</li> <li>● Volume visibility and pricing commentary likely to improve versus earlier quarters</li> <li>● Cross-currency impact to provide additional positives (QoQ positive impact of ~1.5-2% for large-caps)</li> <li>● Negatives: Rupee appreciation in Q1FY10 not factored in Q1FY10 guidance</li> </ul>	
Telecom	No major surprises expected	<ul style="list-style-type: none"> <li>● <b>Reliance Communications and Bharti Airtel</b>: Rupee depreciation benefits could be positive surprise</li> </ul>
Utilities	<ul style="list-style-type: none"> <li>● Impact of new CERC guideline to be reflected in AMJ earnings</li> <li>● For regulated power model, we expect earnings jump of 6%, higher than Street estimates of 3.5-4%</li> <li>● Improved PLF of gas-based power plant post gas from KG-Basin</li> </ul>	<ul style="list-style-type: none"> <li>● <b>NTPC</b>: Surprise on higher-than-expected benefits from new CERC guidelines</li> <li>● <b>Tata Power</b>: To report full quarter realisation of merchant capacity</li> </ul>

Source: I-Sec Research

Table 1: Sectoral summary – AMJ '09 previews

(Rsmn)

	Revenue			EBITDA			EBITDA margin (%)			PAT		
	AMJ-09	% YoY	% QoQ	AMJ-09	% YoY	% QoQ	AMJ-09	YoY (bps)	QoQ (bps)	AMJ-09	% YoY	% QoQ
Ashok Leyland	9,010	(52.2)	(26.0)	796	(44.2)	(30.7)	8.8	127	(59)	74	(89.3)	(77.0)
Bajaj Auto	23,319	0.9	23.8	3,754	42.4	31.3	16.1	469	92	2,496	45.1	33.4
Bharat Forge	4,033	(36.7)	38.3	915	(34.0)	114.4	22.7	95	806	228	(62.0)	(1,457.9)
Hero Honda	38,381	35.0	12.1	6,208	82.0	13.1	16.2	418	13	4,661	70.8	15.9
Mahindra & Mahindra	41,737	26.7	14.2	5,222	79.7	19.1	12.5	369	51	3,700	92.8	27.0
Maruti Suzuki	59,714	25.6	(5.7)	5,935	23.3	25.8	9.9	(19)	249	5,520	15.1	68.6
TVS Motor	9,576	5.1	7.4	392	25.6	21.2	4.1	67	47	115	64.1	61.2
<b>Automobiles</b>	<b>245,190</b>	<b>4.1</b>	<b>(0.3)</b>	<b>27,782</b>	<b>28.5</b>	<b>11.8</b>	<b>11.3</b>	<b>216</b>	<b>123</b>	<b>17,842</b>	<b>14.5</b>	<b>34.7</b>
