Wealth Mantra
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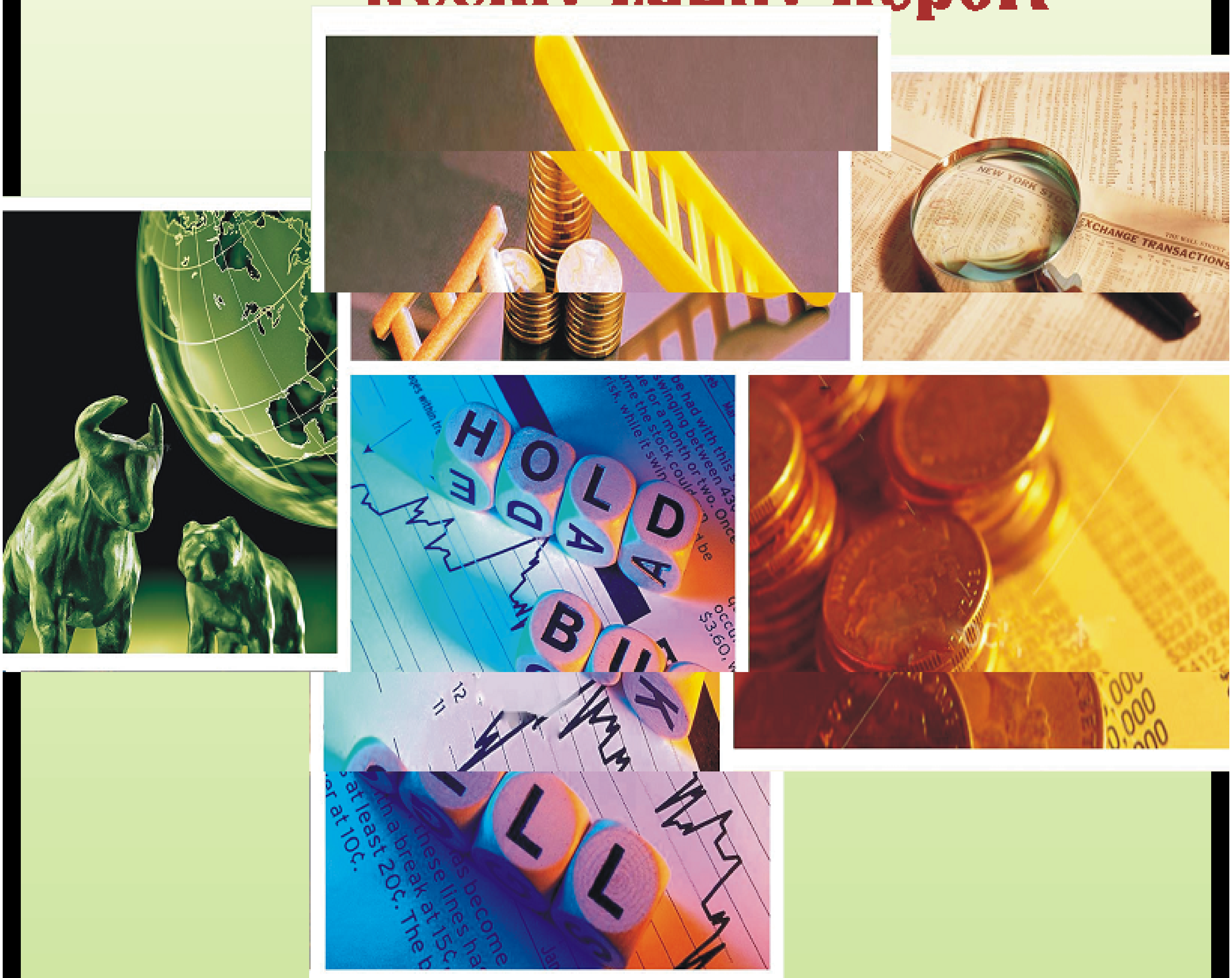
Weekly Equity Report



