

DAILY | FUNDAMENTAL



OUR REPORTS

Fundamental

- Company Report
- Sector Report
- Theme Based Report

Daily & Weekly

- Fundamental Market Update
- Technical Market Update
- Derivative Market Update
- Currency Report
- Debt Mutual Fund Report

Monthly

- India Strategy Report
- IIP Report
- Auto Sector Update
- Cement Sector Update
- Metal Sector Update
- Telecom Sector Update
- Insurance and Mutual Fund Report
- Inflation Report
- Exports-Imports Report

Quarterly

- India and Global Strategy Report
- India Economy Report
- Company Result Expectation
- Company Result Analysis

Others

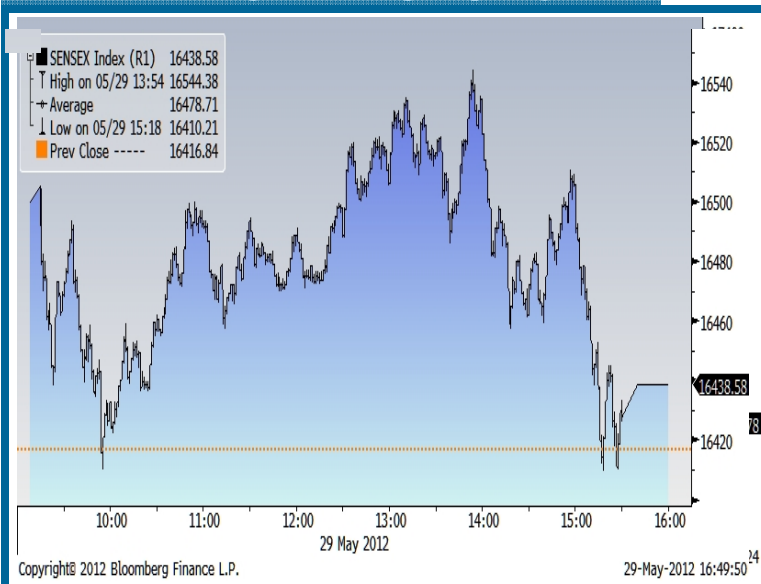
- Event Based Report
- RBI Monetary Review Report
- Annual Budget Expectation Report
- Annual Budget Review Report

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INTRA DAY CHART OF SENSEX



It was a dull session for the markets as investors chose to remain cautious ahead of the upcoming F&O expiry and Q4 GDP data numbers on Thursday. IT and realty stocks hogged limelight in trade, while FMCG and consumer durables stocks closed in red on profit booking.

Nifty closed at 4990.10 up by 4.45 points or 0.09percent over the previous day closing 4985.65, after witnessing a low of 4982.15 and a high of 5020.15. Sensex closed at 16438.58 up by 21.74 points or 0.13percent over the previous day closing of 16416.84. It touched an intraday low of 16410.21 and high of 16544.38.

The markets' breadth was positive. Out of 2830 stocks traded, 1421 stocks advanced, 1281 stocks declined and 128 stocks remained unchanged. In Sensex, Out of 30 stocks 18 stocks advanced and 12 stocks declined.

MARKET TURNOVER (Rs.Cr)

NAME	LAST	PREVIOUS DAY
NSE CASH	8510.49	7386.83
NSE F&O	147429.87	136423.91

Among the sectors, BSE IT, BSE TECK and BSE Realty were the main gainers of the day, which increased by 1.19percent, 0.74percent and 0.62percent respectively.

NIFTY TOP TURNOVERS

COMPANY	LAST PRICE	SHARE TRADED	TOTAL TURNOVER (Rs. Cr)
SBIN	2117.00	4841182	1028.83
TATAMOTORS	273.90	12551928	350.61
RELIANCE	700.95	3432696	241.89
ICICIBANK	839.50	2594337	217.85
LT	1201.30	1306269	157.90

In BSE IT sector, HCL Tech, Wipro, and TCS increased by 3.08percent, 2.72percent and 1.39percent respectively. In BSE Teck sector Jagran Prakashan, Tulip Telecom, and Tata Comm expanded by 2.57 percent, 1.36 percent and 1.07percent respectively. In BSE Realty sector Prestige estates, HDIL and TTK Prestige increased by 4.19 percent, 3.87 percent and 1.87 percent respectively.

