



MONARCH VIEW...

MONARCH PROJECT AND FINMARKETS LTD.

For PRIVATE CIRCULATION ONLY.

22 SEPT. 2009.

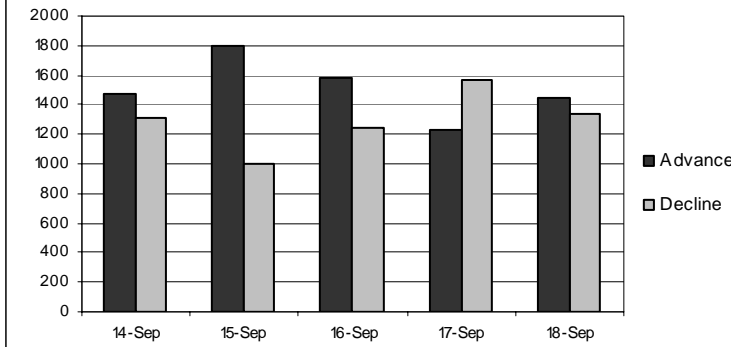
NSE Nifty (4976) 4930.35, 5003.05, 4786.25, 4976.05, 4914.02, 144.3, 0.2%



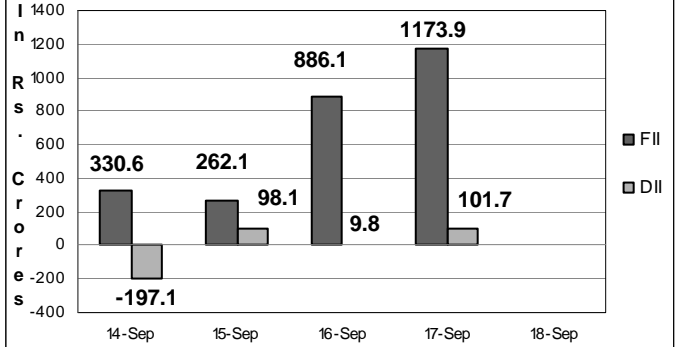
TECHNICAL STATISTICS :

Indices	Previous close	Last Close	Points	%Chng.
Sensex	16264.30	16741.30	477.00	2.93
Nifty	4829.55	4976.05	146.50	3.03
MIDCAP	5921.61	6171.23	249.62	4.22
SMLCAP	7101.27	7373.64	272.37	3.84
BSE - 100	8472.83	8750.80	277.97	3.28
BANKEX	8911.44	9324.10	412.66	4.63
AUTO	6030.39	6603.10	572.71	9.50
IT	4368.73	4555.92	187.19	4.28
OIL & GAS	10235.43	10126.25	-109.18	-1.07
METAL	13458.91	14514.59	1055.68	7.84
REALTY	4246.78	4473.21	226.43	5.33
PSU	8575.35	8742.90	167.55	1.95

Advance/Dcline



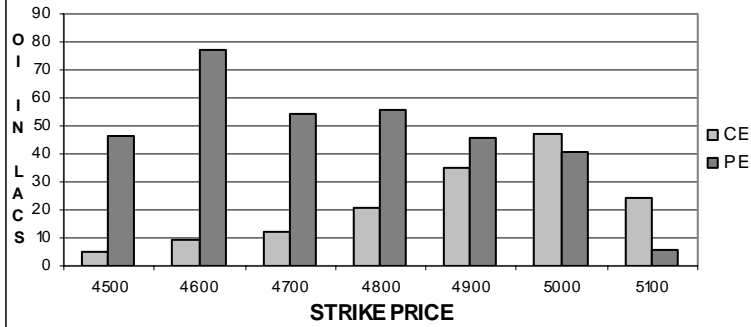
FI/DII Activities



Nifty (4976) : Last week it was IT and Financial sector which helped Nifty to close in green with a gain of 3% and a second positive week in a row. Technically it broke the triangle breakout staying above 4700 and also tested the psychological landmark of 5000. Global cues and sentiments were good supporting overall the markets worldwide. Market breadth through the week was good and large caps in rotation were inching the markets higher. FI's activity was positive in spot market could be mainly because of IPO but there were also some contra positions created in F&O segment. F&O data however suggests excessive caution. Very high Open Interest in recent times with low rollover so far and Put Call ratio almost 1.70 are early signs of keeping a close watch on the markets especially when market valuation is close to 22.5% on current basis and there is a short trading week ahead with the month's F&O expiry. The markets have rallied in recent times and there is a possibility to a top in formation for short term. The markets may tank on its own weight so please exercise caution and try to hedge your long positions.