INDIAN INDICES				
NSE				
Index	Current week	Prev week	Change	Swing %
CNX Nifty	5482	5633	-151.0	-2.7
CNX IT	6335	6438	-103.0	-1.6
BANK Nifty	10893.00	11291.00	-398.0	-3.5
CNX Midcap	8017.00	8153.00	-136.0	-1.7
BSE				
Sensex	18,197.20	18,722.30	-525.1	-2.8
Mid Cap	6,915.31	7,046.12	-130.8	-1.9
Small Cap	8,305.58	8,463.49	-157.9	-1.9
FMCG	4,093.12	4,109.78	-16.7	-0.4
BANKEX	12,447.83	12,908.60	-460.8	-3.6
TECk	3,642.86	3,638.00	4.9	0.1
IT	5,835.44	5,932.00	-96.6	-1.6
AUTO	8,758.83	8,859.68	-100.9	-1.1
HC	6,420.74	6,418.00	2.7	0.0
CD	6,755.67	6,772.00	-16.3	-0.2
CG	12,995.81	13,711.00	-715.2	-5.2
PSU	8,307.52	8,565.00	-257.5	-3.0
POWER	2,455.87	2,569.00	-113.1	-4.4
OIL&GAS	8,799.49	9,189.00	-389.5	-4.2
METAL	14,016.72	14,762.00	-745.3	-5.0
REALTY	2,041.40	2,204.00	-162.6	-7.4

	Current Week	Prev. Week	Change	% Change
NASDAQ	2756.4	2858.8	-102.4	-3.6
Dow Jones	12143.2	12681.2	-538.0	-4.2
S&P 500	1292.3	1345.0	-52.7	-3.9
HANGSENG	22440.2	22444.8	-4.6	0.0
NIKKI	9833	10132	-299.0	-3.0
CAC	3672.8	3842.7	-169.9	-4.4
FTSE 100	5815.2	5935.0	-119.8	-2.0
SHANGHAI	2701.0	2771.0	-70.0	-2.5
DAX	7158.8	7326.4	-167.6	-2.3

Block Deal - BSE				
Date	Script Name	Deal Type	Qty (000)	Traded Price
27-Jul-11	Videocon Inds.	SELL	1160	188
27-Jul-11	Videocon Inds.	BUY	1160	188
27-Jul-11	Nandan Exim	BUY	520	3
27-Jul-11	Nandan Exim	SELL	520	3
26-Jul-11	Future Ventures India	SELL	5150	10
26-Jul-11	Future Ventures India	BUY	5150	10
25-Jul-11	Future Ventures India	SELL	5000	10

Sensex Top Gainers			
Company	LTP	Prev. Week	% Change
Idea Cellular	94.35	90	4.83
Axis Bank	1338.15	1297.85	3.11
United Phosphorus	166.1	162.6	2.15
ICICI Bank	1037.75	1017.55	1.99
PNB	1124.25	1102.95	1.93

Sensex Top Loosers			
Company	LTP	Prev. Week	% Change
Adani Enterprises	586.1	741.65	-20.97
Mundra Port & Spec.	143.8	154.85	-7.14
Unitech	30.7	32.65	-5.97
JSW Steel	774.2	819.2	-5.49
Sesa Goa	275	289.65	-5.06

Sensex Value Topper				
Company	LTP	Prev. Price	% Change	Value (Lak)
Adani Enterprises	586.1	741.65	-20.97	21170.24
ICICI Bank	1037.75	1017.55	1.99	8122.55
SBI	2342	2356.45	-0.61	7371.92
Reliance Industrie	827.7	837.35	-1.15	5496.91
JSW Steel	774.2	819.2	-5.49	4832.54

NSE Top Gainner			
Company	LTP	Prev. Week	% Change
Axis Bank	1337.5	1301.5	2.77
PNB	1123.9	1100.35	2.14
ICICI Bank	1036.75	1017.45	1.9
Maruti Suzuki	1206.65	1185.9	1.75
Bharti Airtel	437.25	430.8	1.5

NSE Top Loser			
Company	LTP	Prev. Week	% Change
Sesa Goa	275.05	290.7	-5.38
Jindal Steel	587.85	613.7	-4.21
JP Associate	66.6	69.5	-4.17
Kotak Mahindra Bank	445.05	458.45	-2.92
Ambuja Cement	129.35	133.2	-2.89

NSE Value Topper				
Company	LTP	Prev. Price	% Change	Value (Lakh)
ICICI Bank	1036.75	1017.45	1.9	67496.98
Reliance Indust	827.95	837.35	-1.12	40872.94
Infosys	2775.9	2751.1	0.9	33734.33
Bharti Airtel	437.25	430.8	1.5	31364.82
ITC	208.35	206.25	1.02	27758.77

