

**Movers & Draggers**

Indices	Current	Previous	% 1 wk	% 1 mth
Sensex	14,182.71	14,056.53	0.90	7.0%
Nifty	4090.15	4052.45	0.93	6.7%
BSE CG	9,392.86	9,128.19	2.90	5.6%
BSE OIL & GAS	6,657.89	6,559.27	1.50	10.6%
BSE BANKEX	7,485.48	7,383.25	1.38	8.3%
BSE IT	5,309.80	5,348.10	-0.72	5.2%
BSE METAL	8,972.95	9,029.89	-0.63	4.3%
BSE AUTO	5,619.82	5,637.76	-0.32	7.4%

**International Scoreboard**

Indices	Current week	Previous week	% 1 wk return	% 1 mth return
Dow	12565.53	12,556.08	0.08	0.8%
NASDAQ	2,451.31	2,502.82	-2.06	0.9%
FTSE	6237.20	6239.00	-0.03	0.5%
Nikkei	17310.44	17057.01	1.49	3.2%
Hang Seng	20327.72	19613.41	3.64	7.2%
Jakarta Comp	1795.56	1678.04	7.00	3.4%

**Institutional Activity**

Date	FII	MF
1/15/2007	207.0	103.5
1/16/2007	-238.9	71.8
1/17/2007	101.3	89.6
1/18/2007	91.2	59.0
1/19/2007	111.9	NA

**Gainers & Losers**

Scrip Name	Current Week Close	Previous Week Close	Variance Change
BAG FILMS	21.04	12.64	66.46
SHIVALIK GBL	45.35	30.6	48.2
ACCEL FRONTL	97.95	66.8	46.63
UCAL FUEL	113.5	130.65	-13.13
EIMCO ELECON	358.15	401	-10.69
GOLDSTONE EN	80.15	89.2	-10.15

**Market round up**

The week saw the Indian market gyrating between the red and green territory on continued lack of aggressive buying interest from any quarters. Major indices managed to close with a small gain with both the Sensex and Nifty closing up by just 0.9% for the week. Positive news flow from the frontline companies result announcement was also not able to blow any sustained buying interest in the market participants. Volume support also seems to be lacking for most part of the week. Contrary to this the broader market had been showing some strong positive strength building up. Both the benchmark BSE Midcap and Smallcap indices recorded a relatively stronger gain of 2.6% and 1.7% respectively.

On the sector basis Capital Goods, Oil & Gas and Bankex emerged to be amongst the major gainers for the week closing up by 2.9%, 1.5% and 1.4% respectively. IT, Metal and Auto emerged to be the only negative gainers for the week with profit booking dragging the benchmark indices down by 0.7, 0.6 and 0.3% down in the red. Market overall even though has been in a sideways consolidation phase has been more prominently seen as the daily volatility also easing down.

On the institutional side Foreign Institutional Investor turned positive after a strong previous weeks net negative fund flow. But the buying has been more scattered and with cautious undercurrent as compared to the recent months. The FII camp registered a net inflow of Rs.272cr for the week ended 19th Jan07. Domestic Mutual funds too showed a decisive buying interest in the week clocking a net inflow of Rs.324cr. Inflation numbers for the week touching 6.12% is at the highest level in the past two years and further adds to the depressed sentiments.

**Outlook for the week**

As for the results announced till now, India Inc. has yet again reaffirmed the strong fundamental India growth story and justify the premium valuations these companies command over their other emerging market counterparts. Overall growth has been both on the topline as well as bottom-lines, but the market still continues to remain in a state of wait and watch as the sample size is still small. With more companies announcing their results in the coming week we could expect some amount of conviction to come back in the market place. Also the concern towards the desired government policy support to maintain the recently proven growth by India Inc aggravates as the Budget season approaches. With the volatility eased down and the 15 Moving average of daily cash market volatility close to its long term lower band a sentiment boost would push the frontline indices back in to its unidirectional Bull run. We expect to the week to remain more or less ranged bound as seen in the previous week with some clear direction emerging by midweek.

## Industry & Corporate Round up

**Jet Airways** has posted a 34.37 per cent decline in its net profit to Rs 40.04 crore for the quarter ended December 31 over Rs 61.01 crore for the corresponding year-ago quarter. Sequentially, the company has posted its first profit in three quarters, helped by a fuel surcharge and income from the sale of an aircraft. YoY operations grew 30.94 per cent to Rs 1,935.68 crore.

**Oil and Natural Gas Corporation (ONGC)** has tied up with Petrobras for joint exploration and production activities in each other's countries. The two companies will also jointly bid for exploration blocks under the ninth round of auctions in Brazil. It has also inked a MOU with Tatarska Geophysica Technologies (TGT) of Russia for increasing production of matured fields. TGT is a Russian service provider in well and reservoir management operating in many countries in the Asian region. The objective of the MoU is to put the ageing fields back on production and also arrest decline from matured fields with TGT's latest technology.

**Satyam Computer Services** net profit declined 21.49 per cent to Rs 337.23 crore for the quarter ended December 2006 (Q3) compared with the corresponding quarter a year earlier. The company's income from services in the quarter under review grew 31.28 per cent (in rupees) compared with the corresponding previous quarter and just 3.7 per cent in sequential terms, indicating an improvement in margins.

