

WEEKLY | FUNDAMENTAL



OUR REPORTS

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Daily & Weekly

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Annual Budget Review Report

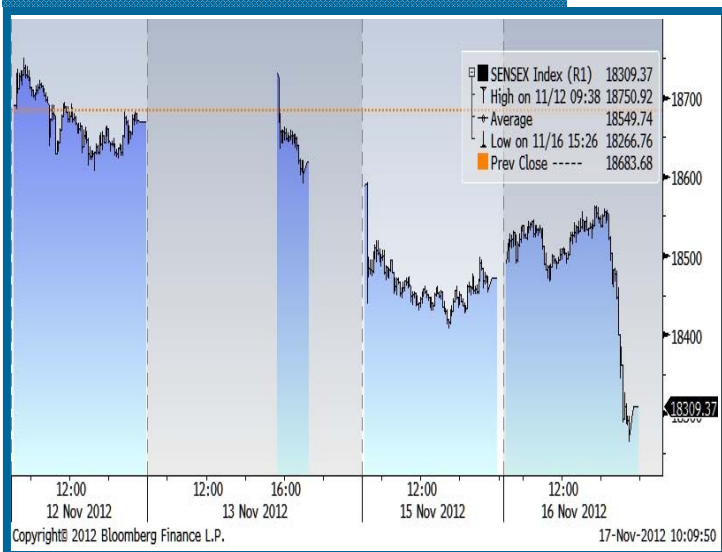
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MARKET UPDATE

WEEKLY CHART OF SENSEX



WEEK IN RETROSPECT

Indian markets wrapped the week on a lower note with Sensex and Nifty losing 2% each. However, there was stock-specific action throughout the week with few stocks like Tata Coffee and UB group companies doing very well.

On domestic front, India's IIP data contracted to -0.4 % due to huge contraction in capital goods and consumer durables.

India's WPI inflation came at 7.45% while CPI inflation is at 9.75%. August's WPI inflation data has been revised by 46 bps from 7.55 percent to 8.01percent.

OUTLOOK

The winter session of parliament begins from November 22nd, 2012 hence we may witness great levels of volatility in the market going forward. To top it, weakness in global markets led by European and US market due to recession in Europe and fiscal cliff in the US may make the markets trade even more volatile. In this scenario we advise investors to BUY on declines of Nifty around 5450 levels in heavyweights like Hindustan Lever, L&T, Bajaj Auto, LICHF. However, Bharti Airtel, Glaxosmithkline Consumer Healthcare may be a better buy at CMP along with some midcap names like Cera Ceramics, Blue Star, Maharashtra Seamless Ltd., IL&FS Transportation, Pidilite, Mcleod Russel.

GLOBAL MARKET DURING LAST 5 DAYS

NAME	LAST PRICE	5D % CH	1M % CH	3M % CH	1Y % CH	Current P/E	FY13 EST P/E	FY14 EST P/E	Current P/B	FY13 EST P/B	FY14 EST P/B
DOW JONES	12588.31	(1.77)	(5.66)	(5.17)	6.71	12.22	11.96	11.18	2.47	2.42	2.19
NASDAQ	2853.13	(1.78)	(5.07)	(7.26)	10.90	19.39	15.43	13.26	2.56	2.42	2.15
S&P 500	1359.88	(1.44)	(5.11)	(4.11)	11.86	13.72	13.08	11.84	2.04	2.00	1.84
FTSE 100	5605.59	(2.84)	(4.92)	(4.21)	4.52	14.26	10.95	10.03	1.63	1.55	1.44
CAC 40	3341.52	(2.39)	(4.65)	(4.21)	11.49	11.56	10.37	9.60	1.10	1.07	1.01
DAX	6950.53	(2.97)	(5.82)	(1.28)	19.83	13.73	10.19	9.79	1.32	1.28	1.20
NIKKEI 225	9024.16	(3.04)	0.23	(1.51)	7.75	23.64	16.47	13.81	1.14	1.10	1.04
HANG SENG	21159.01	(1.05)	(1.82)	5.18	14.42	10.83	10.80	9.96	1.40	1.32	1.22
STRAITS TIMES	2945.63	(2.21)	(3.38)	(3.80)	7.88	11.22	13.71	12.83	1.33	1.33	1.26
TAIWAN TAIEX	7130.07	(2.23)	(3.76)	(4.52)	(1.43)	21.51	17.01	13.29	1.54	1.62	1.53
KOSPI	1860.83	(2.28)	(4.27)	(4.40)	1.17	14.35	10.21	8.37	0.98	1.09	0.98
BRAZIL BOVESPA	55402.33	(3.69)	(5.97)	(6.22)	(2.34)	19.19	15.68	10.04	1.11	1.11	1.05
RUSSIAN RTS	1378.51	(1.83)	(7.75)	(2.70)	(7.84)	5.75	5.62	5.46	0.78	0.74	0.67
SHANGHAI SE COMPOSIT	2014.72	(2.62)	(5.33)	(4.73)	(16.62)	11.10	9.58	8.44	1.46	1.35	1.21
BSE SENSEX	18309.37	(3.13)	(1.99)	3.49	11.83	15.38	14.93	13.07	2.58	2.44	2.16
NSE S&P CNX NIFTY	5574.05	(3.23)	(1.93)	3.87	13.62	15.34	14.87	13.05	2.52	2.43	2.13

