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## From The Desk Of Editor

China's central bank move to increase flexibility in yuan against the dollar pushed global markets higher with the onset of the week. The optimism for the demand of commodities rose as the move is expected to increase Chinese consumers demand with the rise in purchasing power. Thereafter, the worrisome news flow from both U.S. & Europe only gave weakness to the markets. Disappointing earnings forecast by U.S. companies reignited the growth concerns in the market during the week. Fed policy makers left the overnight interbank lending rate target unchanged in a range of zero to 0.25 percent. Fed echoed that low inflation, stable price expectations and high unemployment "are likely to warrant exceptionally low levels of the federal funds rate for an extended period." It said the U.S. recovery is progressive but not strengthening and "Financial conditions have become less supportive of economic growth on balance, largely reflecting developments abroad." Concerns also rose about solvency position of both U.K. and Global banks. Bank of England said that U.K. banks remain "vulnerable" to further writedowns on their assets because of a potential decline in investor appetite for risk. Overall investors are circumspect of the global recovery and are not sure whether the austerity plan by various government will lead to economic prosperity.

The Indian government now seems to be batting its second innings in power by working on many reforms that were in its agenda for long time. On the recommendations of Kirit Parekh committee, the government decided to go ahead by linking petrol prices to market linked prices & giving Rs. 2/-, Rs. 3/- & Rs. 35/- hike in diesel, kerosine & LPG prices respectively. The long awaited step is expected to cool down the burgeoning under-recoveries of OMC's & will help consequently in lowering the fiscal deficit. As per our estimates the said increase will accentuate inflation by close to 0.50%. The move that was quite necessary from the long term perspective may put some pressure on the Equity & Bond Markets. As we are already facing high inflation & are on mercy of good monsoon, the step is likely to increase worries. We expect now, with the robust manufacturing activity & clear signs of demand pull inflation the next step may come soon from the monetary body by hiking policy rates. The move may lead to some correction in the capital markets & bond prices may fall.

Trend of Indian stock markets is up though U.S. and other markets is down which is giving rise to volatility here. Even dollar index is taking some reaction which might give some relief rally to metals in coming week. Nifty has support between 5200-5100 levels and Sensex between 17300-17000 levels.

Notwithstanding the doubt over the health of world economy, especially U.S. and Europe, commodity is reacting optimistically on every small news and statements. CRB index is going through a consolidation phase; any positive news can result in good upside. Two factors; flattish dollar index amid strong Asian economic growth accompanied by commodity demand can keep commodity on stronger side. In past seven months dollar index has rallied around 20%, the move was not showing the inner strength of dollar, rather it was majorly due to European debt crisis and safe-haven demand. If we see rangebound to bearish movements in dollar index again it will boost up commodities prices. However, we can see some correction in between, but that should be considered as good buying opportunity.

*Saurabh Jain*  
(Saurabh Jain)

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**SAFE HARBOR STATEMENT:** Some forward statements on projections, estimates, expectations, outlook etc are included in this update to help investors / analysts get a better comprehension of the Company's prospects and make informed investment decisions. Actual results may, however, differ materially from those stated on account of factors such as changes in government regulations, tax regimes, economic developments within India and the countries within which the Company conducts its business, exchange rate and interest rate movements, impact of competing products and their pricing, product demand and supply constraints. Investors are advised to consult their certified financial advisors before making any investments to meet their financial goals.

## NEWS

### DOMESTIC NEWS

#### Economy

- The government on Friday, raised petrol price by Rs 3.50 a litre, diesel price by Rs 2 litre, kerosene by Rs 3 litre and LPG by Rs 35 per cylinder.
- Food inflation rose to 16.90 per cent for the week ended June 12 from 16.12 per cent in the previous week.
- India's Foreign exchange reserves stood at US\$275.969 billion as on June 18, up from US\$272.783 billion as on June 11. At the same time, foreign currency assets reserves increased to US\$250.370 billion from US\$247.241 billion last week, while gold reserves remained unchanged at US\$19.423 billion.

#### Oil & Gas

- Reliance Industries will invest \$1.36 billion in shale assets of Pioneer Natural Resources, as the energy major looks to build its presence in the US shale gas sector. Under the agreement, Pioneer will sell 45 per cent stake in its Eagle Ford shale acreage in south Texas to Reliance for \$1.15 billion.
- Mukesh Ambani-run Reliance Industries and his younger brother Anil-led RNRL signed a revised gas supply agreement, a development that paves the way for government to allocate gas to Anil Ambani group's power plants.

#### Capital Goods

- McNally Bharat Engineering Company Ltd have received an order for Supply of Ash Water Recirculation & Treatment System Package for Singrauli Super Thermal Power Station, Stage - I & II, (5)1200 + 2X 500 MW for a value of Rs. 41.4 Crores inclusive of all Taxes and duties. The schedule time for completion is 27 Months.
- Larsen & Toubro's (L&T) thermal power plant construction (TPCC) business unit has received two orders worth Rs 827 crore from GVK Power for the expansion of their Gautami Combined Cycle power plant in Andhra Pradesh and SEPCO-I for the Talwandi Sabo power plant in Punjab.

#### Really/ Construction

- Hindustan Construction Company Ltd has received a Letter of Award from Himchal Pradesh Power Corporation of India Ltd, for execution of "EPC Contract Package for 100 MW (Civil and Hydro-Mechanical Works) Sainj Hydroelectric Project in Kullu District of Himachal Pradesh. The value of the contract is Rs. 431 Crore. The project is to be completed in 48 (Forty Eight) calendar months.

### INTERNATIONAL NEWS

- US Existing home sales showed an unexpected decrease in the month of May, according to a report released by the National Association of Realtors on Tuesday, with higher sales in the West and the South more than offset by a notable drop in sales in the Northeast. The report showed that existing home sales fell 2.2 percent to an annual rate of 5.66 million units in May from an upwardly revised 5.79 million unit rate in April.
- US Consumer durable goods orders fell in the month of May due largely to a drop in orders for transportation equipment. The Commerce Department said that durable goods orders fell by 1.1 percent in May following an upwardly revised 3.0 percent increase in April.
- US Commerce Department said that GDP increased at an annual rate of 2.7 percent in the first quarter compared to the 3.0 percent growth that was reported last month.
- Germany's building industry orders increased in April from the previous year. The total value of orders received by building construction and civil and underground engineering enterprises increased 1.3% year-on-year in April. Building construction demand increased 10.4% on an annual basis, while civil and underground engineering demand decreased 6.6%.

## TREND SHEET

STOCKS	CLOSING PRICE	TREND	DATE	RATE	S1	R1	S2	R2	CL.
			TREND CHANGED	TREND CHANGED				S/L	
SENSEX	17575	UP	18.06.10	17571	17300		17000		16700
S&P NIFTY	5269	UP	18.06.10	5263	5200		5100		5000
CNX IT	5922	UP	18.06.10	6007	5900		5850		5720
CNX BANK	9451	UP	18.06.10	9576	9400		9300		9150
ACC	862	Down	07.05.10	861		870		890	915
BHARTI AIRTEL	263	Down	07.05.10	288		275		285	295
BHEL	2452								Sideways
DLF	286	Down	07.05.10	286		290		300	310
INFOSYS	2778	UP	18.06.10	2786	2725		2675		2600
ITC	301	UP	21.05.10	270	290		280		270
L&T	1759	UP	18.06.10	1799	1700		1630		1570
MARUTI	1397	UP	25.06.10	1397	1370		1340		1290
NALCO	426								Sideways
NTPC	196	Down	07.05.10	202		200		203	208
ONGC	1263	UP	28.05.10	1129	1200		1150		1100
RELIANCE	1063								Sideways
SAIL	195	Down	07.05.10	208		205		212	220
SBI	2301	UP	18.06.10	2373	2280		2230		2170
SUNPHARMA	1791	UP	04.06.10	1702	1740		1660		1620

#### NOTES:

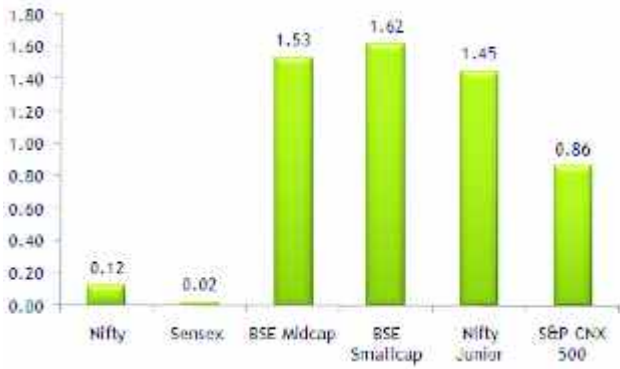
- These levels should not be confused with the daily trend sheet, which is sent every evening by e-mail in the name of evening buzzer equity.
- S1 & S2 indicates first support & second support respectively & R1 & R2 indicates first resistance and second resistance respectively.
- Sometimes you will find the stop loss to be too far but if we change the stop loss once, we will find more strength coming into the stock. At the moment, the stop loss will be far as we are seeing the graphs on weekly basis and taking a long-term view and not a short-term view.

## FORTHCOMING EVENTS

Ex DATE	SYMBOL	PURPOSE
29/06/2010	EDELWEISS	FINAL DIV RS.3/- PER SH AND SP DIV RS.5/- PER SH
29/06/2010	HDFC	DIVIDEND RS 36 PER SH
29/06/2010	JSWENERGY	AGM AND DIVIDEND RE.0.75 PER SH
29/06/2010	LICHSGFIN	DIVIDEND-RS.15/- PR SHARE
29/06/2010	PIRHEALTH	DIVIDEND-RS.5.40 PER SH
30/06/2010	ASIANPAINT	AGM AND DIVIDEND RS.18.50 PER SH
30/06/2010	KOTAKBANK	AGM AND DIVIDEND RE.0.85 PER SH
30/06/2010	M&MFIN	AGM/DIV-RS.7.50 PER SH
30/06/2010	SASKEN	AGM AND DIVIDEND RS.4/- PER SH
30/06/2010	TATATEA	FACE VALUE SPLIT FROM RS.10/- TO RE.1/-
02/07/2010	DIVISLAB	AGM AND DIVIDEND RS.6/- PER SH
02/07/2010	DRREDDY	AGM AND FINAL DIV RS.11.25 PER SH
02/07/2010	EXIDEIND	FINAL DIV-RE.0.40 PER SH
02/07/2010	SESAGOA	DIVIDEND-RS.3.25 PR SHARE
02/07/2010	VIJAYABANK	AGM AND DIVIDEND RS.2.50 PER SH

# EQUITY

## INDIAN INDICES (% Change)



**SMC Trend**

- Nifty
- Sensex
- BSE Midcap
- BSE Smallcap
- Nifty Junior
- S&P CNX 500

## SECTORIAL INDICES (% Change)



**SMC Trend**

- Auto
- Cap Goods
- FMCG
- IT
- Oil & Gas
- Bank
- Cons Durable
- Healthcare
- Metal
- Power
- Realty

## GLOBAL INDICES (% Change)



**SMC Trend**

- Nasdaq
- Dow Jones
- S&P 500
- Nikkei
- Strait Times
- Hang Seng
- Shanghai
- FTSE 100
- CAC 40

## INSTITUTIONAL ACTIVITY (EQUITY) (RS. IN CRORE)



## BSE SENSEX TOP GAINERS & LOSERS (% Change)



## NSE NIFTY TOP GAINERS & LOSERS (% Change)



▲-UP ▼-DOWN ↔-SIDEWAYS

## Beat the street - Fundamental Analysis

### IL&FS TRANSPORTATION NETWORKS LIMITED

#### Business Profile

IL&FS Transportation Networks Limited (ITNL), incorporated in 2000, is an established surface transportation infrastructure company, and one of the largest private sector BOT (Build operate transfer) road operators in India. The company is a developer, operator and facilitator of surface transportation infrastructure projects, taking projects from conceptualization through commissioning to operations and maintenance. The company over the years acquired a position of leadership in the roads sector and has expanded its scope of activities to Ports, Railways and Urban Transport Sectors. ITNL has been involved in the development, operation and maintenance of national and state highways, roads, flyovers and bridges in Andhra Pradesh, Delhi, Gujarat, Maharashtra, Karnataka, Uttar Pradesh, Kerala and Rajasthan. The company has presently around 12000 lane km of road projects.