Nifty can exhibit quite a bit of volatility and should be traded with 4920 as a trend decider for the week. Below 4920, nifty can fall upto 4840, and even 4705 levels while if sustains above 4920, the next resistance is likely at 5055 and then 5140.

NIFTY OI POSITION



NEWSLETTERS AND REPORTS

FOR HANDSOME GAINS !!!

Daily Newsletter, Weekly Newsletter, Daily Margin Table, Fundamental Analysis on individual Companies and Sectoral Reports.

Find all at www.monarchproject.com

Wealthcare Redefined ...

ALLHABAD BANK

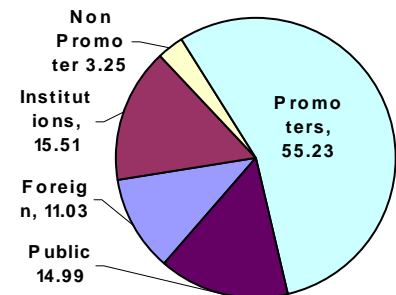
“BUY ON DECLINES”

CMP: Rs. 113

TGT: Rs.129

Company Basics		Stock Basics	
SECTOR	BANKING	FV	Rs.10
BSE ID	532480	BV	Rs.111.45
NSE ID	ALBK	EPS	Rs.21.90
GROUP	A	P/E	5.21
EQUITY	446.70 Crs.	BETA	0.6691
MARKET CAP.	5099.08 Crs.	52 week H/L	118/36.85
		P/BV	1.02

Share Holding Pattern



INVESTMENT RATIONALE

- Strong Business Growth:** The business growth for the bank was above the industry growth during the quarter. The advances grew by a strong 21.0% to Rs60,138 crore, mainly driven by a strong 26.1% y-o-y growth in the small and medium enterprise (SME) advances. Meanwhile, the retail loans and agriculture advances grew at a much slower pace of 15% yoy and 13.8% yoy respectively. The deposits grew by 22.1% yoy to Rs89,401 crore during the quarter. CASA ratio for the quarter reduce to 33.7% from 34.6% in the previous quarter.
- Result Performance:** Allahabad Bank for the quarter ended June 09 has reported scintillating growth in Net Profit up by 224% to Rs 302.86 crore owing to dip in provisions and contingencies by 80% to Rs 39.63 crore. The Net Interest Income of the bank grew by 34% to Rs 629.05 crore, while other income spurted by 157% to Rs 369.51 crore and resulted in robust growth in operating profit by 93% to Rs 590.63 crore.
- Margin has improved Strongly:** The reported NIM for Q1FY2010 stood at 3%, implying an increase of 40 basis points over the corresponding quarter of the previous fiscal. The increase in the margin primarily stemmed from a 47-basis-point contraction in the cost of deposits coupled with better yields on advances. Huge decline in Cost of Deposits during the quarter, as the bank has managed to cut down the proportion of its high-cost deposits to around Rs6,000 crore from Rs6,931 crore in the previous quarter.
- Treasury Income boost non interest income:** The non-interest income during the quarter grew by a 156.6% yoy to Rs369.5 crore, driven by strong treasury gains. Importantly, the fee-based income too registered a strong 36.6% y-o-y growth and stood at Rs146.5 crore for Q1FY2010.

VALUATIONS:

Currently Allahabad Bank is trading at P/BV of 1.02. We believe that the Bank will have strong earning Growth of above 20% in FY2010. We believe that the Bank is strongly improved based on its Net Interest Income due to increase in SME Business & Low cost Deposits. Market Price of the Bank are Rs.110 which below its real its strength & we believe that it has strong upside potential up to Rs.129 with the time horizon of 10 to 12 months from now.

Wealthcare Redefined ...



Indian Economy Outlook:

Inflation is in positive zone, declared at 0.12%: India's headline inflation came in positive zone during the week ended 5 September 2009. Inflation was in negative zone for 13 consecutive weeks. The negative zone ended during the week ended 5 September 2009 when inflation recorded 0.12% growth on year on year basis. The index of primary articles recorded 1.3% growth which includes 2.2% growth from food articles. The index of fuel and power grew to 343.4 from 343.3 last week due to higher prices of bitumen (9%), furnace oil and light diesel oil (4% each) and aviation turbine fuel (2%). However, the prices of naphtha declined.