**Marico** has posted a PAT of Rs 30.70 crore for the quarter ended December, 2006, 23.14 per cent higher as compared with Rs 24.93 crore in the corresponding quarter last year. Net sales and services for the period were higher by 29.41 per cent at Rs 353.88 crore as compared with Rs 273.44 crore. Turnover for the nine-month period ended December 2006 is Rs 1,035.92 crore, almost on par with its turnover for the same period last year at Rs 1,044.91 crore.

**JSW Steel Ltd** plans to expand its manufacturing capacity to 31 million tonnes over the next decade or so with an overall investment of Rs 85,000 crore. Out of the 30 m.t., 10 m.t. would be produced from the proposed plant in Jharkhand to be set up with an investment of Rs 35,000 crore. Currently, the company is looking for locations in the State.

## Economy News:

**Inflation** for the week ended January 6, 2007 rose to 6.12%, compared with 3.86% in the corresponding week last year. The spurt in the wholesale price index year-on-year inflation was indeed cause for concern, but it was largely because of the "base effect".

## Quick Pick Tracker...

Date	Stock	Reco Price	Target		CMP 22/01/07	High After Recom.	Gain/ Loss(%)	Comments
			Short	Medium				
06/10/2006	Clutch Auto	85.05	110	125	142.20	146.00	67.20	Both Targets achieved.
06/10/2006	Aegis Logistics	133.15	175	220	157.65	198.00	18.40	Short Term Target achieved.
06/10/2006	SEAMAC	124.75	165	190	190.25	215.80	52.51	Both Targets achieved.
20/6/2006	RPG Life Science	104	140	190	98.25	152.00	(5.53)	Short Term Target achieved.
21/6/2006	BASF	188	220	250	232.25	249.90	23.54	Short Term Target achieved.
08/03/2006	Aegis Logistics	136	170	250	157.65	198.00	15.92	Short Term Target achieved.
08/04/2006	RPG Transmission	102.75	140	190	217.20	203.45	111.39	Short Term Target achieved.
08/10/2006	Thermax	285	335	385	421.35	402.00	47.84	Short Term Target achieved.
16/8/2006	Kernex Microsystem	163	198	280	217.05	218.00	33.16	Short Term Target achieved.
22/8/2006	Balaji Telefilms	133	160	185	131.60	190.25	(1.05)	Both Targets achieved.
24/8/2006	IndoAsianFusegear	138.5	165	195	131.95	149.50	(4.73)	Stop loss Triggered, EXIT.
22/9/2006	Mercator Lines	39.6	48	64	47.20	48.00	19.19	Hold with SL of 40.
26/9/2006	ABC Bearings	155	190	225	175.90	182.50	13.48	Hold with SL of 160.
10/03/2006	Arvind Product	7.81	11.5	14.5	11.50	10.63	47.25	Hold with SL of 8.00.
17/10/2006	Kalyani Steel	320	380	450	456.80	504.70	42.75	Both Targets achieved.
11/02/2006	Moser Bear	233	265	290	317.95	345.00	36.46	Short Term Target achieved.
11/08/2006	Hindustan Dorr Oliver#	110	129	162	89.35	145.00	(18.77)	Hold
11/09/2006	Rayban sun optics	87.55	105	120	96.35	107.00	10.05	Short Term Target achieved.
14/11/2006	Indraprastha Medical	36	47	65	34.35	47.40	(4.58)	Hold
27/11/2006	Rolta India Ltd	255	290	325	323.65	271.00	26.92	Hold
12/02/2006	Biocon Ltd.	378	400	460	410.25	391.40	8.53	Hold
12/02/2006	SRF	219	260	315	191.30	219.00	(12.65)	Hold
12/02/2006	Zodiac Clothing Company	271	295	320	271.70	289.00	0.26	Hold
12/09/2006	SRF Polymers	157	195	250	151.25	176.00	(3.66)	Hold
12/02/2006	Balkrishna Industries Ltd	528	675	750	554.75	545.00	5.07	Hold

# Prices adjusted on X-B basis for Recommendations / Target

## Long Term Investment Idea Tracker

Date	Stock	Reco Price	Target		CMP 22/01/07	High After Recom.	Gain/ Loss(%)	Comments
			Short	Medium				
06/10/2006	BILT	99.15	-	180	116.60	128.90	17.60	Hold
06/10/2006	TNPL	93.75	-	153	93.35	108.90	(0.43)	Hold
06/10/2006	South India Bank	57.75	-	104	98.55	92.50	70.65	Hold
06/12/2006	IDFC	54.75	-	65	90.20	83.30	64.75	Hold
25/9/2006	INDRAPRASTHA GAS	116	-	150	118.25	129.80	1.94	Hold

## Research Team

<b>DD Sharma</b>	<b>Head Research</b>	<b>ddsharma@rathi.com</b>	<b>022 - 4001 3760</b>
<b>Mayur Shah</b>	<b>Head Technical Research</b>	<b>mayurshah@rathi.com</b>	<b>022 - 40013709</b>
<b>Pramit Sabharwal</b>	<b>Sr. Technical / Derivative Analyst</b>	<b>pramitsabharwal@rathi.com</b>	<b>022 - 40013814</b>
<b>Mansingh Deshmukh</b>	<b>Sr. Analyst</b>	<b>mansingh@rathi.com</b>	<b>022 - 6610 6725</b>
<b>Rahul Agarwal</b>	<b>Analyst</b>	<b>rahulagarwal@rathi.com</b>	<b>022 - 6610 6717</b>

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