#### Investment Rationale

- Recently, ITNL has informed that Rapid Metro Rail Gurgaon Limited, a joint venture between ITNL ENSO Rail Systems Ltd, DLF Metro Limited and the Company which was awarded a concession for a period of 99 years by Haryana Urban Development Authority for developing the 6.1 km rail Metro Link from Delhi Metro Sikanderpur Station on M.G. Road to NH-8 in Gurgaon on Build, Operate and Transfer basis has achieved a financial closure for Rs. 1,088 crores.
- ITNL today has the largest portfolio of road projects in the country. During FY'10, of the bids

worth Rs 458 billion of NHAI, the company bagged about 10% of orders. There are about 54 projects under Request for Qualification (RFQ) stage and 24 under Request For Proposals (RFP) stage.

- During FY'10, company bagged 6 new projects worth Rs 71 billion. Further during the year, it achieved financial closure of 5 projects worth Rs 59 billion. During FY'11 so far, the company has bagged 3 projects, two on Annuity basis and one on Toll basis with total project costs of about Rs 62 billion and length of about 1188 lane km. The company is also L1 for Kazakhstan based toll cum annuity based project worth Rs 16 billion.
- In FY'11, the management expects to start development activities in some 4 projects and expects the technical fees of these projects to be booked in FY'11.

#### Stock Chart



#### VALUE PARAMETERS

Current Mkt.Price (Rs.)	284.20
Face Value (Rs.)	10.00
52 Week High/Low	299.70/256.05
M.Cap (Rs. in Cr.)	5521.15
EPS (Rs.)	16.72
P/E Ratio (times)	17.00
P/B Ratio (times)	3.50
Dividend Yield (%)	0.39
Stock Exchange	BSE

#### % OF SHARE HOLDING



Particular	Full Year 201003	Full Year 200903	Variance (%)
Total Income	2495.99	1332.01	87.40
Net Sales	2402.88	1225.37	96.10
Expenditure	1608.75	1044.71	54.00
PBDIT	887.24	287.30	208.80
PBDT	593.13	113.01	424.80
PAT	344.39	26.26	1211.50

### ALOK INDUSTRIES LIMITED

#### Business Profile

Alok Industries Limited, was incorporated in the year 1986 with the name Alok Textile Industries Pvt Ltd., is engaged in the textile business. The Company's business is divided into five divisions: cotton yarn, apparel fabric, home textiles, garments and polyester yarn. Apart from the US (where the company sells about 25% - 30% of its exports), Company also sells in about 70 countries spread across North and Latin America, Europe, Africa, UAE and Asian countries like Bangladesh, Sri Lanka, etc.

#### Investment Rationale

- During the quarter ended March 2010, 62 new 'H&A' (Homes & Apparels) stores opened: now total 216 stores across India are operational and the company targets 450 shops by March 2011.
- The company has now converted H & A stores business into cash-and-carry business under the brand Alok H&A, and has signed a private equity deal with Asia Bridge for Rs 45 crore and to give them 33% stake over a period of next two years.
- The company is in the process of adding about 45,000 spindles for producing Fully Drawn Yarn (FDY) in polyester division. The company is also adding one more line of TP which will be operational by end of FY10.
- The total investment of the company including subsidiary investment, in real estate is to the tune of Rs 400 crore on four major projects. The company has a commercial building in the Dombivli area, covering 6,42,000 sq ft, export

business centre, at Lower Parel commercial building covering 64,000 sq ft again, a residential project joint venture with Ashford Group, at Nahur totaling to 1.1 million sq ft and about 200 acres of industrial land at Silvassa. In coming 1-1 1/2 years, the company plans to use the inflow from real estate business towards retirement of debt.

- The company expects the revenues to grow at CAGR of 30% for next two years and 20-25% of growth in the bottom line.
- The global textile and apparel industry is reviving after the recent global recession with increasing consumer demand. With a positive outlook the global textile and apparel trade has the potential to grow up to US\$ 805bn by 2015, from approx. US\$ 460 bn in 2009. The Indian Textile Industry is expected to grow to US\$ 115 bn by 2012 from present size of US\$ 67 bn.

#### Stock Chart



#### VALUE PARAMETERS

Current Mkt.Price (Rs.)	19.85
Face Value (Rs.)	10.00
52 Week High/Low	27.90/15.80
M.Cap (Rs. in Cr.)	1563.78
EPS (Rs.)	3.08
P/E Ratio (times)	6.44
P/B Ratio (times)	0.71
Dividend Yield (%)	0.94
Stock Exchange	BSE

#### % OF SHARE HOLDING



Particular	QE Mar'10	QE Mar'09	Var.(%)	TTM
Total Income	1472.82	924.75	59.30	4319.24
Net Sales	1471.13	908.39	61.90	4314.67
Expenditure	1043.02	668.92	55.90	3057.92
PBDIT	429.80	255.83	68.00	1261.32
PBDT	248.19	173.39	43.10	723.45
PAT	95.33	70.10	36.00	242.44

## Beat the street - Technical Analysis

### CIPLA LIMITED



The stock closed at Rs.347.10 on 25th June 2010. It made a 52-week low at Rs.240.00 on 01st July 2009 and 52-week high of Rs.363.50 on 18th December 2009. The 200 days Exponential Moving Average (EMA) of the stock on the weekly chart is currently at Rs.244.

As per the nature of defensive counter, it lost marginally lesser in comparison to other stocks or we can say that it went into a broader consolidation range while the overall market was in correction mode. At the time of rebound, it rose sharply from the bottom and started forming higher highs and higher lows which lead to the new fifty two weeks high. From the past six months, it is trading in the consolidation range of 305-350 levels and formed the fresh buying pivot accordingly. Now it's on verge of breakout from the same so one may accumulate between 337-342 levels with closing below stop loss of 326 levels for the targets of 375-390 levels.

### ESSAR OIL LIMITED



The stock closed at Rs.137.65 on 25th June 2010. It made a 52-week low at Rs.104.20 on 04th November 2009 and 52-week high of Rs.174.35 on 17th October 2009. The 200 days Exponential Moving Average (EMA) of the stock on the weekly chart is currently at Rs.122.

Though it avoided the fall till the later half of 2008 but resumed the overall decline trend in the last quarter and lost the ground resultant testing monthly support zone around 55 levels. We witnessed extremely low volume throughout the period of decline. As the result thereof, we noticed steep rise in price and volume in line with the reversal in the broader index. In the past one year, the stock price is in the decline mode but it is sustaining successfully above the 200 EMA on the weekly chart. In the last traded week, it showed the potential of upside breakout with significant rise in volume as well so one can accumulate in a range of 130-134 levels with closing below stop loss of 123 levels for the targets of 155-165 levels.

### NAGARJUNA FERTILIZER & CHEMICALS LIMITED



The stock closed at Rs.31.30 on 25th June 2010. It made a 52-week low at Rs.26.50 on 03rd November 2009 and 52-week high of Rs.43.90 on 06th July 2009. The 200 days Exponential Moving Average (EMA) of the stock on the weekly chart is currently at Rs.29.

Like other fertilizer stocks, it rose exceptional well in the last bull run but retraced more than ninety percent from the high with decline in the index in 2008. It retested monthly support zone around 15 levels again where it again started consolidating prior to bounce. It took around six months for the completion of pattern and resultant break helped to overcome the resistance zone of 200 EMA. It retested the support zone of 200 EMA thrice in the recent past which leads to exit the weak hands from the counter and again it's trading above the same zone so one may accumulate between 29-31 levels with closing below stop loss of 27 levels for the targets of 38-44 levels.

# DERIVATIVES

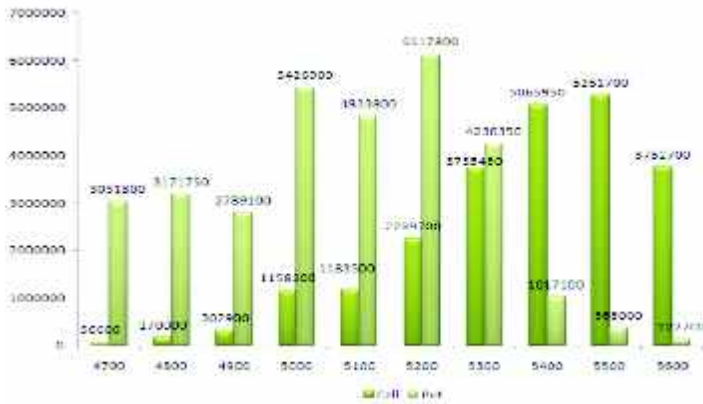
## WEEKLY VIEW OF THE MARKET

Nifty ended the week near its weekly low due to profit booking in heavy weights. The new expiry started with rollover of 68% in nifty and discount to spot. On other hand Most of the heavy weight stocks have seen good rollover with positive cost of carry. Options concentration during the week has shifted to the 5200-strike put option with an open interest of above 61 lakh shares closely followed by the 5400-strike call option with above 52 lakh shares. This option concentration suggests, the near term range of 5200 to 5400. Implied volatility (IV) of index options is giving early signal of going up. Difference between the IVs of puts and calls has fallen sharply. This indicates no clear directional expectation in Nifty. The implied volatility (IV) of call options closed at 18.38% while the average IV of put options ended at 19.03%. July put-call ratio of open interest decreased and closed high at 1.49 levels. The options activity suggests, Nifty has good support around 5200 levels but any instability on the global front will bring about selling pressure from current levels.