MSCI INDICES					
NAME	LAST PRICE	5D% CH	1M% CH	3M% CH	1Y% CH
MSCI WORLD	1253.31	(1.78)	(5.21)	(2.86)	8.27
MSCI AC WORLD	317.35	(1.82)	(5.01)	(2.52)	7.69
MSCI AC ASIA PACIFIC	119.85	(1.17)	(2.99)	(0.73)	4.95
MSCI EM	969.82	(2.13)	(3.60)	(0.12)	3.82

VOLATILITY INDICES					
NAME	LAST PRICE	5D% CH	1M% CH	3M % CH	1Y% CH
CBOE SPX VOLATILITY	16.41	(11.25)	(3.81)	22.00	(48.71)
INDIA NSE VOLATILITY	16.22	11.78	11.55	3.11	(38.97)

10 YEARS BOND MARKETS					
NAME	YIELD	5D% CH	1M % CH	3M% CH	1Y% CH
US Generic Govt 10 Year Yield	1.58	(1.63)	(8.06)	(13.87)	(21.00)
UK Govt Bonds 10 Year Note Gen	1.73	(0.17)	(4.83)	2.24	(19.66)
Brazil Government Generic Bond	2.50	4.91	(2.26)	(14.82)	(37.06)
Japan Govt Bond Year to maturity	0.73	(1.08)	(4.32)	(15.41)	(23.40)
Australia Govt Bonds Generic M	3.03	(2.41)	0.13	(12.90)	(24.36)
India Govt Bond Generic Bid Yi	8.19	(0.26)	0.45	(0.81)	(7.84)

FOREX MARKET					
NAME	LAST PRICE	5D% CH	1M% CH	3M% CH	1Y% CH
DOLLAR INDEX SPOT	81.25	0.28	2.33	(1.33)	4.15
EUR-USD X-RATE	1.27	0.22	(2.38)	3.13	(5.34)
USD-GBP X-RATE	0.63	0.08	1.43	(0.94)	(0.94)
USD-BRL X-RATE	2.08	(1.86)	(2.46)	(3.25)	(15.10)
USD-JPY X-RATE	81.32	(2.25)	(2.98)	(2.42)	(5.23)
USD- X-RATE	55.17	(0.76)	(4.15)	1.08	(8.04)
USD-CNY X-RATE	6.23	0.12	0.45	2.09	1.75
USD-KRW X-RATE	1092.23	(0.40)	1.37	3.83	4.05

MONEY MARKETS					
NAME	LAST PRICE	5D% CH	1M% CH	3M% CH	1Y% CH
BBA LIBOR USD 3M	0.31	0.48	(4.08)	(28.14)	(33.88)
MIBOR Offer Market 3M	0.19	0	(9.52)	(44.12)	(86.99)
India Indicative Call Rate	8.10	(0.49)	0	1.25	(5.81)

INDUSTRIAL METALS & ENERGY MARKETS					
NAME	LAST PRICE	5D% CH	1M% CH	3M% CH	1Y% CH
COPPER (USD/T)	7605.00	0.46	(6.40)	2.09	(1.61)
ALUMINUM (USD/T)	1951.00	1.56	(0.30)	5.91	(9.55)
ZINC (USD/T)	1920.00	1.48	1.18	7.56	(2.04)
LEAD (USD/T)	2150.00	0.04	1.72	16.40	5.91
OIL (USD/BBL)	86.92	1.42	(0.98)	(5.61)	(9.08)
NATURAL GAS (USD/MMBTU)	3.79	(1.43)	8.19	0.61	17.08

PRECIOUS METALS					
NAME	LAST PRICE	5D% CH	1M% CH	3M% CH	1Y% CH
GOLD (USD/OZ)	1713.75	(1.00)	(1.93)	6.10	(2.81)
SILVER (USD/OZ)	32.32	(0.82)	(1.89)	14.57	(4.20)