India's rupee poised for second weekly gain as inflows increase: India's rupee headed for a second weekly advance on speculation the nation's economic recovery is attracting foreign capital to the stock market. The currency reached a five-week high after foreign funds raised holdings of local shares for an eighth day, the longest stretch since July, to the most in more than 20 months. Funds based abroad have bought Indian equities worth a net \$9.2 billion this year, more than twice the amount a year earlier, raising outstanding investments to \$64.5 billion, according to the Securities and Exchange Board of India. That is the highest level since December 2007.

Gold Jewellery export has increased by 40% in the August 2009: India has reported 40% increase in the exports of the gold Jewellery in the August 2009 from the same period year earlier. There is significant increase in the prices of the gold and silver over the several months, then also India is able to report \$54.5 crore Jewellery export in August 2009 compared with \$38.8 crore reported in the corresponding period previous year. Buying happens worldwide based on the feeling of global market recovery.

Dollar Index sank as low as to the weakest level in one year: The dollar Index, which tracks the US currency against the euro, yen, pound, Canadian dollar, Swiss franc and Swedish krona, sank as low as 76.010 recently, the weakest level since September 2008.

Global Economy Outlook:

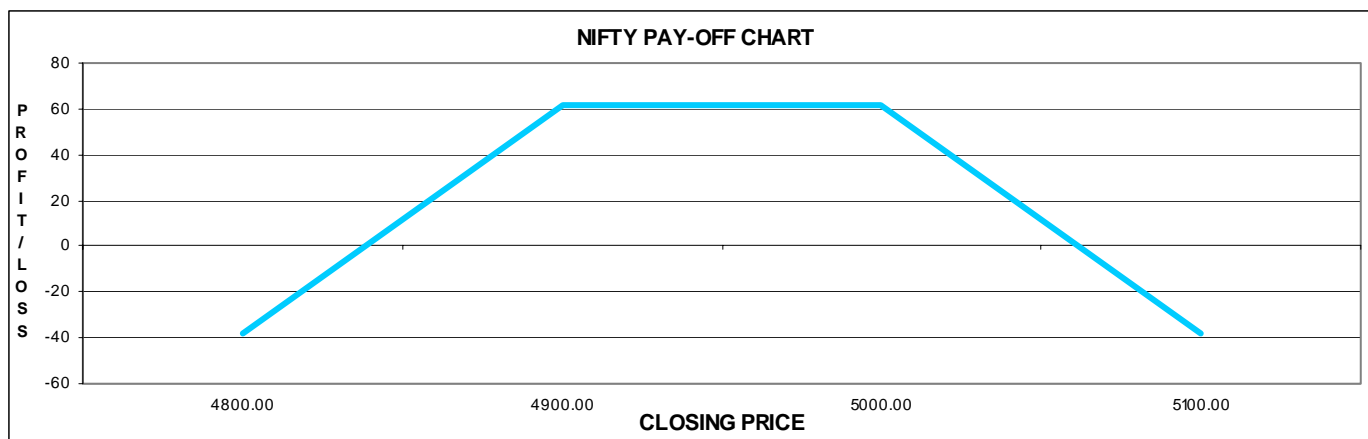
U.S. August producer price index rose 1.7%: U.S. producer prices rose 1.7% in August, powered by the biggest gain in energy prices since November 2007. In July, overall producer prices fell 0.9% and the core rate dropped 0.1%. Energy prices accounted for most of the gain in August's report. Prices for gasoline, heating oil, diesel fuel and liquefied petroleum gas all spiked. Gasoline prices climbed 23%, the most since April 1999, and heating-oil prices shot up 21.3%, their biggest increase since November 2007.

US August Retail Sales rise 2.7%: Retail sales improved in August, rising 2.7%, better than the expected 2.0% increase. A 5.1% increase in gas station sales and a 10.6% increase in auto and parts were the main drivers for the August increase. Retail sales excluding autos rose to a 1.1% gain. Sales excluding gasoline also rose 2.4%, and sales excluding autos and gas rose 0.6%. Sales in other retail sectors rose or fell mildly in comparison. Food and beverage store sales rose 0.5%, and sales at electronics and appliance stores rose 1.1%. Sales at general merchandise stores rose 1.6%.