## DERIVATIVE STRATEGIES

OPTION STRATEGY	BULLISH		VOLATILITY BASED STRATEGIES	
		<b>RCOM</b> Buy Jul. 200. CA 9.50 Sell Jul. 210. CA 6.00  Lot size: 2000 BEP: 203.5 Max. Profit: 13000.00(6.5*2000) Max. Loss: 7000.00(3.5*2000)	<b>CIPLA</b> Buy Jul. 360. CA 5.00 Sell Jul. 380. CA 1.25  Lot size: 1000 BEP: 363.75 Max. Profit: 16250.00(16.25*1000) Max. Loss: 3750.00(3.75*1000)	<b>SBIN</b> Buy Jul. 2300. CA 62.00 Buy Jul. 2250. PA 45.00  Lot size: 125 Upside BEP: 2407.00 Downside BEP: 2143.00 Max. Profit: Unlimited Max. Loss: 13375.00(107*125)
FUTURE STRATEGY	<b>NAGARFERT (July Future)</b> Buy: Around 31 Target: 36 Stop loss: 29	<b>INDIACEM (July Future)</b> Sell: Below 106 Target: 100 Stop loss: 108	<b>SIEMENS (July Future)</b> Sell: Below 732 Target: 712 Stop loss: 738	

## NIFTY TOTAL OPEN INTEREST (in share)



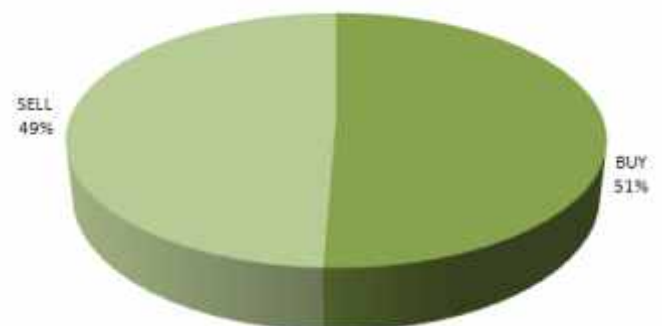
## BASIS GAP IN NIFTY



## FII'S ACTIVITY IN F&O IN LAST TEN SESSIONS (DERIVATIVE SEGMENT) Rs (Cr)



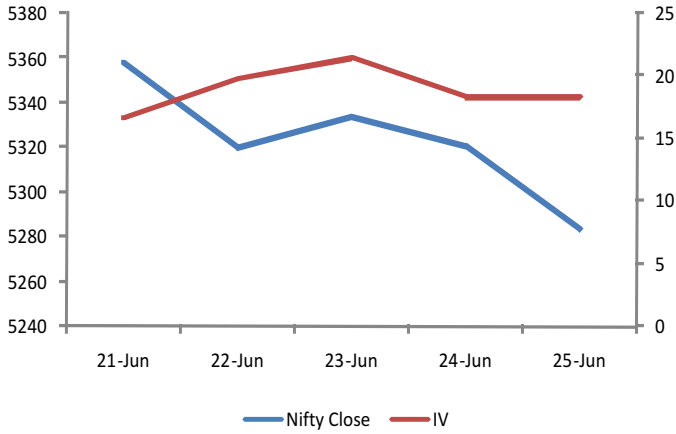
## FII'S ACTIVITY IN F&O IN LAST WEEK (DERIVATIVE SEGMENT)





# DERIVATIVES

## NIFTY & IV CHART



## NIFTY ANALYSIS

**Put Call Ratio Analysis :**The Put-Call open interest ratio of Nifty has decreased to 1.49 from 2.03. At the end of week, the maximum stocks had negative trend of change in put call open interest ratio.

**Implied Volatility Analysis :**The Implied Volatility (IV) for Nifty futures this week has increased to 18.38% from 14.68%. The IV of the stock futures has changed this week ranging from -22.24% to 6.71%.

**Open Interest Analysis :**The open interest for the index at the end of this week has increased by 14.69% as compared to the previous week. All future stocks saw changes in their open interest ranging from -27.79 to 63.91. NTPC has the maximum increase in open interest as compared to other stocks.

### Statistical Analysis·

Open	5325.00	High	5377.55
Low	5273.00	Close	5283.70

## IMPORTANT INDICATORS OF NIFTY AND OTHER ACTIVE FUTURE CONTRACTS

SCRIPTS	OPEN INTEREST			PCR RATIO			IMPLIED VOLATILITY		
	PREV. WEEK	CURRENT WEEK	% CHANGE	PREV. WEEK	CURRENT WEEK	% CHANGE	PREV. WEEK	CURRENT WEEK	% CHANGE
BHARTI	18750500	23226000	23.87	0.35	0.27	-0.08	38.09	36.96	-1.13
DLF	10800800	12611000	16.76	0.65	0.48	-0.17	37.21	39.44	2.23
HINDALCO	25931178	18918000	-27.05	0.81	0.51	-0.3	40.2	41.65	1.45
HINDUNILVR	12092000	10134000	-16.19	0.89	0.87	-0.02	20.9	21.39	0.49
ICICIBANK	11801650	12685500	7.49	2.21	0.71	-1.5	27.74	34.45	6.71
IDEA	18891900	21448000	13.53	0.41	0.35	-0.06	44.26	35.27	-8.99
INFOSYSTCH	2439600	1761750	-27.79	1.18	0.57	-0.61	18.19	21.22	3.03
ITC	13206375	11354000	-14.03	0.56	0.4	-0.16	22.16	20.09	-2.07
JPASSOCIAT	20787720	22752000	9.45	0.53	0.37	-0.16	39.74	38.43	-1.31
NTPC	12096500	19827000	63.91	0.41	0.34	-0.07	16.5	19.38	2.88
ONGC	2326275	3098250	33.19	0.98	0.39	-0.59	31.31	27.8	-3.51
RANBAXY	3109600	2781500	-10.55	0.51	0.06	-0.45	38.63	31.71	-6.92
RCOM	17824100	24046000	34.91	0.98	0.36	-0.62	46.06	47.76	1.7
RELIANCE	3620016	4596250	26.97	0.44	0.23	-0.21	58.42	36.18	-22.24
RNRL	31168416	34668000	11.23	0.54	0.31	-0.23	71.61	58.78	-12.83
<b>S&amp;P CNX NIFTY</b>	<b>27473250</b>	<b>31510200</b>	<b>14.69</b>	<b>2.03</b>	<b>1.49</b>	<b>-0.54</b>	<b>14.68</b>	<b>18.38</b>	<b>3.7</b>
SAIL	6604200	7157000	8.37	0.74	0.46	-0.28	35.61	32.39	-3.22
SBIN	3709728	3352750	-9.62	1.71	0.38	-1.33	22.23	21.51	-0.72
SUZLON	62415000	75896000	21.6	0.46	0.41	-0.05	44.9	40.05	-4.85
TATASTEEL	18798220	23388500	24.42	0.46	0.39	-0.07	42.23	39.13	-3.1
UNITECH	55719000	52380000	-5.99	0.61	0.61	0	43.98	40.02	-3.96

## OUTLOOK

### SPICES

Pepper futures seem attractive for 18500 levels; from the standpoint that weaker rupee against the dollar helped the Indian parity at around \$3,900 a tonne. The bulls may gain more momentum with strong buying interest from Middle-East countries ahead of coming Ramadan festival. Jeera futures rebounding strongly off their lows may accelerate to 14000 levels. Jeera price of Syria improved to \$2,580/tonne whereas Indian prices were being offered lower at around \$2,500/tonne. Chilli futures are at its oversold phase, meaning a definite higher correction cannot be ruled out. There can be a slight recovery on chilli futures and the profits may consolidate within 4590-4720 range. This week may show a slower pace of gains in turmeric futures keeping the trade in range of 14300-14750. Uncertainty about the price trend may keep market participants in a cautious mode. Peak demand season coming to an end, may halt the rally of cardamom futures. Regular buyers staying away & waiting for the new crop to enter, may keep the trade in a broader range of 1700-1900.

### OTHER COMMODITIES

Weather is the key driver for guar, and with the continuing delay of monsoon in the northern states, may dampen the prospects for sowing. Guar prices shining back in the spot markets at Sri Ganaganagar & Bikaner, may give some favourable signs to the futures to dwell in a positive range. Being the import of peer commodities like yellow peas have been more costly by over \$100 dollars at \$310 to \$320 per tonne, chana futures may gain some buying confidence & alleviate to 2260 levels. The ongoing contango situation in chana futures may give an incentive to investors to flare up their profits. The outlook for mentha oil futures is likely to remain stronger in range of 735-775. Firm spot markets at Barabanki & Chandausi advocate the rising trend, indicated by lower arrivals & growers holding the stocks. Heavy import orders for wheat due to its premium prices in central and western India, may keep the futures in a tight range. Flour mills in south India have contracted imports of more than 50,000 metric tons of wheat at \$267-\$290/ton from Australia for July-August shipment.

### BULLIONS

Gold is expected to remain on volatile path due to mixed risk sentiment regarding euro zone crises. However the weakness in the housing sector is keeping the safe haven appeal intact. Gold is expected to trade in very broad range of Rs 18500-19100 in near term. Last week dollar fell to a 6-week low against the pound as traders increased bets that Federal Reserve will keep interest rates near zero for longer in order to support a recovery in the world's largest economy. U.S. GDP data also came at 2.7percent whereas the estimates were 3per cent which increased the safe haven appeal of yellow metal. Last week FOMC meeting fed chairman vowed to hold interest rates exceptionally low for an extended period. The SPDR Gold Trust holdings stood at 1,316.17 tonnes which supports the prices of gold. This week data like Euro CPI, Euro German unemployment, US consumer confidence and unemployment rate will guide the direction of dollar index and euro.

### OIL AND OILSEEDS

The bears have continued to keep probe in soybean futures since last five months, registering a fall of nearly 26% on the national bourse. Higher stocks of uncrushed soybean around 2 million tonnes, ahead of sowing seem to empower the disconcerting sentiments dragging prices lower. The shower activity associated with the monsoon trough is getting fairly close to the main soybean belt. Disparity in crushing in the seed due to higher vegoil imports & lower price realization for oil and meal may keep the soybean futures in range of 1890-1950. On the international front, China's inbound shipments of soybeans may fall after some crushers canceled import plans on surging arrivals. Negative crushing margin & lesser export enquiries from Southeast Asian countries remains a fundamentally bearish feature for mustard futures, which may keep the trade in range of 510-535. With weakness in oilseeds futures, the rising inventory of crude palm oil is just another straw being piled onto the camel's back. Import during the month to India & subcontinent for June 1-25 has been 170,722 tonnes from 149,180 tonnes in the same period a year back.

### ENERGY COMPLEX

Crude oil may remain on volatile path as the hurricane expectation in Gulf and summer demand is keeping the prices well supported but the doubt about pace of economic recovery is limiting the upside. Crude oil has support of Rs 3500 and resistance at Rs 3700 in MCX. Refineries operated at 89.4 percent of capacity, up 1.5 percentage points from the prior week and the highest level since April. According to IEA growth in world oil demand will slow in the next five years as the pace of Chinese consumption moderates. Chinese oil demand is expected to reach 11.63 million barrels a day by 2015, up from 9.16 million this year, according to the IEA data. The pace is slowing, with consumption rising 4.1 percent in 2015, compared with 7.6 percent this year. Natural gas may remain in range of Rs 210-240 in near term. According to IEA demand for natural gas in the developed economies is not expected to recover to its pre-recession levels for another two years.

### FERROUS AND NON-FERROUS METALS

Base metal prices have made up for much of the losses made in previous few sessions and are all showing a firmer tendency as investors took note of improved demand signals from Japan even as they remained concerned about signs that the recovery might slow in the United States. The main reason for this rise is the announcement of China's Ministry of Finance that export incentives for a number of raw material and steel products are to be abolished. In this week we expect the prices to trade on volatile path as demand optimism from China is expected to support the prices but on other hand weak equity markets and any fragile data from U.S front can keep the cap on upside movements. Among other industrial metals, most of the record stock of aluminium is tied up in financing deals and unavailable to consumers. Although, demand is rising, as indicated by improved premiums this year and falling stocks.

