

**NOVEMBER 17, 2008**

**KEY INDICES**

INDEX	CURR	PRE	Chg%
Sensex	9385	9536	(1.58)
Nifty	2810	2848	(1.33)
Midcap	3216	3281	(1.98)
Smallcap	3765	3813	(1.26)

**VALUE TRADED (Rs Crs)**

	14.11.08	Chg%
BSE	3685	(0.11)
NSE	10776	5.65

**NET INFLOWS (Rs Crs)**

Prov	14.11.08	YTD
FII	(811.5)	(58,760.19)
DII	(25.15)	30,271.26

**FII OPEN INTEREST**

	14.11.08	Chg%
FII Index Futures	8,565	(3.17)
FII Index Options	13,443	(1.26)
FII Stock Futures	10,440	(0.57)
FII Stock Options	224	(0.88)

World Indices	14.11.08	Chg %
Dow Jones	8497	(3.83)
Nasdaq	1516	(5.01)
FTSE 100	4232	1.51
Crude Oil (US\$/bl)	57.04	(2.06)
Gold (US\$/oz)	742.5	5.32

The market had made a roaring start lifting the benchmark Sensex by a whopping 572 points or 5.74 per cent on last Monday as China's massive economic stimulus plan triggered a strong global stocks rally. The upbeat mood, however, was short-lived as China's plan lost significance after investors shifted focus to emerging negative factors such as uncertainty over political front with assembly elections in a few states and also about a US treasury plan to buy stakes in ailing lenders. In the week to November 15, the Bombay Stock Exchange 30-share barometer fluctuated in a range between 10,570.58 and 9,267.49 before ending the week at 9,385.42, a net fall of 578.87 points or 5.81 per cent from its last weekend's close. Similarly, the National Stock Exchange 50-share Nifty tumbled by 162.65 points or 5.47 per cent to conclude the week at 2,810.35 from its last weekend's close.

The outcome of the two-day G20 meet scheduled on Friday, 14 November-Saturday 15 November 2008 in Washington will set the tone for the global markets in the week ahead. Political uncertainty ahead of state elections and uncertainty about a US Treasury plan to forgo buying bad mortgage-related investments to buy stakes in US lenders, may weight on the domestic bourses.

The market may get support at lower level on expectations of a further cut in interest rates with inflation falling to single digit. Softening inflation will enable the Reserve Bank of India (RBI) to further cut interest rates to create more liquidity in a slowing economy. Lower interest rates boost stocks as they help rise in corporate bottomline by way of lower borrowing costs. RBI has already signaled an easier rate regime and cut a key short term rate earlier this month along with cuts in bank reserve ratios to free up funds for lending. Inflation, as measured by the wholesale price index, declined sharply to 8.98% in the week ending 1 November 2008 from 10.72% in the previous week mainly due to sharp drop in oil prices.

The Indian economy is witnessing a slowdown after a strong growth in the past three years. An indication of the slowdown in economy and trade was a 5% fall in excise and customs collections to Rs 18664 crore in October 2008.

US Stocks fell on Friday, with investors abandoning a recovery attempt, as the worst retail sales on record ignited fears of a long recession. The Dow Jones industrial average fell 338 points, or 3.8%. Earlier, the blue-chip indicator had lost as much as 363 points and gained as much as 88 points. The Standard & Poor's 500 index skidded 4.1% and the Nasdaq composite shed 5%.

Index	Support 2	Support 1	Previous Close	Resistance 1	Resistance 2	Trend
SENSEX	8980	9100	9385	9840	10945	↓
NIFTY	2680	2735	2810	2875	2970	↓

**"NSE" Predictions For 17th November 2008**

Scrip	Close	Trend	Trigger	Target 1	Target 2	Stop Loss	Duration
IBREALEST	108	↓	Sell Near 118	100	90	129.8	1-2 DAYS
STERLITE	229	↓	Sell Near 235	220	210	254	1-2 DAYS
UNITECH	46	↓	Sell Near 49	40	35	58	1-2 DAYS
PATELENG	139	↓	Sell Near 150	130	120	167	1-2 DAYS
TATAMOTORS	137	↓	Sell Near 145	131	117	168	1-2 DAYS

## CORPORATE NEWS

Japanese telecom firm NTT DoCoMo Inc announced a Rs 949 crore open offer to the shareholders of **Tata Teleservices (Maharashtra) (TTML)**, for up to 20 per cent equity at Rs 24.70 per share. The open offer would be made by DoCoMo along with Tata Sons and is scheduled to begin on January 8 and close on January 27, 2009. The offer is for acquiring 38,42,41,919 shares or up to 20 per cent. The purchase of shares by DoCoMo is subject to obtaining the required approval from the Foreign Investment Promotion Board (FIPB) and the Reserve Bank of India.

**RPG Enterprises**, which runs Spencer's, Music World and Books and Beyond retail stores, has slashed revenue target by 16-22% for its retail business from Rs 1,800 crore to Rs 1,400-1,500 crore this fiscal on store closures and 'challenging' retail environment.

Pharmaceutical and biotechnology major **Wockhardt** it has received approval from the US regulatory authority for marketing Midazolam injections, used in the treatment of sleeplessness and anxiety.

ADAG firm **Reliance Communications (RCOM)** added 1.8 million wireless subscribers in October, taking its total mobile user base to 61.7 million, including both GSM and CDMA customers.

**Leading IT solutions** provider IDS Softwares has forayed into Egypt to automate the hospitality industry and extend its footprint in North African countries.

Public sector **Nuclear Power Corporation of India (NPCIL)** is in talks to acquire stakes in companies that own uranium mining assets abroad. NPCIL is reportedly in talks with technology providers like French nuclear power major Areva, Atlanta-based General Electric (GE) and Russian nuclear plant manufacturer Atomstroyexport.

**Welspun Gujarat Stahl Rohren**, the Rs 4,000-crore high-grade steel pipes maker, is learnt to have deferred a Rs 5,000-crore backward integration plan due to weak macro-economic conditions. The backward-integration plan in Gujarat, which included captive resource mines and a steel plant, has now been pushed back as the industry is currently witnessing a sharp fall in demand and prices.

**L&T Infotech**, the IT arm of construction major Larsen and Toubro Ltd, expects a significant decline in growth rate for the current fiscal due to the economic meltdown, but sees long-term potential in West Asia. The company that caters to sectors such as manufacturing, banking and financial services, energy and petro-chemicals, and product engineering, said the growth rate for the fiscal would be between 23 and 25 per cent in rupee terms, compared with 45 to 50 per cent in the last 2 to 3 years. L&T Infotech, which gets about 65 to 70 per cent of its revenue from the US, is now looking to diversify further into other markets. The company would grow a lot faster in West Asia, where it has made a number of proposals, and has won some contracts.

Hit by the sharp fall in metal prices amid global economic slowdown, **Vedanta Resources Plc** has decided to cut its capital expenditure plans by \$5.1 billion through various initiatives. The company planned to invest \$14 billion in India over the next four years.

**Note: Please refer our Derivative Report for recommendation on OPTION STRATEGIES.**

**Additional Information with respect to the securities referred in our technical and derivative calls is uploaded on our website.**

Please note that our technical calls are totally independent of our fundamental calls

Technical Trends calls are based on momentum, Investors/Traders are requested to observe following discipline to take maximum advantage of the products

- Entry/exit will be on the basis of price or time priority
- Use strict stop loss at 15% from your average acquisition price

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