Chambal Fertiliser	7,065	(12.3)	(14.2)	1,570	8.6	68.8	22.2	428	1,093	975	28.8	74.8
GSFC	7,609	(41.2)	(10.2)	634	(55.3)	(64.5)	8.3	(262)	(1,279)	152	(78.5)	(84.5)
Nagarjuna Fertiliser	4,032	(7.0)	(25.5)	972	18.8	4.3	24.1	524	688	250	97.3	(5.4)
RCF	10,200	(34.6)	(46.7)	580	(5.2)	(57.4)	5.7	176	(143)	344	79.5	(66.3)
<b>Fertiliser</b>	<b>28,906</b>	<b>(29.4)</b>	<b>(29.9)</b>	<b>3,756</b>	<b>(12.5)</b>	<b>(25.1)</b>	<b>13.0</b>	<b>251</b>	<b>84</b>	<b>1,721</b>	<b>(3.5)</b>	<b>(39.1)</b>
Asian Paints	14,407	16.0	31.0	1,911	33.5	20.7	13.3	174	(112)	1,139	38.8	13.3
Britannia	7,621	10.0	(0.4)	701	18.8	(1.6)	9.2	68	(12)	512	15.3	21.6
Colgate-Palmolive	4,708	15.5	3.4	805	21.8	(17.6)	17.1	88	(435)	905	122.1	17.4
GSK Consumer	4,592	22.0	(14.9)	872	59.6	(32.8)	19.0	448	(506)	608	31.6	(27.5)
Hindustan Unilever	44,928	6.6	12.6	6,421	16.4	16.9	14.3	121	52	508	29.9	(14.4)
ITC	42,383	8.7	7.9	14,426	28.0	11.1	34.0	513	98	6,021	10.3	31.8
Marico	7,151	19.0	27.4	1,030	36.1	40.5	14.4	181	134	9,279	23.9	14.7
Nestle India	12,099	16.8	(4.4)	2,581	32.4	(18.0)	21.3	250	(352)	661	42.8	55.9
P&G Hygiene	1,774	17.6	(0.3)	314	25.9	(0.1)	17.7	116	4	1,659	45.0	(18.9)
<b>FMCG</b>	<b>143,829</b>	<b>10.8</b>	<b>9.6</b>	<b>29,683</b>	<b>26.5</b>	<b>6.4</b>	<b>20.6</b>	<b>256</b>	<b>(62)</b>	<b>272</b>	<b>20.9</b>	<b>0.1</b>
Balaji	393	(57.1)	(25.9)	14	(95.7)	(110.0)	3.5	(3,117)	2,949	21,564	24.6	13.3
ENIL	1,119	4.6	12.2	31	6.3	(127.4)	2.8	4	1,408	6	(97.2)	(112.3)
H T Media	3,358	3.4	(0.5)	644	(2.9)	46.8	19.2	(125)	618	(129)	60.8	(45.0)
IBN18	575	37.6	20.0	(46)	(65.6)	(74.9)	(8.0)	2,395	3,028	271	(28.1)	15.8
Jagran Prakashan	2,265	9.7	12.6	653	31.5	67.3	28.8	477	943	(98)	(52.6)	(71.9)
NDTV	1,314	10.1	6.6	(1,117)	21.6	(31.3)	(85.0)	(806)	4,693	382	20.8	75.3
Sun TV	2,809	25.6	1.8	2,222	32.0	(1.6)	79.1	383	(270)	(1,176)	15.6	(27.9)
TV Today	718	12.0	33.8	159	21.7	208.4	22.1	175	1,250	1,204	17.4	5.6
Zee Entertainment	5,025	(7.3)	(2.2)	1,260	(12.6)	4.8	25.1	(154)	168	117	27.7	43.6