# COMMODITY

## TREND SHEET

EXCHANGE	CONTRACT	CLOSING PRICE*	TREND	DATE TREND CHANGED	RATE TREND CHANGED	S1	R1	S2	R2	CLOSING STOP LOSS
NCDEX	GUAR SEED (JULY)	2288.00	DOWN	04.06.10	2285.00	-	2300.00	-	2350.00	2400.00
NCDEX	SOYABEAN (JULY)	1911.50	DOWN	11.06.10	1890.00	-	1960.00	-	1980.00	2030.00
NCDEX	TURMERIC (JULY)	14496.00	UP	05.03.10	8527.00	14000.00	-	13600.00	-	12900.00
NCDEX	JEERA (JULY)	12626.00	UP	25.06.10	12626.00	12350.00	-	12000.00	-	11700.00
NCDEX	PEPPER(JULY)	17442.00	UP	25.06.10	17442.00	16500.00	-	16100.00	-	15500.00
NCDEX	CHILLI (JULY)	4613.00					SIDEWAYS			
NCDEX	RM SEED(JULY)	519.10	UP	21.05.10	512.75	515.00	-	505.00	-	500.00
MCX	MENTHA OIL (JULY)	743.10	UP	05.03.10	593.80	725.00	-	700.00	-	670.00
MCX	CARDAMOM (JULY)	1778.90	UP	12.03.10	1212.60	1650.00	-	1550.00	-	1450.00
MCX	SILVER (SEPT)	29850.00	UP	29.04.10	28237.00	29300.00	-	28700.00	-	28000.00
MCX	GOLD (AUG)	18792.00	UP	29.04.10	16975.00	18100.00	-	17800.00	-	17500.00
MCX	COPPER (AUG)	317.10					SIDEWAYS			
MCX	ZINC (JULY)	86.45	DOWN	29.04.10	102.00	-	88.00	-	92.00	97.00
MCX	CRUDE OIL (JULY)	3635.00					SIDEWAYS			
RBI	DOLLAR	46.54	UP	07.05.10	45.58	46.00	-	45.80	-	45.50

\*Closing price as on 25.06.10

- NOTES :
- 1) Buy / Sell 25% of Commodity at S1/R1 respectively & rest 75% at S2/R2 respectively.
  - 2) S1 & S2 indicates first support & second support & R1 & R2 indicates first resistance & second resistance.
  - 3) Sometimes you will find the stop loss to be too far but if we change the stop loss once, we will find more strength coming into the commodity. At the moment, the stop loss will be far as we are seeing the graphs on weekly basis and taking a long-term view and not a short-term view.
  - 4) These levels should not be confused with the daily trend sheet, which is sent every evening by e-mail in the name of evening buzzer commodity.

## TECHNICAL RECOMMENDATIONS

### ALUMINIUM MCX (JULY)



**ALUMINIUM MCX (JULY)** contract closed at Rs. 91.55 on 25th June '10. The contract made its high of Rs. 99.60 on 4th May '10 and a low of Rs. 86.90 on 7th June '10. The 18-day Exponential Moving Average of the commodity is currently at Rs. 91.43

On the daily chart, the commodity has Relative Strength Index (14-day) value of 45.66. One can buy in the range Rs. 90 - Rs. 91 with the stop loss of Rs. 87 for a target of Rs. 99.

### CARDAMOM MCX (JULY)



**CARDAMOM MCX (JULY)** contract closed at Rs. 1778.90 on 25th June '10. The contract made its high of Rs. 2067.00 on 11th June '10 and a low of Rs. 1328.90 on 28th April '10. The 18-day Exponential Moving Average of the Commodity is currently at Rs. 1712.2

On the daily chart, the commodity has Relative Strength Index (14-day) value of 56.99. One can buy in the range Rs. 1750 - Rs. 1770 with the stop loss of Rs. 1734 for a target of Rs. 1800.

### USD/ INR



**USD INR: USD/INR (JULY)** contract closed at Rs 46.45 on 25th June '10. The contract made its high of Rs 48.01 on 25th May '10 and a low of Rs 44.62 on 15th April '10. The 18-day Exponential Moving Average of the Commodity is currently at Rs 46.60

On the daily chart, the commodity has Relative Strength Index (14-day) value of 48.86. One can sell strictly below 46.40 with the stop loss of Rs 46.75 for a target of Rs 45.55.

## NEWS DIGEST

- The National Spot Exchange Limited has announced the launch of delivery-based contracts for 15 commodities in the investment segment under E-Series.
- The nation received 97.4 millimeters (3.83 inches) of rain from June 1 to June 23, less than the 109.6 millimeter average deemed normal for the period,
- According to the Department of Agriculture of Andhra Pradesh, chillies area sown has declined to 0.005 lh in 2010 compared to 0.01 lh in 2009.
- India exported 56,910 metric tonnes of spices in April, up about 28% from a year earlier, due to higher demand for chilli and turmeric, the state-run Spices Board said on 24th June, 2010.
- Exports of Malaysian palm oil products to Indian & sub continent for June 1-25 rose 14.47% to 170,772 tonnes from 149,180 tonnes shipped between 1-25 May.
- Japan has bought 10,000 metric tons of Indian soy meal at \$375 a metric ton on a cost-and-freight basis for delivery in July.
- The Baltic Exchange's main sea freight index fell to its lowest in over eight months again on Thursday as slow cargo enquiry hurt sentiment.
- Water level in India's main reservoirs in the week to June 24 remained at the previous week's level of 12 percent but it was 3 percent higher than a year ago, government data showed.
- SPDR Gold Trust said its holdings rose to a record high at 1,316.177 tonnes as of June 24 from the previous high of 1,313.135 tonnes set on June 22.
- Durable good orders of US were down 1.1% in May, recording the first decline in six months.

## WEEKLY COMMENTARY

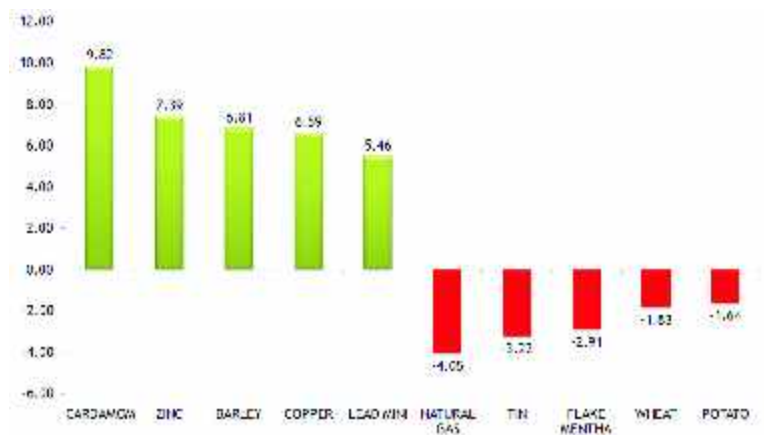
Last week we have experienced a profound volatile session in bullion section. On COMEX division gold August future contract notched another all-time high of \$1266.50 on Monday and traded as low as \$1225.20 during the Wednesday session. This volatility is a direct result of the continued uncertainty with the fiscal crisis in the European Union as well as the growing geo-political tensions world-wide. Silver also tracked moves in gold and equity markets and settled in red territory. However mixed economic data from U.S front kept the base metal pack sideways during the week. U.S. data last week has been a mixed bag so far with Thursday's data showing weekly jobless claims falling last week and a bounce in U.S. durable goods orders in May helping offset poor new home sales data and the Federal Reserve's subdued assessment of the economy on Wednesday. Once again, with a weakening economic outlook, some terrible housing numbers and a not so inspiring Energy Information Agency report, crude oil prices remain under pressure in early trades of the week but on Friday prices get underpinned and ended up to hit a seven-week high as odds increased that an Atlantic storm would form and head to the Gulf of Mexico, where oil production may be disrupted.

Turmeric futures rebounded on fresh buying. Once again jeera and pepper followed the same direction as they did in past. They have seen continuous three week jump in the prices. It was a good short covering in jeera futures. Even lower level stimulated fresh buying despite fragile fundamentals. The overseas demand is weak due to the higher prices of Indian Cumin seed over Syrian and Turkey cumin seed prices. Pepper was up on good overseas demand. Good export demand propped up cardamom futures, however the upside was limited on improving arrivals and rains. Export of spices and spice products from India has crossed 5,00,000 metric tonnes for the first time in the history of spice trade this year. It was not a good week for chilli and again it marched towards its support of around 4600 on absence of buyers and profit booking at higher levels. Very uncertain movements were witnessed in oil seeds complex which kept investors aside throughout the week. Guar complex moved gradually as support came from lower level buying and fear of fall in acreage. There is a fear in market that farmers may switch to barley and other crops which are enjoying good MSP. Maize shot up on short covering.

## NCDEX TOP GAINERS & LOSERS (% Change)



## MCX TOP GAINERS & LOSERS (% Change)



## WEEKLY STOCK POSITIONS IN WAREHOUSE (NCDEX)

COMMODITY	UNIT	17.06.10 QTY.	24.06.10 QTY.	DIFFERENCE
CHANA	MT	50436.00	52692.00	2256.00
CHILLI	MT	3964.00	3964.00	0.00
GOLD 100 GMS TOTAL	GMS	1800.00	1800.00	0.00
GOLD	KGS	8.00	7.00	-1.00
GUAR SEED	MT	11520.00	11466.00	-54.00
GUAR GUM	MT	18777.00	18921.00	144.00
JEERA	MT	7704.00	7307.00	-397.00
MAIZE	MT	1082.00	1082.00	0.00
PEPPER	MT	4200.00	4095.00	-105.00
SILVER	KGS	1568.00	1568.00	0.00

## WEEKLY STOCK POSITIONS IN WAREHOUSE (MCX)

COMMODITY	UNIT	18.06.10 QTY.	24.06.10 QTY.	DIFFERENCE
CARDAMOM	MT	29.40	31.90	2.50
MENTHA OIL	KGS	1952227.68	2025635.53	73407.85
CHANA	MT	32057.46	32106.56	49.10
GOLD	KGS	100.00	100.00	0.00
SILVER	KGS	11884.89	11884.89	0.00
GOLD MINI	KGS	290.60	338.60	48.00

# COMMODITY

## SPOT PRICES (% change)



## WEEKLY STOCK POSITIONS IN LME (IN TONNES)

COMMODITY	STOCK POSITION	STOCK POSITION	DIFFERENCE
	ON 18.06.10	ON 25.06.10	
ALUMINIUM	4474175	4446400	-27775
COPPER	457425	454250	-3175
ZINC	618025	616550	-1475
NICKEL	129798	126312	-3486
LEAD	189800	188800	-1000
TIN	20305	18725	-1580

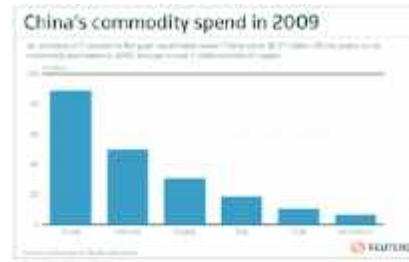
## PRICES OF METALS IN LME/ COMEX/ NYMEX (in US \$)

COMMODITY	EXCHANGE	CONTRACT	18.06.10	25.06.10	CHANGE%
COPPER	LME	3 MONTHS	6420.00	6636.00	3.36
ZINC	LME	3 MONTHS	1740.00	1835.50	5.49
ALUMINIUM	LME	3 MONTHS	1940.00	1978.00	1.96
NICKEL	LME	3 MONTHS	19600.00	19500.00	-0.51
TIN	LME	3 MONTHS	17625.00	18050.00	2.41
LEAD	LME	3 MONTHS	1745.00	1825.00	4.58
GOLD	COMEX	AUG	1258.30	1256.20	-0.17
SILVER	COMEX	JULY	19.18	19.11	-0.39
LIGHT CRUDE OIL	NYMEX	AUG	78.26	78.86	0.77
NATURAL GAS	NYMEX	JULY	5.00	4.86	-2.72

## YUAN ... "KNEE-JERK REACTION"

The Chinese New Year has only just started, and already trade tensions are ratcheting up. The strength of China's Yuan gave the world a confidence to end the peg & acted as a cushion for reviving from the fears of the global financial crisis, especially with European debt worries in the background.