Major corporate events			
Scrip Name	Ex-Date	Purpose	Rs.
Chettinad Cem	29-Jul-11	Final Dividend	5
Dhunseri Inv	29-Jul-11	Dividend	1.25
Fineotex Chem	29-Jul-11	Dividend	0.5
Godrej Cons	29-Jul-11	Interim Dividend	1
Hind Rectifiers	29-Jul-11	Dividend	1.5
Lakshmi Mach	29-Jul-11	Dividend	30
Magna Electo-$	29-Jul-11	Dividend	2
Makers Lab-$	29-Jul-11	Dividend	1

Date	Scrip Name	Deal Type	Qty (000'S)	Traded Price
25-Jul-11	Aadi Industries	SELL	112	15.94
25-Jul-11	Amradeep Inds	SELL	490	9.04
25-Jul-11	mrutanjan Healthca	BUY	358.49	947.37
26-Jul-11	Dalmia Bharat Suga	SELL	1653.95	18.25
26-Jul-11	Dalmia Bharat Suga	SELL	1102.63	18.25
26-Jul-11	Dalmia Bharat Suga	SELL	1118.49	18.25
27-Jul-11	Scope Industries	BUY	175	18.9
28-Jul-11	Aadi Industries	BUY	50	17.4
28-Jul-11	Anjani Dham Inds.	BUY	53	27.28
28-Jul-11	Atlas Cycle(Haryana	BUY	53.88	479.18
28-Jul-11	Atlas Cycle(Haryana	SELL	53.88	479.14

FII Turnover (BSE + NSE)			
Date	Buy	Sales	Net
29/7/11	2771.53	3235.56	-464.03
28/7/11	4126.11	4061.45	64.66
27/7/11	2818.42	2831.35	-12.93
Jul , 11	50719.31	46789.22	3930.09
Since 1/1/11	376950.54	381989.78	-5039.24

DII Turnover (BSE + NSE)			
Trade Date	Buy	Sales	Net
29/7/11	1564.71	1152.89	411.82
28/7/11	1878.11	1468.77	409.34
27/7/11	1309.12	1309.31	-0.19
Jul , 11	24882.18	25080.79	-198.61
Since 1/1/11	172575.02	158262.41	14312.61

⇒ RBI shocker, US debt stalemate juggernauts D-Street; deposes over 500 points

- Stock markets in India finished a chaotic week, being slaughtered session after session either due to fragile local macroeconomic head-winds or due to weak global developments. All hopes of a bounce back on the last trading session of the week got quashed and the bourses got pummeled in four out of the five trading sessions leading to losses of close to three percent in the whole week as lethargic bulls continued to doze amid the increasingly vulnerable domestic setup. The frontline indices were trapped amid a slew of negatives through the week which led the frontline indices to breach one technical level after another. On the domestic front, in an unexpected move, RBI hiked the Repo rate by 50 bps to 8.0% taking Reverse Repo to 7.0%. The RBI also lifted its forecast for benchmark WPI inflation by the end of March 2012 to 7%, up from 6% previously, however it maintained its forecast for growth of 8% in the current fiscal year.
- The second 50 basis point move in last three policy meets came at a time when Indian economy is already showing signs of cooling down as recent industrial output data showed the worst readings in nine months, while sales of cars slowed sharply amid easing loan demand. Sentiments got spooked as the unpleasant decision by RBI came at a time when concerns are being raised about the sustainability of the global economic recovery as a slowdown in developed economies, coupled with the debt crisis in various nations, have brought about decrease in global demand. Though, Indian finance minster came out in support of move, stating the substantial rate hike was necessary to control the elevated inflation levels even as the RBI's move left market participants and corporate fuming. Mukherjee also said he does not believe the central bank's rate hike cycle is nearing its peak.
- Concerns rose that the double than expected rate hike will have adverse repercussions on the overall economic growth of the nation as it will stoke up the borrowing costs, lead to corporate earnings downgrades and even dampen the market outlook. Meanwhile, the July F&O series expired on a daunting note amid a spate of headwinds while the earnings season panning out to be a disappointing affair with majority of companies announcing numbers below street's estimates, highlighting the fact that companies are facing margin pressures amid the inflationary circumstances. The marketmen even went on to overlook the moderation in food inflation for the week ended July 16, which declined to 7.33% year on year, the slowest pace for more than two years.