INDUSTRY INDICES					
NAME	LAST PRICE	5D% CH	1M% CH	3M% CH	1Y% CH
BALTIC DRY INDEX	1036.00	10.21	2.57	45.09	(45.33)
BBG WORLD IRON INDEX	165.29	(3.36)	(6.35)	(6.57)	(19.99)

AGRO MARKET					
NAME	LAST PRICE	5D% CH	1M% CH	3M% CH	1Y% CH
COFFEE (USD/IB)	152.50	(1.96)	(8.84)	(7.91)	(37.47)
COTTON (USD/IB)	72.64	3.12	(2.64)	(0.99)	(25.38)
SUGAR (USD/IB)	19.15	0.47	(5.05)	(8.50)	(20.00)
WHEAT (USD/BU)	853.75	(5.29)	(0.75)	(4.23)	16.35
SOYBEAN (USD/BU)	1383.25	(4.68)	(7.33)	(14.33)	14.22

INSTITUTIONAL FLOW IN Cr (12/11-16/11)			
INSTRUMENT	PURCHASE	SALE	NET
FII (P)	9594.40	9142.70	451.70
DII	1754.61	2491.93	(737.32)
MF	28.40	10.70	17.70

FII DERIVATIVE SEGMENT IN Cr (12/11-16/11)			
INSTRUMENT	PURCHASE	SALE	NET
INDEX FUTURE	2332.31	4258.53	(1926.22)
INDEX OPTION	28669.53	26788.24	1881.29
STOCK FUTURE	3022.98	3048.43	(25.45)
STOCK OPTION	3319.99	3452.39	(132.40)

BSE SECTORAL RETURNS VS INDICES

SECTORS	LAST PRICE	5D%	3M%	1YR%	3YR%	PE ratio
CONSUMER DURABLES	7465.83	0.63	17.13	22.87	111.36	93.23
SMALLCAPS	7110.75	-0.32	7.49	15.02	-5.12	32.64
REALTY	1889.23	-0.50	15.70	17.56	-50.66	21.90
MIDCAPS	6658.33	-0.89	8.13	16.48	4.09	16.17
CNXMCAP INDEX	7855.45	-1.15	7.97	18.31	10.91	14.15
FMCG	5669.59	-1.99	8.92	39.13	100.10	38.96
HEALTHCARE	7686.05	-2.21	4.74	29.86	65.66	27.10
AUTOMOBILE	10400.21	-2.36	9.07	21.81	51.30	11.81
IT	5669.38	-2.55	1.03	0.98	18.08	15.63
POWER	1943.43	-2.81	0.84	-1.17	-35.62	19.82
BANEX	13020.82	-2.81	8.86	28.14	29.47	12.41
SENSEX INDEX	18309.37	-3.14	3.49	11.84	9.08	15.39
NIFTY INDEX	5574.05	-3.23	3.87	13.62	11.73	15.34
OIL & GAS	8066.58	-3.25	-5.10	-2.80	-19.48	10.02
METAL	9859.61	-4.18	-4.53	-5.50	-37.91	10.27
CAPITAL GOODS	10635.33	-4.38	5.85	11.35	-20.23	20.10

TOP 10 PERFORMING STOCKS OF THE WEEK

NIFTY			CNXMIDCAP		
COMPANY	INDUSTRY	RETURNS(%)	COMPANY	INDUSTRY	RETURNS(%)
BHARTI AIRTEL	TELECOM	9.28	SUNTV NETWORK	MEDIA	8.80
COAL INDIA LTD	COAL	1.31	STRIDES ACROLAB	PHARMA	7.23
AXIS BANK	BANKING	0.92	ASHOK LEYLAND	AUTOMOBILES	7.00
HDFC BANK	BANKING	0.45	LANCO INFRA	INFRA	5.37
IDFC	NBFC	0.41	KANSAI NEROLAC	PAINT	5.01
ONGC	OIL & GAS	0.29	WELSPUN CORP	CONSTRN & ENGG.	4.42
CAIRN INDIA	OIL & GAS	0.26	M&M FIN SERVICE	NBFC	3.87
KMB	BANKING	0.25	AUROBINDO PHAR	PHARMA	3.76
NTPC LTD	POWER	-0.18	APOLLO HOSPITAL	HOSPITAL	3.69
INFOSYS	IT	-0.23	DISH TV	MEDIA	3.65