Zee News	1,437	31.2	3.8	235	34.6	13.7	16.4	41	142	823	(19.9)	(10.1)
<b>Media</b>	<b>19,014</b>	<b>3.9</b>	<b>3.1</b>	<b>4,053</b>	<b>4.4</b>	<b>63.1</b>	<b>21.3</b>	<b>10</b>	<b>785</b>	<b>123</b>	<b>28.8</b>	<b>40.4</b>
Hindalco	38,667	(16.8)	2.5	4,354	(54.3)	40.2	11.3	(923)	302	1,525	(17.7)	268.7
Hindustan Zinc	14,218	(13.5)	10.3	7,337	(25.0)	26.2	51.6	(788)	650	2,098	(70.0)	(20.9)
Jindal Steel & Power	18,230	(3.8)	3.5	6,331	(19.1)	8.4	34.7	(657)	157	1,307	(70.7)	(214.1)
NALCO	12,426	(15.3)	10.4	1,983	(73.1)	107.5	16.0	(3,425)	747	5,239	9.3	240.4
Sesa Goa	12,395	(3.2)	(14.1)	6,698	(16.8)	(11.0)	54.0	(885)	191	1,554	(70.4)	87.2
SAIL	92,517	(16.1)	(21.2)	9,994	(66.7)	(18.6)	10.8	(1,644)	34	5,456	(13.8)	(0.5)
Sterlite	47,943	(16.9)	8.8	9,455	(48.2)	12.7	19.7	(1,193)	68	7,736	(61.1)	31.2
Tata Steel	53,101	(13.9)	(18.3)	12,026	(60.2)	(16.9)	22.6	(2,641)	36	6,265	(45.6)	4.7
<b>Metals</b>	<b>323,119</b>	<b>(14.0)</b>	<b>(8.5)</b>	<b>64,311</b>	<b>(50.4)</b>	<b>3.8</b>	<b>19.9</b>	<b>(1,462)</b>	<b>236</b>	<b>4,812</b>	<b>(73.1)</b>	<b>(29.6)</b>
BPCL	269,812	(18.9)	10.3	10,012	(230.1)	(76.0)	3.7	602	(1,335)	41,290	(51.8)	22.9
Cairn India	2,373	(41.2)	30.5	1,434	(47.3)	80.6	60.4	(699)	1,676	4,337	(140.7)	(88.0)
GAIL	66,089	13.6	6.0	12,478	(16.1)	14.8	18.9	(667)	144	629	(65.3)	(22.7)
Gujarat Gas	3,406	9.5	11.2	669	17.1	19.5	19.6	127	137	8,139	(14.8)	29.2
HPCL	263,523	(11.1)	13.0	10,457	(354.4)	(81.5)	4.0	535	(2,024)	429	16.1	17.9
Indraprastha Gas	2,362	23.8	3.4	844	11.7	(2.7)	35.7	(387)	(221)	4,181	(147.1)	(91.6)
ONGC	135,283	(22.8)	11.2	80,532	(31.5)	29.2	59.5	(751)	828	468	7.1	(5.8)
Reliance Industries	379,925	(8.6)	34.0	55,232	(9.8)	1.6	14.5	(18)	(463)	45,620	(30.8)	112.0
Reliance Petroleum	58,423	N.A.	58.8	6,871	N.A.	202.7	11.8	N.A.	559	37,370	(9.1)	(3.5)
<b>Oil &amp; Gas</b>	<b>1,181,196</b>	<b>(8.2)</b>	<b>19.4</b>	<b>178,529</b>	<b>(4.0)</b>	<b>(22.5)</b>	<b>15.1</b>	<b>67</b>	<b>(816)</b>	<b>(209)</b>	<b>N.A.</b>	<b>(124.9)</b>