NIFTY TOP GAINERS

COMPANY	LAST PRICE	CHANGE	% CHANGE
HCLTECH	504.50	12.95	2.63
CAIRN	335.50	7.45	2.27
WIPRO	408.50	8.65	2.16
COALINDIA	321.05	6.05	1.92
RANBAXY	535.00	9.80	1.87

NIFTY TOP LOSERS

COMPANY	LAST PRICE	CHANGE	% CHANGE
ACC	1135.55	28.40	(2.44)
BPCL	700.00	16.15	(2.26)
IDFC	124.30	2.45	(1.93)
SAIL	91.95	1.50	(1.61)
GRASIM	2375.00	37.05	(1.54)

OUTLOOK

The market is likely to remain volatile on account of global cues especially uncertainty regarding Greece. Absence of any positive trigger coupled with policy paralysis holding back the markets to form a rally. The government will likely to take decision on whether to consider the rollback of recently hiked petrol prices. The INR is likely to remain under pressure until the Greece issue is resolved or some actions have been taken on the government's part. During the week India's Q4 GDP data is expected alongwith F&O clearing settlement. On the global front, market will continue to watch developments in euro-zone. Greece's inability to form a Government, which led to the country calling another election in June, has raised concerns about its ongoing membership of the euro zone and the health of the European economy. Greece has put a senior judge in charge of an emergency government to lead the nation to its second election in just over a month on June 17, which will likely determine whether it remains in the common currency area. We continue to hold on to our view that Nifty may find strong support at 4800 levels as it trades at 12XFY13 EPS which is inexpensive. Also, we expect inflation to cool down more than expected on a host of factors which may act trigger for the market in the days to come. Hence we recommend investors to BUY SBI, LT, Bharti Airtel, Infosys, TCS, Tata Steel, Exide Industries, Indian Hotels, Cummins India and Blue Star at current levels.

DOMESTIC INDICES

NAME	LAST PRICE	CHANGE	% CHANGE
SENSEX	16438.58	21.74	0.13
NIFTY	4990.10	4.45	0.08
BSE MID-CAP	5963.50	-8.27	(0.13)
BSE SMALL-CAP	6384.37	10.91	0.17
NSE CNX MIDCAP INDEX	6996.20	-32.95	(0.46)

SECTORAL INDICES

NAME	LAST PRICE	CHANGE	% CHANGE
AUTO	9424.46	24.55	0.13
CAPITAL GOODS	9013.76	-13.15	(0.14)
FMCG	4588.09	-42.96	(0.92)
METAL	10223.83	36.04	0.35
OIL & GAS	7613.25	20.79	0.27
HEALTHCARE	6657.45	-19.95	(0.29)
POWER	1831.74	5.50	0.30
REALTY	1598.14	9.85	0.62
CONSUMER DURABLES	6396.29	-43.12	(0.67)
BANK	11178.04	15.09	0.13
IT	5625.39	65.95	1.18

GLOBAL INDICES

NAME	LAST PRICE	CHANGE	% CHANGE
DOW JONES	12454.83	-74.92	(0.59)
NASDAQ	2837.53	-1.85	(0.06)
S&P 500	1317.82	-2.86	(0.21)
FTSE	5360.93	4.47	0.08
CAC	3055.42	12.45	0.40
DAX	6368.38	44.54	0.71
MEXICO BOLSA	37642.80	156.55	0.41
BRAZIL BOVESPA	55212.69	749.53	1.37
RUSSIAN RTS	1286.15	9.00	0.70
NIKKEI 225	8657.08	63.93	0.74
HANG SENG	19055.46	254.47	1.35
TAIWAN TAIEX	7342.29	206.29	2.89
SHANGHAI	2389.63	28.26	1.19
KOSPI	1849.91	25.74	1.41
FTSE BURSA MALAYSIA KLCI	1565.32	10.38	0.66
JAKARTA COMPOSITE	3919.06	0.38	0.009
PSEi - PHILIPPINE SE	5023.11	70.37	1.42
STOCK EXCH OF THAI	1153.66	13.73	1.20