- The Bombay Stock Exchange (BSE) Sensex plunged by 525.10 points or 2.80% to 18197.20 during the week ended July 29, 2011. The BSE Mid-cap index was down by 130.81 points or 1.86% to 6915.31 and the Small-cap index lost 157.91 points or 1.87% to 8305.58. On the sectoral front, Bankex plunged by 460.83 points or 3.57% to 12447.83, Auto trimmed 100.63 points or 1.14% to 8758.83, Capital Goods (CG) down by 715.20 points or 5.22% at 12995.81, PSU plunged 258.35 points or 3.02% to 8307.52, Power lost 113.98 points or 4.44% at 2455.87, Oil & Gas slipped by 389.70 points or 4.24% at 8799.49, Metal down by 745.39 points or 5.05% at 14016.72 and Realty shaved off 162.99 points or 7.39% to 2041.40, were the losers on the BSE.
- On the other hand, TECk up by 4.24 points or 0.12% at 3642.86 and Health Care (HC) advancing by 2.58 points or 0.04% at 6420.74 were the gainers on the sectoral space.The S&P CNX Nifty plunged by 151.95 points or 2.70% to 5482.00. On the National Stock Exchange (NSE), Bank Nifty shaved off 398.30 points or 3.53% to 10893.65, CNX IT slipped 103.40 points or 1.61% to 6335.10 while CNX mid-cap lost 136.55 points or 1.67% to 8017.35 and CNX Nifty Junior slipped 368.25 points or 3.27% to 10910.20.The trend of moderation in India's food inflation has continued for yet another week, country's food inflation, measured by the wholesale price index (WPI), declined to near its 20 month low level at 7.33 % for the week ended July 16 from 7.58% in last week. This fall in food inflation was contributed by moderation in prices of pulses, milk, Fruits and Egg, Meat & Fish. According to data released by ministry of commerce and industry, the index for 'Food Articles' group, which accounts for 14.34% of WPI, rose by 0.8 % to 193.3 (Provisional) from 191.7 (Provisional) for the previous week.
- The Reserve Bank of India (RBI) rejected bankers demand for rejigging project lending norms, as central bank feels that there is enough flexibility in commercial borrowing operations and it finds no need for open ended approach. In the post-policy meeting with RBI, bankers had requested the monetary authority to rework the project leading norms as current norms is leading to asset mismatches in the system because of the long term nature of such loans.
- Foreign Institutional Investors (FIIs) were net buyers in the equity segment in the week with gross purchases of Rs 14731.80 crore and gross sales of 13483.40 crore, leading to a net inflow of Rs 1248.40 crore. They stood as net buyers in the debt segment as well with gross purchases of Rs 4745.00 crore against gross sales of Rs 3318.60 crore, resulting in a net inflow of Rs 1426.40 crore.

Top Gainers

- Reliance Communication, up by 8.49% was the top gainer on the Nifty for the week- There has been rating updgrade in the telecom stocks after some telecom operators announced raising call tariffs. In other development, Grey India has launched two new TV commercials for its telecom client, Reliance Communications. The TVC communicates 3G services of the company.
- Bharti Airtel up by 6.35 was the other major gainer- Bharti Airtel has announced tariff hikes of 20 per cent in six circles that contribute 44 per cent of its revenue. The operator has hiked tariffs on two plans - Advantage and Freedom - for calls and SMS' sent within the Airtel network. Users of the Advantage plan will now have to pay 60 paise instead of 50 paise per minute for local and STD calls and 90 paise for calls to landlines. In addition, subscribers will be charged Re 1 and Rs 1.50 for local and national SMS respectively. Existing users will have to pay the new rates after the validity of their existing vouchers end.
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Top Losers

- JP Associates down by 11.55% was the top loser on the Nifty- All the infra stocks were under pressure during the week doe to another rate hike by the Reserve Bank of India. Earlier there was some report that the 1,320-MW thermal powerhouse proposed to be set up at Karchhana, near Allahabad, may never see the light of the day, as JP Associates, the developer, has not been able to get the land for the plant even after bagging the contract three-years ago for setting up the plant.
- IDFC down by 11.01% was the other major loser for the week - IDFC has said that disbursements slowed down during the first quarter of the present fiscal when compared to the same quarter last year due to the delay in implementing infrastructure projects, especially by the power and road sector. Its profit after tax (PAT) on standalone basis increased by nominal 3 per cent, from Rs 320 crore in Q1 FY 2011 to Rs 330 crore in Q1 FY 2012.