	Revenue			EBITDA			EBITDA margin (%)			PAT		
	AMJ-09	% YoY	% QoQ	AMJ-09	% YoY	% QoQ	AMJ-09	YoY (bps)	QoQ (bps)	AMJ-09	% YoY	% QoQ
Aventis	2,466	(0.8)	7.7	452	(10.3)	16.0	18.3	(194)	130	100,964	1.3	(34.9)
Cadila	7,752	8.6	7.2	1,695	4.8	13.7	21.9	(78)	125	389	(6.9)	3.5
Cipla	14,059	16.5	2.9	3,033	12.3	(15.5)	21.6	(80)	(470)	844	(16.7)	29.5
Dishman Pharma	2,344	(0.6)	(20.1)	472	(24.7)	(44.8)	20.1	(644)	(901)	2,077	48.3	(17.9)
Divi's Lab	2,900	9.0	(6.7)	1,055	(3.9)	(4.8)	36.4	(490)	73	207	(48.9)	(53.5)
Dr. Reddy's	19,188	28.0	(0.9)	3,823	76.9	(22.9)	19.9	551	(569)	924	(4.2)	(14.0)
GSK Pharma	4,263	2.2	(6.8)	1,594	(2.7)	(8.0)	37.4	(191)	(52)	1,782	93.8	(14.2)
Glenmark	4,801	4.2	(2.2)	1,276	(9.5)	91.2	26.6	(401)	1,299	1,177	2.5	(6.1)
Ranbaxy	16,946	(12.1)	13.5	464	(85.8)	(156.5)	2.7	(1,417)	825	579	(49.9)	683.9
Sun Pharma	7,532	(27.7)	(33.6)	3,073	(42.9)	(18.0)	40.8	(1,084)	778	115	(92.8)	(143.9)
<b>Pharma</b>	<b>82,250</b>	<b>2.6</b>	<b>(2.5)</b>	<b>16,937</b>	<b>(17.0)</b>	<b>(4.4)</b>	<b>20.6</b>	<b>(484)</b>	<b>(41)</b>	<b>3,056</b>	<b>(39.1)</b>	<b>(22.6)</b>
DLF	13,024	(65.8)	16.0	7,161	(69.5)	363.2	55.0	(655)	4,120	11,151	(20.6)	(8.4)
Unitech	4,848	(53.0)	26.3	2,428	(60.1)	94.1	50.1	(888)	1,748	3,891	(79.1)	144.6
HDIL	2,080	(63.5)	(41.9)	969	(79.2)	0.4	46.6	(3,507)	1,963	1,476	(65.1)	(47.2)
IBREL	617	34.4	46.1	7	(107.9)	(103.5)	1.2	2,168	5,097	799	(82.7)	29.1
Sobha	1,762	(49.2)	19.7	401	(60.6)	134.3	22.7	(656)	1,112	278	112.2	(1,027.1)
Peninsula Land	1,130	(8.8)	(42.1)	578	12.2	109.6	51.1	955	3,698	90	(82.2)	233.5
DSK	493	(53.5)	52.1	44	(59.2)	(168.9)	9.0	(126)	2,870	359	(34.3)	(0.4)
Lanco Infratech	9,733	6.5	(46.3)	1,711	13.1	(32.8)	17.6	102	352	31	(60.5)	(163.9)
Marg	1,078	33.5	(36.7)	184	(2.8)	(24.5)	17.1	(639)	276	599	1.5	(33.3)
<b>Real Estate</b>	<b>34,764</b>	<b>(50.5)</b>	<b>(18.4)</b>	<b>13,483</b>	<b>(64.0)</b>	<b>100.5</b>	<b>38.8</b>	<b>(1,447)</b>	<b>2,301</b>	<b>107</b>	<b>3.0</b>	<b>(18.2)</b>
Infosys Technologies	53,929	11.1	(4.3)	17,469	18.1	(7.6)	32.4	192	(117)	7,630	(74.1)	20.3
Tata Consultancy Services	69,662	8.7	(2.9)	17,960	17.3	(4.4)	25.8	189	(43)	13,994	10.1	(12.4)
Wipro	61,499	3.1	(6.1)	12,719	5.4	(7.3)	20.7	44	(28)	13,097	5.3	(0.4)
HCL Technologies	26,933	24.2	(5.9)	5,503	8.2	(9.8)	20.4	(301)	(90)	9,069	3.6	(6.1)
Patni Computer Systems	7,663	(2.2)	(3.7)	1,302	8.0	(9.1)	17.0	161	(101)	2,009	70.2	0.7
Infotech Enterprises	2,335	16.4	(0.6)	470	27.5	(7.6)	20.1	175	(153)	868	(16.3)	14.2
3i Infotech	6,024	28.6	(0.7)	1,158	27.0	(2.7)	19.2	(24)	(40)	382	55.5	105.9