China's yuan soared at 6.7980, its highest level against the US dollar since its July 2005 revaluation after the central bank signaled it would allow the yuan to continue its rise.



### REVALUATION OR REVOLUTION???

The yuan policy change signaled that the Chinese economy "the world's third-biggest economy" is on a more solid footing. China has been under intense global pressure, especially from the US, to introduce more flexibility between the yuan and the dollar to encourage the cash-rich Chinese to buy more from the heavily-indebted West.

Needless to say, a stronger yuan would allow China to lower the cost of its imports, particularly commodities.

Even a small rise in the yuan could shave billions off the cost while raising the volume of China's commodity purchases. China's economy is still in a cycle towards overheating. China's inflation accelerated in May to 3.1%, the quickest pace in 19 months, highlighting overheating risks in the fastest-growing major economy. Inflationary pressures may convince China to allow its currency to appreciate. A stronger yuan is in China's interest to satisfy its appetite for resources.

Yuan appreciation should benefit China's importers of bulk commodities like soybeans, cotton, copper and various mining products including iron ore and other metal ores as these commodities, priced in the dollar, will be cheaper. The appreciation will support commodities prices in dollar terms in global markets as China will be able to accept higher prices in the dollar terms.

Following is a list of some likely winners and losers from any yuan appreciation.

### WINNERS

- **Foreign resource companies** - On hopes China's move would increase its resource imports.
- **Foreign heavy machinery makers** - The U.S. sells billions of dollars worth of machinery and products to China each year.
- **Foreign automakers** - Foreign automakers that sell cars in the world's largest vehicle market, should also gain.
- U.S. companies such as General Electric Co and Procter & Gamble Co are likely to make currency exchange gains when their China profits are converted into U.S. dollars.
- **Chinese airlines** - China's three top carriers, Air China China Eastern Airlines and China Southern which borrow in foreign currencies to pay for aircraft, but generate reveyuan, could benefit the most. Airlines also use dollars to buy fuel.
- **Foreign luxury firms** - A firmer yuan would likely boost other Asian currencies as a strong yuan is seen by investors as a pledge of confidence for Asia's growth. That should help luxury goods makers, whose imported products will be cheaper across the region, just as more Asians benefit from increased wealth.

### LOSERS

- **Foreign retailers** - Companies signed earlier memorandum of understanding for projects to build, would have to spend more in U.S. dollars to fund investments.
- **Chinese commodity firms** - Companies with dollar-linked prices for their output, but their costs are in yuan, would find their revenues falling while their costs remain steady, if yuan strengthens.

In a nut shell, China is not shying away from commodity consumption any time soon. They still have roads to pave, factories to build, and cities to expand. China is thinking ahead in terms of commodity demand. The shift toward a stronger exchange rate may give more purchasing power to its people. Chinese consumers might buy more while their counterparts in the U.S. may have to pay more & cut back on their spending as the cost of goods imported into America rises. This move is a net plus for the world economy.

## INTERNATIONAL COMMODITY PRICES

Commodity	Exchange	Contract	Unit	18.06.10	25.06.10	Change (%)
Soya	CBOT	July	Cent per Bushel	961.00	957.00	-0.42
Maize	CBOT	July	Cent per Bushel	360.60	340.40	-5.60
CPO	BMD	July	MYR per MT	2470.00	2451.00	-0.77
Sugar	LIFFE	Aug	10 cents per MT	510.40	544.10	6.60

## TECHNOFAB ENGINEERING LIMITED (TEL)

### Issue Highlights

<b>Industry</b>	<b>Engineering</b>
Issue Size in Cr.	68.77 - 71.76
Price Band in (Rs.)	230-240
Offer Date	29-Jun-10
Close Date	2-Jul-10
Face Value	10
Lot Size	25
IPO Grade	<b>Fitch IPO Grade 3</b> Indicating average fundamentals

### Issue Composition

	In shares
Total Issue	2,990,000
Employee Reservation	50,000
Net Issue	2,940,000
QIB	1,470,000
NIB	441,000
Retail	1,029,000

**Book Running Lead Manager**  
Collins Stewart Inga Private Ltd.

**Name of the registrar**  
Link Intime India Pvt. Ltd.

**Syndicate Member**  
SMC Global Securities Ltd.

### Shareholding Pattern (%)

Particulars	Pre-issue	Post issue
Promoters & promoters group	51.00	36.46
QIB	15.8	25
NIB	33.2	28
Retail	-	10
<b>Total</b>	<b>100</b>	<b>100</b>

### Objects of the Issue

Particulars	Amt. (in Cr.)
Long term Working Capital Requirement	30
Procurement of Construction Equipment	16.24
Setting up of Maintenance & Storage facility	4.99
Setting up of training centre	5.41
General Corporate purpose	[•]
Issue Expenses	[•]
<b>Total</b>	<b>[•]</b>

### Business Overview

Technofab Engineering Limited (TEL), incorporated in 1971, is engaged in the business of providing Engineering Procurement and Construction (EPC) services, executing a wide range of Balance-of-Plant (BoP) and electro-mechanical projects on a complete turnkey basis. It manages domestic and overseas operations from its Corporate Office at Faridabad, Haryana. The company has offices in Ethiopia, Kenya and Fiji to execute overseas projects.

Its clientele includes PSUs and private / multinational companies (MNCs) in India and overseas which are in diverse sectors such as power, steel, cement, refineries, fertilizers, petrochemicals, ports / jetties, water services, etc. Some of its clients includes L&T, SEBs, GAIL, IOC, NBCC, NALCO, SAIL, NMDC. The total orders secured by TEL in FY08, FY09, FY10 is Rs. 215, 275, 310 crore respectively. The order book position of the company on 31st March 2010 stands at Rs. 533.74 Cr almost 2.5 times of its FY10 revenues.

Gammon India Limited (GIL) acquired a 15.7% stake in TEL in FY07, and the association has benefited TEL by enabling it to bid for and secure projects for which it was not previously eligible due to net worth and/or revenue criteria.

The company undertakes the following packages on a complete turnkey basis:

- Industrial, Utility and Low Pressure Piping Systems
- Fuel Oil, Unloading, Storage and Handling Systems
- Fire Detection, Alarm and Protection Systems
- Water, Wastewater and Effluent Treatment and Recycling Systems
- Tankages
- Raw & Sea Water Intake Systems
- Plant Electrification / Transmission & Distribution / Rural Electrification
- Renovation and Modernization of Coal Feeding Systems

### Strength

**Project execution capabilities:** TEL has been in the EPC business for the last thirty eight years. This has contributed towards securing multiple orders received from customers like Lanco Infrastructure, BHEL, NPCIL, NTPC. The company has a track record in designing, manufacturing, procuring, constructing, commissioning, troubleshooting and servicing various systems and equipments.

**Diversified business and capabilities:** The company has the requisite expertise and ability to offer various services and other systems under one roof. The same skill set serving diverse systems and sectors, reduces its dependence on any one sector and also provides the distinct advantage of executing multiple packages for a single project. This has enabled it to create a strong order book which is well diversified sectorally and geographically.

**Pre-qualification credentials:** Pre-qualification is a basic requirement of Electricals & Construction Industry. It is necessary that bidder should have requisite qualification in terms of technical expertise, adequate capital, infrastructure, experienced manpower, value of projects executed in the past etc. TEL's track record with 120 completed and 41 ongoing projects enables it to meet customers prequalification requirement either independently or in association with joint-venture partners.

**Cost competitiveness:** The company has developed expertise in the line of operations which are characterized by its ability to minimize overheads, cost control and prevent overruns on project schedules along with strong skills in construction and contract management. Strong in-house EPC and project management team helps TEL control control costs by eliminating unnecessary product features, procuring equipment and materials in cost efficient manner, optimizing logistics and maximizing labour efficiency.

**Established Marketing Set-up:** TEL's strong marketing strengths evolve from a multi-pronged strategy. Multiple / repeat orders from existing customers and a thorough scanning of all opportunities particularly, projects financed by multilateral financing agencies are the key to its marketing approach. In electrical distribution and rural electrification, which it has recently entered into, the company has dedicated personnel for development of this business segment to identify and pursue opportunities including tie ups for technology and pre-qualification.

### Strategies

#### Expansion and enhancement of operations in existing business segments

- **Water, Wastewater and Effluent Treatment and Recycling Systems:** The company intends to focus on newer opportunities arising from JNNURM besides pursuing traditional opportunities in the power and industrial sectors. To strengthen its credentials and capabilities for providing integrated services in the water sector particularly in specialized water & waste water treatment, TEL is exploring suitable tie ups for process technology and qualifications. It has recently entered into a MoU with an overseas company to jointly

bid for reverse osmosis based sea water and brackish water desalination projects in India. TEL intends to become a single source supplier in the sphere of water and waste water treatment and recycling systems and are exploring for suitable tie-ups with other companies.

- **Electrical Distribution and Rural Electrification Projects:** For expansion in the electrical works segment, it has recently acquired RIDPL. RIDPL is in the business of electrical works including lighting and erection of sub-stations on contractual basis. The experience and pre-qualification credentials of RIDPL would help it in securing orders for electrical distribution and rural electrification projects. Considering the investments in this sector, the company intends to pursue opportunities in India and other developing nations in Africa and neighboring countries like Bangladesh, Nepal and Sri Lanka.
- **Power sector, Tank Farms / POL Depots:** TEL anticipate large investments in power sector especially in Nuclear Power Sector which also involves substantial civil construction. The company also intends to explore opportunities for taking up projects of larger tankages for hydrocarbon and other sectors which are attracting major investments in all areas viz. upstream, refining, transportation and storages including POL depots & government initiated strategic storages, downstream & allied sectors like petrochemicals and fertilizers.