⇒ Outlook for the coming week

- Indian equity markets got their biggest jolt in the week gone by as the Reserve Bank of India (RBI) surprisingly hiked the key policy rates by a hefty 50 basis points, thereby marking its 11 rate hike since March 2010. A bout of volatility was witnessed on account of expiry of July series Futures and Options contracts. However, a lot of damage was done by the world markets too which turned concerned due to US debts impasse after lawmakers in Washington delayed a vote on a Republican proposal to raise the government's debt limit, heightening concerns of debt default.
- Since the coming week marks the start of the new month, investor's will see a lot of economic data pouring in. Auto and cement stocks will be in the focus as both Indian automobile and cement industry will report their sale number for the month of July 2011. Also India's export data for the month of June 2011 would be announced next week, country's exports during May 2011 increased by 56.93% to $25.94 billion on-year as compared to $16.53 billion in the same month last year.
- Meanwhile, India's manufacturing PMI data is also due to be released on August 1, 2011. The headline HSBC Markit Purchasing Managers' Index (PMI) based on a survey of around the 500 companies fell to nine month low level to 55.3 in June from 57.5 in May, indicating the tight monetary stance taken by the central bank to curb inflation.The result season is coming to an end and the investor's in the coming week will be awaiting the results from companies such as Glaxosmithkline Consumer Healthcare, Havells India, Indraprastha Gas, Pfizer, Shree Cement, Sun TV Network, Triveni Engineering & Industries. Meanwhile, results from Grasim Industries, Godrej Industries, Karnataka Bank, KEC International, Suzlon Energy, Hinduja Ventures, India Infoline, J&K Bank, Nestle India etc.
- There will be some political developments as well, the Monsoon session of the parliament is scheduled to be held from August 1 to September 8. Parliament passed just five bills in the last two sessions. Currently, 81 bills are pending with the two houses. In addition, some key bills such as the Lokpal Bill and the amendment to the land acquisition law are expected to be introduced this session.
- From the global markets investors will be eying few major economic data from US, starting with the GDP data followed by ISM Mfg Index data, Personal Income and Outlays data, Jobless Claims data and finally the Employment Situation data on August 05,2011.

⇒ Global Markets

US Markets

- The US market remained under heavy pressure during the passing week as the decision to avoid a catastrophic default on the US government's debt lingered and both Republican and Democratic leaders failed to arrive at an agreement with at a particular conclusion. Though there were some good economic report but they failed to cheer the investors and but markets overlooked them as they were more concerned about the country's deadline of raising debt by August 2.The talk among the lawmakers stalled to reach a compromise on raising the country's borrowing limit since President Barack Obama wants to raise revenues by letting tax cuts for wealthy Americans expire while Republicans have pushed for more spending cuts and have rejected higher taxes. White House said it would object to a Republican plan in the House of Representatives that calls for raising the debt limit by $1 trillion. The plan would require the debt issue to be voted on again next year, something President Barack Obama does not want.
- Investors were selling the stocks they consider to be the riskiest with the deadline for a debt deal approaching nearer with a fear that if the debt issue is not resolved stocks could fall as much as they did in the fall of 2008, when the House of Representatives voted down a bill to create the Troubled Asset Relief Program, shaking investors confidence in political system. The Treasury Department said that the government won't have enough money to cover all of its bills with just five days remaining to meet the deadline. Even if the US doesn't default, investors worry more that the country might lose its triple-A credit rating which would eventually raise the interest rates and possibly slow the US economy, which is still recovering from the worst recession in decades. The chief executives of several of the country's largest banks sent a letter to The White House and to Congress urging a quick resolution to the debt limit debate.
- Further, the sentiments got dampened when the Federal Reserve released a survey showing that the economy weakened in much of the country this summer. The economy slowed in seven of the Fed's 12 regions because of weak home sales and a slowdown in manufacturing.
- Though there was some positive news during the week too, the Conference Board issued a report showing that its index of consumer confidence in the United States was at 59.5 in July, up from a downwardly-revised 57.6 in June. Also, the first-time applications for unemployment benefits fell to 398,000 last week, the fewest in four months.