Info Edge (India)	559	(11.5)	(3.1)	158	(5.5)	(12.5)	28.3	178	(303)	564	(3.9)	(12.6)
Nucleus Software	872	5.2	1.6	152	16.4	1.6	17.4	167	(1)	142	9.6	2.8
Educomp Solutions	1,230	77.1	(33.1)	793	77.3	(4.1)	64.5	8	1,956	92	14.7	(4.1)
NIIT Ltd	2,798	7.8	(7.0)	239	27.8	(34.3)	8.5	134	(356)	297	85.0	(45.5)
Allied Digital Services	1,597	75.2	9.2	295	32.1	13.8	18.5	(602)	74	92	(45.6)	(47.7)
OnMobile Solutions	1,101	41.4	(4.5)	296	41.5	(23.3)	26.9	2	(660)	224	42.2	1.6
<b>Technology</b>	<b>236,204</b>	<b>9.9</b>	<b>(4.5)</b>	<b>58,513</b>	<b>14.5</b>	<b>(6.9)</b>	<b>24.8</b>	<b>99</b>	<b>(62)</b>	<b>157</b>	<b>3.2</b>	<b>(34.8)</b>
Bharti Airtel	103,072	21.5	4.9	42,695	21.2	6.7	41.4	(10)	69	40,986	8.4	(6.4)
Reliance Communications	64,679	21.5	5.6	25,484	13.3	6.9	39.4	(288)	48	23,415	15.6	4.6
Idea Cellular	33,366	53.5	13.6	8,675	21.2	7.0	26.0	(693)	(161)	11,628	(26.2)	(10.4)
<b>Telecom</b>	<b>201,117</b>	<b>25.9</b>	<b>6.5</b>	<b>76,854</b>	<b>18.5</b>	<b>6.8</b>	<b>38.2</b>	<b>(239)</b>	<b>11</b>	<b>2,738</b>	<b>4.1</b>	<b>(0.2)</b>
CESC	8,232	5.1	11.1	1,324	8.5	(12.9)	16.1	50	(443)	37,782	(2.2)	(0.9)
NTPC	117,524	23.2	2.7	28,007	15.6	26.2	23.8	(156)	444	817	(13.1)	(13.1)
Tata Power	19,104	(5.7)	38.5	5,069	66.2	72.8	26.5	1,148	527	19,893	16.1	(5.9)
<b>Utilities</b>	<b>144,860</b>	<b>17.3</b>	<b>6.8</b>	<b>34,400</b>	<b>20.8</b>	<b>29.1</b>	<b>23.7</b>	<b>68</b>	<b>410</b>	<b>2,599</b>	<b>36.4</b>	<b>(26.7)</b>
Axis Bank	10,330	27.5	0.0	10,085	25.7	(11.4)				4,305	30.4	(26.0)
Bank of Baroda	13,451	27.3	(8.5)	9,984	16.1	(23.5)				4,990	34.6	(33.7)
Bank of India	13,234	12.1	(7.7)	11,979	11.7	(14.9)				5,915	5.3	(27.0)
Canara Bank	12,487	22.5	(4.3)	9,194	30.7	(27.7)				3,712	202.6	(48.4)
Corporation Bank	4,160	10.0	(2.9)	3,794	18.2	(43.8)				1,973	7.0	(24.3)
HDFC Bank	20,037	16.3	8.2	14,795	44.0	(5.8)				5,668	22.1	(10.2)
Oriental Bank	4,709	5.4	2.3	4,188	18.4	(22.2)				2,292	3.9	17.0
State Bank of India	51,856	7.6	7.1	42,298	6.8	(19.8)				19,997	21.9	(27.1)
Union Bank of India	9,171	13.2	(1.0)	6,618	7.4	(27.4)				2,883	26.3	(38.0)
HDFC	8,521	30.8	(2.2)	8,379	27.0	(19.4)				5,934	26.8	(19.1)
<b>Banks</b>	<b>165,403</b>	<b>15.3</b>	<b>0.1</b>	<b>133,230</b>	<b>17.3</b>	<b>(20.3)</b>				<b>64,086</b>	<b>25.6</b>	<b>(26.8)</b>

Source: Company data, I-Sec Research

I-Sec investment ratings (all ratings relative to Sensex over next 12 months)

**BUY:** +10% outperformance; **HOLD:** -10% to +10% relative performance; **SELL:** +10% underperformance

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