**To enter into Mechanical Electrical Plumbing (MEP) Works:** TEL foresee good business opportunities in MEP business covering Heating Ventilation & Air Conditioning (HVAC) systems, plumbing, firefighting, mechanical & electric systems, Building Management Systems (BMS), automation and security. With a view to focus on this business, the company has entered into an agreement with an overseas company to promote MEP business on an integrated basis in India and Africa (excluding North Africa).

**To execute larger size of projects on a single source responsibility basis:** The company is gradually moving up the value chain by targeting larger size assignments either independently or through joint ventures or MOUs. Having developed significant in-house expertise in important and major BoP packages TEL is well equipped to offer services for the entire "Balance of Plant" covering all utilities and offsite packages of a typical power plant other than coal and ash handling systems. Till FY06 the average job value was less than Rs. 10 crore with the largest single order being below Rs. 25 Cr. This has increased to an average job value of approximately Rs. 20 Cr. by FY10 with several jobs in the Rs. 40 to 60 cr. range.

**Focus on International opportunities:** It believes that there are substantial opportunities in Asia Pacific, West and South East Asia and Africa. It is focusing on infrastructure and urban development projects particularly the water and waste water sector. The projects it aims at are likely to be subject of developmental finance say from multilateral development banks/agencies. A competitive cost of equipment as well as human resources in India gives TEL an additional advantage to compete with international companies. In recent years the company has bid for several international contracts. Foreign orders secured in the last few years had an average value of approximately 49 Rs. Crore.

**Leverage skills in Railway / Transport Infrastructure sector:** Keeping in line with its business diversification, TEL has recently set up a strategic business unit that will focus on seeking business opportunities in railways related construction activity, specifically, civil engineering & construction including track laying, signaling and electrification works, setting up of new workshops and production units, modernization of existing ones, setting up of cold chain cargo centers, etc. Initially, it intends to foray in this line of business by way of suitable tie-ups with established players in the niche areas and simultaneously developing in-house capabilities.

## Risks

**Inadequate in-house domain expertise and relative smaller size:** As part of its growth strategy, the company intends to diversify the portfolio of projects and services offered by it into new sectors. Diversification into newer areas can be hampered by inadequate expertise in the concerned domain. The company is dependent on external consultants for such domain expertise that could affect the success of such business segment. Moreover due to relatively smaller size of the company there is execution risk on completing large orders by the company.

**Dependence on Central/State Government for work orders:** Contracts awarded by Central, State and Local Governmental authorities constitute more than fifty percent of TEL's Order Book as on March 31, 2010. Government-owned or government-controlled projects are often prone to delays and subject to political or financial pressures. Any change in govt. spending on infrastructure and engineering projects could materially impact the results of its operations.

**Concentration risk:** TEL's current order book has multiple work orders from a limited number of clients. The top five largest customers approximately 62.5 percent of sales for the year ended March 31, 2010. It was 75 percent of total revenues in FY09, 95 percent in FY08 and 88 percent in FY07. Thus its business is dependent on the continued relationship with these top clients.

### Joint ventures with third parties

As a part of efforts to expand its business the company has entered into some joint ventures. Disputes related to performance, policies and objectives of each party or any financial difficulties faced by joint ventures could also affect the ability to perform its obligations under agreement with TEL.

## Industry Overview

The Engineering & Construction industry is a key driver of the country's infrastructural and industrial growth. The industry operates mainly based on EPC contracts and consists of companies engaged in civil and mechanical engineering projects mainly in, Power, Oil & Gas, Water & Waste Water Treatment, Roads, Airports, Ports and Railways sectors.

The fast growth of the economy in recent years has placed increasing stress on physical infrastructure such as electricity,

railways, roads, ports, airports, irrigation and urban and rural water supply and sanitation, all of which already suffer from a substantial deficit from the past in terms of capacities as well as efficiencies in the delivery of critical infrastructure services. The pattern of inclusive growth of the economy projected for the Eleventh Plan, with GDP growth averaging 9% per year can be achieved only if this infrastructure deficit can be overcome and adequate investment takes place to support higher growth and an improved quality of life for both urban and rural communities. (Source: Eleventh Five Year Plan)

The total investment projected in the infrastructure sector, defined to include electricity (including nonconventional energy), roads, bridges and railways (includes Mass Rapid Transit System, MRTS), ports, airports, telecommunications, irrigation (including watershed development), water supply and sanitation, storage and gas distribution amounts to 2056150 Rs. crore under the Eleventh Plan. (Source: Eleventh Five Year Plan).

The required investment in infrastructure would be possible only if there is significant rise in private investment. Public Private Partnerships (PPP) projects typically involve transfer or lease of public assets, delegation of government authority for recovery of user charges, operation and/or control of public utilities/services in a monopolistic environment and sharing of risk and contingent liabilities by the government. sector investment of Rs 20000 crore during this period. (Source: Eleventh Five Year Plan)

## Valuation

Considering the P/E valuation, the company is trading at pre issue P/E of 9.04 on the lower side of the band and 9.43x on the higher side of the band of its FY10 EPS of Rs.25.45. Looking at the post issue valuation, the company is trading at P/E of 12.64 times on the lower side and 13.19 times on the higher side of its post issue FY10 EPS of Rs. 18.20. At its P/B ratio it trades at 3.45 and 3.6 multiples of the lower and higher band of its pre issue book value of Rs.66.64 and 1.98x and 2.07x on the lower and higher side of its post issue book value of Rs.116.05 respectively.

# MUTUAL FUND

## NEWS

### ICICI Prudential Mutual Fund revises exit load structure under its plan

ICICI Prudential Mutual Fund has planned to revise the exit load structure under its scheme ICICI Prudential Long Term Floating Rate Plan. As per the revision, scheme will charge an exit load of 0.25 per cent if the investments are redeemed within 1 month from the date of allotment. The revision has been effective from 23rd June, 2010. ICICI Prudential Long Term Floating Rate Plan is an open ended debt scheme with the investment objective to generate income through investments in a range of debt and money market instruments of various maturities with a view to maximizing income while maintaining the optimum balance of yield, safety and liquidity. The scheme is managed by Mr. Chaitanya Pande and benchmarked against Crisil Liquid Fund Index.

### JPMorgan MF Introduces Facility to Transact Schemes on the Stock Exchange

JPMorgan Mutual Fund announced that the units of the below mentioned schemes will be available for transaction through MFSS (Mutual Fund Service System) as well as BSE StAR MF trading platforms of NSE and BSE respectively, effective from June 24, 2010. The schemes are JPMorgan India Equity Fund as well as JPMorgan India Smaller Companies Fund, JPMorgan India Alpha Fund, JPMorgan India Tax Advantage Fund and JPMorgan JF Greater China Equity Off-shore Fund.

### ICICI Prudential Long Term Floating Rate Plan Opens For Fresh Subscription

ICICI Prudential Mutual Fund has announced the opening for fresh subscription / additional purchases / switch-ins of the ICICI Prudential Long Term Floating Rate Plan from June 24, 2010 till further notice. ICICI Prudential Long Term Floating Rate Plan is an open ended income fund with an investment objective to generate income through investments in a range of debt as well as money market instruments of various maturities in order to maximize income while maintaining the optimum balance of yield, safety and liquidity.

### ICICI Prudential Mutual Fund announces dividend under its schemes

ICICI Prudential Mutual Fund has declared dividend under its schemes, ICICI Prudential Growth Plan and ICICI Prudential Discovery Fund. The quantum of dividend decided for distribution for both scheme will be Rs. 1 per unit on the face value of Rs. 10 per unit. The record date decided for declaration of dividend is 28th June, 2010. ICICI Prudential Growth Plan and ICICI Prudential Discovery Fund are open ended equity schemes and both the schemes are managed by Mr. S Naren and Mr. Rajat Chandak and benchmarked against S&P Nifty.

### Tata MF declares dividend for Tata SIP Fund Scheme II

Tata Mutual Fund has approved Jun.29, 2010 as the record date for declaration of dividend under dividend option of Tata SIP Fund Scheme II. The quantum of dividend will be entire distributable surplus available on the record date. Tata SIP Fund Scheme II is a 36 months close ended hybrid scheme with the primary objective to achieve a long term growth.

## NFOs WATCH

Fund Name	NFO Opens on	NFO Closes on	Scheme Objective	Fund Type	Fund Class	Fund Manager	Minimum Amount
IDFC Capital Protection Oriented Fund - Series II	01-Jun-2010	30-Jun-2010	The investment objective of the scheme is to protect the capital by investing in high quality fixed income securities as the primary objective and generate capital appreciation by investing in equity and equity related instruments as a secondary objective.	Close Ended	Hybrid	Mr. Ashwin Patni	Rs 5000/-
Franklin Templeton Fixed Tenure Fund - Series XIV (3 Yrs) - Plan A	01-Jun-2010	30-Jun-2010	The investment objective of the scheme is to generate returns and reduce interest rate volatility, through a portfolio of fixed income securities that are maturing on or before the maturity of the scheme along with capital appreciation through equity exposure.	Close Ended	Income	Mr. Pallab Roy / Vivek Ahuja / A Radhakrishnan / Ms Roshi Jain	Rs. 10000/-
Fortis FTP - Series 17 - Plan B (369 Days)	07-Jun-2010	06-Jul-2010	The Investment objective of the scheme would be to achieve growth of capital through investments made in a basket of fixed income securities maturing on or before the maturity of the Scheme.	Close Ended	Income	Mr. Alok Singh	Rs. 5000/-
Peerless Income plus Fund	09-Jun-2010	08-Jul-2010	To generate regular income through a portfolio of predominantly high quality fixed income securities & with a marginal exposure to equity & equity related instruments.	Open-Ended	Income	Mr. Ganti N. Murthy / Mr. Kaushik Dani	Rs. 1000/-
Tata Fixed Tenure Fund Series 1 (3 Years)	15-Jun-2010	15-Jul-2010	The investment objective of the scheme is to generate income and / or capital appreciation by investing predominantly in wide range of Debt and Money Market instruments that are maturing on or before the maturity of the respective scheme. To attain capital appreciation, the scheme will invest small portion in equity/ equity related instruments.	Close-Ended	Income	Mr. Murthy Nagarajan / Venugopal M	Rs. 10000/-
Axis Fixed Term Plan - Series 4 (3 Months)	08-Jun-2010	14-Jul-2010	The Plan(s) of the Scheme will endeavour to generate returns through a portfolio of debt & money market instruments that are maturing on or before the maturity of the respective plan(s).	Close-Ended	Income	Mr. Ninad Deshpande	Rs. 5000/-