European markets

- The European markets too were reeling under pressure during the passing week on concerns about the European debt issue coupled with lingering US talks to raise its debt limit by August 2, even though the 17 Eurozone governments and the International Monetary Fund agreed for Greece aid package last week sending an optimistic signal. European markets took the note of the settlement of the conditions for the second Greek bailout with private lender participation but that failed to convince at least one rating agency.
- Rating agency with Moody’s lowered the Greek debt by three notches and said the default is almost certain and the nation faces serious medium term solvency issues despite the bailout. It further said in a statement that the distressed exchange is likely to lead to a Greek government bond default virtually certain. Also, the rating agency Moody's put Spain on review for a possible downgrade, adding to concerns that a Greek rescue package has done little to halt the spread of Europe's debt crisis.
- The European markets struggled after the Greek bailout agreement as bond yields of Italy and Spain rose as the euro-zone ministers agree to share pain to rescue Greece. Belgian banks too fell as the pressure mounts on the government to pass more austerity measures. The euro-zone for the first time agreed to spread the pain of sovereign default among all member nations as requested by the European Central Bank and resisted by Germany. German finance minister stated that the government is against a “carte blanche” to the rescue fund to buy the bonds of troubled nations. He also added that Euro-zone integration must progress and the states needing financial assistance must be prepared to give up some of their sovereignty to the European Union. The European Central Bank said that bank lending in the euro-zone rose at a slower pace in June compared to a year ago as banks cut lending in Greece, Portugal and Spain and France.
- The economic news from the region remained mixed, the European Central Bank said that bank lending in the euro-zone rose at a slower pace in June compared to a year ago as banks cut lending in Greece, Portugal and Spain and France. UK GDP increased 0.2% in the second quarter and the service sector expanded at 0.5%. In the first quarter the number of people in full-time employment increased to 21.3 million up 94,000 from the previous quarter. The monthly sentiment index tracked by the European Commission that measures confidence among businesses and consumers in the euro-zone declined to 103.2 in July from 105.4 in June. The index declined for the fourth month in a row and was at its low since 102.2 in August 2010. The index is the net of the positive and negative replies with a long term average of 100. Swiss leading indicator index declined for the third month in a row and Italian manufacturing index weakened.

Asian Markets

- All the Asian equity indices, barring Straits Times ended the week in the red with major indices like Nikkei and Shanghai declining in the range of 2-3 percent after the US Congress delayed a vote on a plan to raise its borrowing limit, increasing concern that the country will default on its debt. Moreover, South Korea reported weak Q2 Gross domestic product (GDP) growth, further dampening the investors' sentiment. Korea's economic growth eased slightly more than expected in the second quarter as export growth weakened and outlook remained uncertain on account of potential slowdown in the United States, a major consumer of Korean goods. GDP grew a seasonally adjusted 0.8 percent in the April-June period from the first quarter, the central bank's advance estimates showed, slowing after a revised 1.3 percent rise in the January-March period.
- Japanese index Nikkei remained the major loser among the Asian indices , down by about three percent during the week on reporting weaker-than-expected June industrial production data. The June data rose 3.9% on-month, compared with the 4.3% expected rise, but it showed the manufacturing sector is recovering quickly from the March earthquake, while the sentiments remained dampened on the back of weak corporate earnings. Japanese videogame machine maker -- Nintendo -- booked an April-June operating loss of 37.7 billion yen, hurt by sluggish sales of its 3DS handheld game player and a strong yen; it also slashed its full-year forecast. The entertainment and electronics giant -- Sony -- saw profits falling 70% in first quarter mainly due to the Japanese earthquake, while profits at the company's European operation Sony Ericsson plunged into the red. Sony's profits fell to $285 million in its first quarter ended June 30, while sales declined by 10%.
- Sentiments in China remained subdued since the beginning of the week on report of a rail crash that left at least 43 people dead and more than 200 injured. The train crash weighed on stocks of high-speed railway equipment making and railway operating companies and the index ended the week with a cut of about two and half a percent. Indices like KLSE Composite and Seoul Composite too ended the week with a cut in the range of 1-2 percentage point.

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