COMPANY	EX-DATE	RECORD -DATE	PURPOSE
SONATA SOFTWARE LTD.	19/11/2012	20/11/2012	INTERIM DIVIDEND INR0.50PER SHARE (PURPOSE RE-VISED)
SUN TV NETWORK	21/11/2012	22/11/2012	2ND INTERIM DIVEND INR2.50PER SHARE
NMDC LTD	22/11/2012	23/11/2012	1ST INTERIM DIVIDEND INR 2.00PER SHARE
MAX INDIA LTD	22/11/2012	23/11/2012	INTERIM DIVIDEND INR10.00PER SHARE
BIRLA CORP	22/11/2012	23/11/2012	INTERIM DIVIDEND INR2.50PER SHARE
CITY UNION BANK	22/11/2012	23/11/2012	RIGHTS 1:4@ PREMIUM INR19.00PER SHARE

METALS & MINING

Indian Railways' private freight terminals (PFTs) appear to be catching up slowly. A host of companies, including Tata Steel, Kribhco Rail Infrastructure, Concor, Sahani Logistics, India Glycols-backed Kashipur Infra Freight Terminals, Central Warehouse Corporation, and Rajasthan Spinning Mills are queuing to be operators. The Ministry now has close to 35 proposals for PFTs from 22 companies. Of this, the Railways has notified eight terminals, approved 15 and the remaining are under consideration. Setting up a PFT will require Rs 100-150 crore. The gene-pool of companies is varied — logistics players, container train operators, mining companies such as Goa-based Fomento Group, and commodity trading firms such as Navkar Group. A PFT operator can handle various types of goods for the Railways and provide value-added services such as storage and distribution. This is different from private rail sidings where Railways permitted specific type of cargo to be handled, usually on a captive use basis for use by the company that built the siding.

The Railways moved 565.37 million tonne (mt) of cargo in October, registering an 8.03 per cent growth against the same period last year. While the exact commodity break-up is not yet available, Railways sources said the growth was supported by coal and cement. The key commodities that the Railways moves are coal (which accounts for about 40 per cent), iron and steel, cement, foodgrains, petroleum products, and containers. An official statement said during October, the revenue earning freight traffic carried by Indian Railways was 83.92 mt. There is an increase of 6.24 mt over the actual freight traffic of 77.68 mt carried by the Indian Railways during the same period last year, showing an increase of 8.03 per cent. In April-October, Indian Railways carried 565.37 mt freight. This shows an increase of 28.45 mt over the freight traffic of 536.92 mt carried during the corresponding period last year, registering an increase of 5.3 per cent.

INFRASTRUCTURE

GMR Infrastructure, whose net loss shot up threefold to Rs 180 crore in the second quarter (July-September), said it had pending receivables of Rs 2,000 crore. Of this, the bulk was from just two entities — Air India and Tamil Nadu government — which owed the firm Rs 1,450 crore. Air India owes GMR Rs 650 crore, including airports at Delhi and Hyderabad, while Tamil Nadu owes us Rs 800 crore. The total outstanding for company's airport sector is Rs 890 crore, while the power sector has an outstanding of Rs 880 crore. While the company posted an 18 per cent growth in revenues at Rs 2,399 crore, the fact that it is sitting on idle assets in the power sector due to non-availability of gas in the east-coast is taking a huge toll on the firm's profitability.

Navabharat Power, whose stake sale to Essar Power has snowballed into a controversy post the surfacing of coal block allocation row, is now facing scrutiny by the Odisha law department. The law department is vetting the deal to check if the deal was in the ambit of law even as Essar Power has filed a fresh application to take possession of land for the power project earlier proposed by Navabharat. The promoters of Navabharat Power had sold 100 percent share of the company to Essar Power in two tranches soon after being allocated coal blocks. The matter is now being investigated by CBI (Central Bureau of Investigation). Navabharat Power reportedly made a profit of Rs 200 crore in the deal. The state government has also started vetting of the MoU (memorandum of understanding) signed with Navabharat Power after questions were raised regarding the sanctity of the pact signed with the power producer.

November 19, 2012

- ◆ U.S. Existing Home sales data for the month ended October,2012.

November 22, 2012

- ◆ China's HSBC Flash manufacturing PMI data.

November 20, 2012

- ◆ U.S. Housing starts data for the month ended October,2012.

November 23, 2012

- ◆ Germany's Exports data for Q3.

November 21, 2012

- ◆ U.S. MBA Mortgage Applications data for the week ended November 16,2012.
- ◆ The U.S. Initial jobless claims data for the week ended Nov 17,2012.
- ◆ The U.S. Bloomberg consumer comfort data for the week ended Nov 18,2012.

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