## EQUITY (Diversified)

Scheme Name	NAV (Rs.)	Launch Date	AUM (Rs. in cr.)	Returns (%)					Risk			Market Cap (%)				
				3M	6M	1Y	3Y	Since Launch	Beta	Jensen	Std. Dev.	Small Cap	Mid Cap	Large Cap	Other	Debt & Cash
DSP BlackRock Micro Cap Fund - Reg - Gr.	15.32	14-Jun-07	292.43	13.82	32.63	88.57	14.98	15.10	4.57	-1.50	13.76	81.26	15.96	0.00	1.34	1.44
DSP BlackRock Small and Midcap Fund - Gr.	16.50	14-Nov-06	847.67	9.08	14.17	63.11	13.03	14.87	0.85	0.57	3.30	62.18	31.11	1.59	1.67	3.45
ICICI Prudential Discovery Fund - Gr.	45.30	14-Aug-04	1088.6	7.19	13.39	67.78	17.02	29.38	0.68	0.68	2.82	39.34	22.62	24.74	4.86	8.43
ING Dividend Yield Fund - Gr.	21.79	24-Oct-05	36.53	11.97	13.79	63.59	20.30	18.14	0.69	0.62	2.72	28.60	34.41	29.00	0.00	8.00
Reliance Equity Opportunities Fund - Gr.	32.49	31-Mar-05	2069.96	3.99	12.27	62.10	12.13	25.23	0.88	0.56	3.29	37.08	16.89	27.31	13.41	5.31
UTI Master Value Fund - Gr.	48.75	1-Jun-98	487.44	10.27	12.74	67.30	15.74	23.49	0.95	0.60	3.69	55.47	16.06	21.74	1.44	5.29
UTI Thematic Mid Cap Fund - Gr.	30.53	9-Apr-04	339.86	7.80	10.90	60.60	10.49	21.47	0.98	0.48	3.77	59.31	24.51	10.00	0.78	5.40

## BALANCED

Scheme Name	NAV (Rs.)	Launch Date	AUM (Rs. in cr.)	Returns (%)					Risk		Market Cap (%)					
				3M	6M	1Y	2Y	3Y	Since Launch	Jensen	Std. Dev.	Small Cap	Mid Cap	Large Cap	Other	Debt & Cash
HDFC Prudence Fund - Gr.	194.02	1-Feb-94	4113.52	7.62	12.15	44.69	29.25	16.28	21.74	0.61	2.28	29.01	16.64	26.97	0.51	26.87
HDFC Balanced Fund - Gr.	50.31	11-Sep-00	155.77	6.53	13.19	40.89	25.46	16.28	17.94	0.55	1.93	16.57	20.26	28.24	2.98	31.96
Tata Balanced Fund - Gr.	77.94	8-Oct-95	271.92	2.39	5.38	32.65	20.22	12.24	17.41	0.46	2.68	10.82	25.28	39.20	0.00	24.71
Reliance RSF - Balanced - Gr.	20.99	8-Jun-05	539.15	1.99	8.79	31.78	26.59	20.18	15.81	0.44	2.36	7.76	12.47	43.79	1.64	34.35
Birla Sun Life 95 - Gr.	285.80	10-Feb-95	289.89	3.71	6.83	31.40	23.68	13.14	24.36	0.41	2.25	20.13	17.69	25.46	5.20	31.52
Canara Robeco Balance - Gr.	57.24	1-Feb-93	168.65	4.82	7.98	30.77	22.06	13.20	10.78	0.40	2.20	15.83	16.81	38.68	0.00	28.68
DSP BlackRock Balanced Fund - Gr.	61.99	27-May-99	677.09	4.17	5.03	30.77	17.69	12.88	17.89	0.41	2.15	16.47	18.19	30.79	7.66	26.89

## GILT

Scheme Name	NAV (Rs.)	Launch Date	AUM (Rs. in cr.)	Average Maturity (Days)	Yield Till Maturity	Returns(%)							Risk	
						Annualised				1 Y	3 Y	Since launch	Sharpe	Std. Dev.
						1 W	2 W	1 M	6 M					
Birla Sun Life G Sec Fund - LT - Gr.	27.45	28-Oct-99	86.42	1.00	5	4.16	3.90	3.45	13.99	11.91	10.96	9.93	0.32	0.38
Religare Gilt Fund - Long Dur. Plan - Reg - Gr.	10.21	9-Feb-08	6.17	1.00	5.05	0.61	9.10	23.73	8.32	7.00	--	0.88	0.06	0.61
Kotak Gilt - Investment Regular Plan - Gr.	31.90	23-Dec-98	55.07	2884.00	7.5	-9.42	-2.46	-10.87	7.60	6.86	10.37	10.60	0.09	0.36
JM G Sec Regular Plan - Gr.	30.39	29-Sep-99	11.86	1547.00	6.23	5.81	-2.53	-0.95	3.98	6.35	12.28	10.90	0.05	0.30
Birla Sun Life GPLP - Gr.	21.45	12-Oct-99	6.32	1.00	5	4.55	4.58	4.40	7.66	5.26	5.11	7.39	0.01	0.16
DSP BR Government Securities Fund - Gr.	32.61	30-Sep-99	68.75	2351.00	N.A.	-7.81	2.14	-2.78	7.08	4.15	11.85	11.63	-0.04	0.44
Kotak Gilt - Savings Plan - Gr.	21.58	23-Dec-98	82.69	1409.00	6.75	-0.53	-1.74	-2.76	5.57	3.73	5.41	6.91	-0.22	0.12

## LIQUID/ULTRA SHORT TERM

Scheme Name	NAV (Rs.)	Launch Date	AUM (Rs. in cr.)	Average Maturity (Days)	Yield Till Maturity	Returns(%)							Risk	
						Annualised				1 Y	3 Y	Since launch	Sharpe	Std. Dev.
						1 W	2 W	1 M	6 M					
LIC MF Savings Plus Fund - Gr.	14.81	29-May-03	9248.33	229.00	N.A.	5.22	5.13	5.20	5.08	5.21	7.10	5.71	0.10	0.01
LIC MF Income Plus Fund - Gr.	12.51	30-May-07	17307.16	186.00	N.A.	4.88	5.07	5.26	5.07	5.17	7.58	7.56	0.02	0.01
Edelweiss Short Term Bond Fund - Ret - Gr.	11.16	9-Sep-08	232.75	135.00	N.A.	4.82	4.70	4.62	4.92	5.07	--	6.33	-0.12	0.01
Kotak Floater - LT - Gr.	14.79	13-Aug-04	12808.4	102.00	5.5	5.36	5.39	5.24	4.95	5.01	7.49	6.90	-0.34	0.01
IDFC Money Manager - Invest Plan - PlanA - Gr.	14.23	9-Aug-04	5795.6	139.00	N.A.	4.77	4.75	4.77	4.92	4.93	6.63	6.19	-0.58	0.01
Reliance Medium Term Fund - Gr.	19.31	14-Sep-00	13356.67	95.00	5.15	5.19	5.17	5.09	4.93	4.90	6.61	6.96	-0.56	0.01
Tata Floater Fund - Gr.	13.90	6-Sep-05	8485.85	86.00	5.36	5.30	5.26	5.16	4.86	4.87	7.29	7.09	-0.57	0.01

## FLOATERS

Scheme Name	NAV (Rs.)	Launch Date	AUM (Rs. in cr.)	Average Maturity (Days)	Yield Till Maturity	Returns(%)							Risk	
						Annualised				1 Y	3 Y	Since launch	Sharpe	Std. Dev.
						1 W	2 W	1 M	6 M					
Birla Sun Life Floating Rate Fund - LTP - Gr.	15.97	5-Jun-03	587.3	124.00	N.A.	5.52	5.66	5.44	5.98	7.26	8.22	6.86	1.01	0.04
Birla Sun Life Floating Rate Fund - STP - Gr.	15.32	5-Jun-03	958.63	29.00	5	5.35	5.27	5.09	4.82	4.82	6.85	6.23	-0.41	0.02
DSP BR Floating Rate Fund - Reg. Plan - Gr.	14.96	13-May-03	3862.78	91.00	N.A.	4.78	4.76	4.79	4.54	4.44	6.64	5.82	-1.16	0.01
HDFC F R I F - LTF - Gr.	16.03	16-Jan-03	1490.8	471.00	N.A.	8.70	7.44	4.64	5.20	6.17	8.39	6.55	0.19	0.10
HSBC FRF - LTP - Regular Plan - Gr.	14.33	16-Nov-04	858.09	67.00	N.A.	3.72	3.54	3.68	3.91	3.98	6.97	6.59	-2.70	0.01
Kotak Floater - ST - Gr.	15.23	14-Jul-03	106.94	15.00	4.5	4.49	4.49	4.28	3.97	3.88	6.71	6.24	-2.80	0.01
LIC MF Floating Rate Fund - ST - Gr.	15.31	31-Mar-04	5102	219.00	N.A.	5.08	5.19	5.27	5.17	5.38	7.79	7.06	0.34	0.01

Note: Indicative corpus are including Growth & Dividend option. The above mentioned data is on the basis of 25/06/2010. Beta, Sharpe and Standard Deviation are calculated on the basis of period: 1 year, frequency: weekly Monday, RF: 5%