US industrial production posts gain in August: In August, industrial production posted another large gain, making more believers that the recession is over for manufacturing. Also, a large upward revision to July also means that we may have to reconsider that the recovery began as early as July. Overall industrial production in August increased a hefty 0.8 percent, following a revised 1.0 percent boost in July. For the latest month, the manufacturing component rose 0.6 percent after surging 1.4 percent in July. For August, utilities rebounded 1.9 percent while mining output advanced 0.5 percent.

STOCK : NIFTY					
CMP. 4976.05 LOT SIZE :50					
EXERCISE DATE 24 SEP 2009					
STRATEGY-- SHORT STRANGLE					
Buy/Sell	Qty	Stock	Strike Price	Option	Price
SELL	50	NIFTY	4900	PUT	23
SELL	50	NIFTY	5000	CALL	39

VIEW- RANGE BOUND	
EXPECTED PAY OFF	
CLOSE	PROFIT/LOSS
4800.00	-38
4900.00	62
5000.00	62
5100.00	-38



Monarch Project & Finmarkets Limited is established in the Stock Market since 15 Years the Registered Office of which is at Mumbai and the corporate office at Ahmedabad. The Company was incorporated with the promise to serve the investors in the best possible manner and with the help of the employees and technology, company is able to fulfill this promise till today and the same will continue for the coming days.

We engaged in Equity/Commodity/Online trading, looking to cater you as per your requirement. Monarch Project & Finmarkets Limited is registered member of NSE & NSDL Whereas, Krone Research & Brokerage Private Limited, a Business Associate, is the member of BSE. Moreover, Krone Commodities Private Limited is the Member of MCX & NCDEX, NMCE, DGCX

The Company has grown by leaps and bounds in last 2 to 3 years. The current manpower strength of the Company is 350. The employees are highly skilled, dedicated & striving for the excellence. Monarch is catering more than 65000 Above Satisfied Clients base on daily basis on equity/commodities, our research department works on 24 X 7 to cater our esteemed clients.



MONARCH

wealthcare redefined

Our Services:

NSE, NSDL, BSE*, IPO*, MUTUAL FUND*, INSURANCE*, PMS*

SEBI Reg No NSE Cash: INB-230647033 | NSE F&O: INF-230647033 | NSDL DPID - IN303052

Corp Office:

A/64, Pareesema Complex,
Opp. Lal Bungalows, C. G. Road, Ellis-Bridge,
Ahmedabad. 380 006. INDIA.
Contact No. : +91-79-30088090 to 95
Fax No. : +91-79-26408100
E-Mail : info@monarchproject.com

Regd Office:

7/7A/7B, Yusuf Building,
Ground Floor, B/h. Akbar Allys,
Homi Modi Cross Lane No 1,
Nr. Bombay House, Fort, Mumbai - 400 023.
Contact No. : +91-22-66211800
Fax No. : +91-22-66388675

Research Desk Phone : +91-79-26409731.

Email : research@monarchproject.com

Disclaimer :

The information and views presented in this report are prepared by Krone Research & Brokerage (p) Ltd (hereinafter referred as KRBPL) a sister concern of MONARCH PROJECT & FINMARKET LTD. (hereinafter referred as MPFL) and is based on our analysis and upon sources that we consider reliable. We, however, do not vouch for the accuracy or the completeness thereof. This Newsletter is for restricted circulation and not for public distribution. The information furnished in this document is solely for your information and must not be reproduced or redistributed in any manner. All having access to this document are required to observe such restrictions. The information in this document is for personal information and we are not soliciting any action based upon it.. Recipients of this report should rely on their own investigation and take their own professional advice. Recommendation in this report may or may not suit risk reward ratio of individual investors and hence should not be completely rely upon. Information in this report could have been generated with a view of technical analysis using charts, price movement, volumes and various studies/ indicators applicable from time to time. They may not necessarily match the report published on fundamental analysis. The analyst of this document certifies that the views expressed in this document are his or her personal views on the subject and most accurate to the best of his/her knowledge. KRBPL and/or its affiliates, officers, directors, employees, remisers at all various locations may from time to time hold any long or short positions and /or have any direct or indirect interest resulting in monetary gains of any nature and /or have other potential conflict of interest with respect to any view expressed in this document. Recipients may please note that neither KRBPL nor any associate(s) accepts any liability or losses arising from the use of this information and views mentioned in this document. No part of this material may be duplicated in any form and/or redistributed without KRBPL's prior written permission.