# FIXED DEPOSIT MONITOR

S.NO	MANUFACTURING (COMPANY NAME)	RATE OF INTEREST ( %) p.a					REMARKS	MIN. INVESTMENT
		6M	12M	18M	24M	36M		
1	ANSAL HOUSING & CONST LTD (RENEWAL)	11.00	12.00	-	12.00	12.50	NO ADD INT	A&C-20000,B-10000
2	ANSAL PROPERTIES & INFRASTRUCTURE LTD	11.50	12.00	-	12.25	12.50	PAN COPY MANDATORY	25000/-
3	ALEMBIC LTD	-	6.00	-	7.50	8.50	0.25% ADD. IF APPLICATION AMOUNT>500000	20000/-
4	APOLO HOSPITAL ENTERPRISES LTD (05.11.2009)	-	8.00	-	8.25	8.75		25000/-
5	ASIAN ELECTRONICS LTD	12.00	11.00	-	11.00	10.00	0.25% ADD. TO SR. CITIZEN, SHAREHOLDERS & EMPLOYEES	5000/-
6	BIRLA POWER SOLUTIONS LTD	-	10.50	-	11.00	11.50	0.25% ADD. IF APPLICATION AMOUNT>100000	10000/-
7	CEAT LTD	-	8.50	-	9.00	9.50	NO ADD INT	25000/-
8	CNBC TV 18 (ONLY RENEWALS)	9.00	12.00	-	12.00	12.00	0.50% ADD. TO SR. CITIZEN & EMPLOYEES	10000/-
9	DCM SHRIRAM CONSOLIDATED LTD	-	-	-	-	8.50		
10	DEEPAK NITRITE LTD	-	7.75	-	8.00	8.25	NO	
11	DARCL LOGISTICS LIMITED	9.00	10.00	-	10.00	10.00	0.50% ADD.TO SHARE HOLDERS, EMPLOYEES, THEIR PARENTS, SPOUSE & CHILDREN	5000/-
12	FENNER INDIA	-	8.50	-	8.75	8.75		
13	FIRST LEASING COMPANY OF INDIA LTD	-	8.00	8.25	8.50	8.75	NO	5000/-
14	GODREJ INDUSTRIES LTD	-	-	-	8.00	8.50		20000/-
15	GUJARAT APOLLO INDUSTRIES LTD	-	9.00	-	9.50	10.00		200000/-
16	HELIOS & MATHESON LTD	-	10.00	-	10.50	11.00		
17	IND SWIFT LTD (ONLY RENEWAL)	10.50	11.50	-	12.00	12.50	0.50% ADD. TO SR. CITIZEN(55 YR), SHARE HOLDERS (100 SHARES) & EMPLOYEES	10000/-
18	IND SWIFT LABORATORIES LTD (ONLY RENEWAL)	10.50	11.50	-	12.00	12.50	0.50% ADD.TO SHARE HOLDERS, EMPLOYEES, THEIR PARENTS, SPOUSE & CHILDREN	10000/-
19	J K LAXMI CEMENT LTD	-	8.00	-	8.50	8.50	NO	10000/-
20	JK TYREE AND INDUSTRIES LTD	-	8.00	-	8.25	8.50	NO	10000/-
21	JAGATJIT INDUSTRIES LTD (ONLY RENEWAL)	10.00	10.50	-	11.00	11.50	NO	25000/-
22	JAI PRAKASH ASSOCIATES LTD (ONLY SHAREHOLDERS)	11.00	11.00	-	11.50	12.00	NO	20000/-
23	JCT LTD (ONLY RENEWAL)	-	10.50	-	11.00	11.50	NO	10000/-
24	JSL LIMITED	-	8.25	-	8.50	8.75	0.25% ADD. TO SR. CITIZEN, SHARE HOLDERS (100 Share) & EMPLOYEES,	21000/-
25	JINDAL STEEL AND POWER LIMITED	-	8.00	-	8.25	8.50	NO	10000/-
26	JINDAL SAW LTD	6.75	7.25	-	8.25	9.50	0.25% ADD TO SR CITIZEN ONLY 2 & 3 YRS	15000/-
27	J.K.PAPEER LTD	-	9.00	-	9.50	10.00	NO	10000/-
28	MAHINDRA & MAHINDRA FINANCIAL SERVICES LTD	-	8.00	8.25	8.50	9.00	0.25% ADD TO SR CITIZEN	10,000/-
29	MILKFOOD LTD (ONLY RENEWAL)	-	10.50	-	11.00	11.50		
30	MUKAND LTD (ONLY SHAREHOLDERS)	-	9.50	-	10.00	11.00		25000/-
31	PEARL POLYMER LTD (ONLY RENEWAL)	-	11.00	-	10.00	10.00	NO	10000/-
32	PRISM CEMENT LTD ( H R JOHNSONS LTD)	-	7.75	-	7.75	7.75		10000/-
33	RAVALGAON SUGAR FARM LTD	-	-	-	8.00	9.00	0.25% ADD TO SR CITIZEN,SHAREHOLDER	10000/-
34	SEJAL ARCHITECTURAL GLASS LTD	11.00	11.50	-	12.00	12.00	0.50% ADD TO SR CITIZEN,SHAREHOLDER	10000/-
35	SHRIRAM TRANSPORT FINANCE LTD FD	-	8.00	-	8.50	9.00	NO	25000/-
36	SOLARIES CHEMTECH LTD (ONLY RENEWAL)	-	10.00	-	10.50	11.00	NO	20000/-
37	SUPREME PETROCHEM LTD	-	8.50	-	9.00	9.50	0.25% ADD TO SHAREHOLDER (MIN 100 SHARE)	
38	SURYA ROSHINI LTD	-	10.50	-	11.00	11.50	NO	25000/-
39	TALBROS AUTOMOTIVE COMPONENTS LTD	-	11.00	-	11.50	12.00	MINIMUM AMOUNT 10,000/-	
40	UNITECH LTD	11.00	11.00	-	11.50	12.00	.50% SR.CITIZEN, SHARE HOLDERS (100 SHARES), EMPLOYEES & UNITECH PROPERTY OWNERS	10000/-
41	UNITED SPIRITS LTD	-	11.00	-	11.50	-		

S.NO	NBFC (COMPANY -ME)	PERIOD										REMARKS	MIN. INVESTMENT
		12M	15M	24M	30M	36M	40M	45M	48M	60M	84M		
1	PNB HOUSING FINANCE LTD (HALF YRLY)	7.25	-	7.25	-	7.75	-	-	7.75	7.75	7.75	PAN CARD MUST, 0.50% EXTRA FOR SR. CITIZEN	FIXED 20000/- CUMULATIVE 10,000/-
2	GRUH FINANCE LTD	7.00	-	7.25	-	7.50	-	-	-	7.75	7.75	0.25% EXTRA FOR SR. CITIZEN, & TRUSTS	
3	CANFIN HOMES LTD	6.75	-	7.25	-	7.50	-	-	-	7.50	7.50	0.50% ADD TO SR. CITIZEN	
4	DEWAN HOUSING FINANCE CORPORATION LTD	9.00	-	9.10	-	9.25	-	-	-	9.00	9.00	0.25% EXTRA FOR SR. CITIZEN, WIDOW, ARMED PERSONNEL, EXISTING DHFL HOME BORROWERS & DHFL SHARE HOLDERS	10,000/-
5	ICICI HOME FINANCE DEPOSIT < 1 CR.	7.00	-	7.35	-	7.70	-	-	7.70	8.25	8.25	0.25% ADD TO SR. CITIZEN	10000/-
6	SHRIRAM TRANSPORT FINANCE CO LTD (NCD)	8.00	-	8.50	-	9.00	-	-	9.00	-	-		
7	EXIM BANK	6.75	-	6.75	-	7.50	-	-	-	7.50	-	0.50% ADD TO SR. CITIZEN	10000/-
8	LIC HOUSING FINANCE LTD	6.75	-	7.25	-	7.50	-	-	-	8.00	-	0.25% ADD TO SR. CITIZEN IF APP > RS.51000/- & 0.10% IF APP < RS. 50000	10000/-
9	SIDBI	6.75	-	7.25	-	7.25	-	-	7.75	7.75	-	0.50% ADD TO SR. CITIZEN	10000/-
10	HUDCO (26Th May)	7.00	-	7.25	-	7.60	-	-	7.60	8.25	8.25	0.25% ADD TO SR. CITIZEN	
11	HDFC (IND ) - REGULAR <1 CR	7.00	-	7.25	-	7.60	-	-	7.60	8.25	8.25	0.25% ADD. TO SR. CITIZEN	10,000/-
12	HDFC PREMIUM DEPOSIT <1 CR	-	7.10	-	7.60	-	7.70	-	-	-	-		
13	ICICI HOME FINANCE (SPECIAL) <1 CR	-	7.25	-	7.75	-	7.80	-	-	8.25	-	0.35% ADD TO SR. CITIZEN	5000/-
14	SARDAR SAROVAR -NARMADA NIGAM LTD	5.50	-	6.50	-	8.00	-	-	-	-	8.00		10,000/-
15	TAMILNADU POWER FINANCE	7.75	-	8.25	-	8.75	-	-	-	8.75	-	MINIMUM AMOUNT 10,000/-	10000/-
16	KERALA TRANS DEVELOP FIN. CORP LTD (CLOSED)	9.00	-	9.00	-	9.25	-	-	9.25	9.25	-		

\* Interest structure may be revised by company from time to time. Pls confirm Interest rates before submitting the application.  
 \* For Application Greater Than Rs. Fifty Lakhs Or equal to Fifty Lakhs, Please Contact to Head Office.  
 \* Email us at fd@smcindiaonline.com

## EXPANDING THE FOOTPRINTS OF PNB-SMC ONLINE TRADING



**MR. R K DUBEY - GENERAL MANAGER  
(PUNJAB NATIONAL BANK)**

**Q-1: First of all heartiest congratulations for a new role in Punjab National Bank. While you were GM & Circle Head for Delhi Circle, you spearheaded the PNB Online Business right from the Pilot Launch to even keeping Delhi at rank 1. Now that you head this product for all India, how do you plan to take forward the Delhi success story at all other Circles?**

Thanks for your good wishes.

While this product was going through gestation, I had the honor of being associated with it right from the beginning and hence I carried a special liking for PNB Online Trading. Moreover, given the fact that Punjab National Bank has responded to the fast varying market dynamics of the industry by assimilating technology & IT in all the services wherever possible, hence it is but natural for us to look forward to the products based on technology. As far as Delhi circle is concerned, we did a test launch of the product before the Pan India launch and the response we received from those few selected branches was an indicator of the success story readying to unfold in days to come and that's what Delhi Circle has proven over the last financial year. Candidly if you ask me, as an individual, I am not very overwhelmed with the achievements of Delhi Circle though it was Rank 1 across India, but I had much larger expectations and business plans for PNB-SMC Online Trading. Rightly you said that now since I am looking after this vertical across India, so the challenge for me is to drive business nationally. It is not about taking Delhi success story as every market is completely different to each other. Hence this time around I am looking forward to an area specific plan from all the circles and SMC to work hand in hand with us. Whatever hands on experience and learnings I had from Delhi would surely add value to our efforts and will be translated nationwide.

**Q-2: How would you summarize and rate the FY09-10 for PNB-SMC Online Trading? Being the first year for this product, we believe great amount of learnings would have come in to help build a better tomorrow. What is your take on this, sir?**

To a large extent I agree with you that being the first year the focus was more on building the proper product & service architecture for PNB-SMC Online Trading. At PNB, customer service and trust has been our tradition and hence we were extremely particular of creating a service platform which will delight customers and I believe, we have fairly succeeded in that mission. Now that the launch pad is made, it's time to take off and that's why in FY10-11 our priority will be aggressive marketing & promotions for PNB-SMC Online Trading. We are putting in place a very structured marketing process which our circles and branches need to simply implement the action points assigned to them.

**Q-3: What do you believe makes PNB-SMC Online Trading different from the rush of so many online broking platforms available today?**

PNB has a strong brand, reach & transaction capability and SMC possesses the domain expertise in capital markets with necessary infrastructure in place. With these 2 joining together we bring unparalleled technology to our esteemed clients.

Funds/DP hold & release mechanism, research & advisory support, Online IPO & Mutual Funds are some of the USPs of our offering. Last but not the least, all this blended with host of other features and quality service comes at very competitive and low cost.

**Q-4: Where do you see PNB-SMC Online Trading in FY10-11? What are the expansion plans? How does the bank aim to promote it in coming future?**

As I said earlier, FY10-11 will be the year for marketing & promotions for Online Trading and hence we have chalked out huge expansion plans for this segment. All 65 Circles of the bank have their specific targets and further these targets are drilled down to branches level.

**Q-5: So many Public Sector Banks have entered into alliance with brokers to offer E-broking services. Though no such official data is available, yet we believe PNB -SMC online trading to be way ahead in the race. What makes PNB & SMC to outshine their competitors?**

See it's a joint offering and hence the efforts also need to be from both directions. Lack of focus from any side may be detrimental and would not reap in the desired results. With due respect to all other banking-broking alliances, though I won't prefer to comment as they would have got their own marketing strategy but as far as PNB-SMC Online Trading is concerned, both Punjab National Bank & SMC have been working with full enthusiasm & determination to make it a very successful venture. We may or may not have outshined our competitors but surely look forward to establish PNB-SMC Online Trading as one of the most respected & trusted online platform for investments.

**Q-6: Sir, what is your message to PNB branches & team as far as PNB-SMC Online Trading is concerned?**

With more than 5000 Branches and 50000 employees we can boast of one of the largest retail networks of financial services and with this we should be able to market any financial product available today.

*My message to them is -*

*“Every single employee has to act as a brand ambassador and let's talk and promote this product to all your clients whom you meet or communicate every day”. Bank employees have to understand that marketing of this 3-in-1 product will add to overall business of bank including fee based income.*



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