INDUSTRIAL METALS & ENERGY MARKETS

NAME	LAST PRICE	CHANGE	% CHANGE
COPPER (USD/T)	7696.00	11.00	0.14
ALUMINUM (USD/T)	2020.00	-2.00	(0.09)
ZINC (USD/T)	1911.00	1.00	0.05
LEAD (USD/T)	1948.00	6.50	0.33
OIL (USD/BBL)	91.25	0.39	0.42
NATURAL GAS (USD/MMBTU)	2.50	-0.06	(2.57)

PRECIOUS METALS

NAME	LAST PRICE	CHANGE	% CHANGE
GOLD (USD/OZ)	1574.48	-6.46	(0.40)
SILVER (USD/OZ)	28.30	-0.09	(0.31)

INDUSTRY INDICES

NAME	LAST PRICE	CHANGE	% CHANGE
BALTIC DRY INDEX	1012	-22	(2.13)
BBG WORLD IRON/STEEL IDX	181.06	2.49	1.39

CURRENCIES

NAME	LAST PRICE	CHANGE	% CHANGE
USD-INR	55.74	0.56	1.01
EUR-INR	69.92	0.45	0.65
GBP-INR	87.41	0.75	0.86
INR-JPY	1.42	-0.008	(0.55)

INSTITUTIONAL FLOW IN Cr (28/05/2012)

INSTRUMENT	PURCHASE	SALE	NET
FII (P)	1191.60	1555.80	(364.10)
DII	664.38	496.68	167.70

FII DERIVATIVE SEGMENT IN Cr (28/05/2012)

INSTRUMENT	PURCHASE	SALE	NET
INDEX FUTURE	3356.61	3260.28	96.33
INDEX OPTION	16258.49	16290.29	(31.81)
STOCK FUTURE	5512.28	5216.06	296.22
STOCK OPTION	949.46	971.17	(21.72)

BULK & BLOCK DEALS

http://www.bseindia.com/mktlive/market_summ/bulk_deals.asp

http://www.bseindia.com/mktlive/market_summ/block_deals.asp

- ◆ Global rating agency Moody's Investors Service said the sliding rupee will not impact India's sovereign ratings, but may hurt private sector companies with large overseas debts. It says the depreciating rupee will only have a "limited" impact on India's sovereign ratings, as only 7 per cent of total government debt is placed overseas, comprising 5 per cent of GDP. The bigger pain would come in the private sector, a falling rupee will raise the cost of paying back foreign currency borrowings — Indian companies together face foreign currency convertible bond redemptions this year of nearly \$7 billion (Rs 38,000 crore). The current rupee volatility will be "less damaging than in 1991, when low reserves and a widening current account deficit prompted India's last balance of payment crisis". India's total private sector external debt is at a "relatively low" 16 per cent of GDP. "Individual firms' foreign debt repayment troubles are unlikely to lead to the sort of domestic demand collapse or deleveraging seen in countries with more significant private-sector external leverage. Most of the government's foreign currency debt at 7 per cent is owed to multilateral and bilateral creditors and has a maturity profile that keeps annual foreign currency repayments relatively low. Therefore, the direct effect of depreciation on the government's own debt repayment capacity is limited. Moody's has assigned a 'Baa3/stable' rating for India.
- ◆ Coal India Ltd today reported an approximately 5 cent drop in net profit to Rs 4,013 crore in the January-March 2012 quarter compared with the same period in 2011. The drop was attributed to Rs 3,447 crore of additional provisioning during the period on account of wage revision. Effected from July 1, the wage pact was finalised in the last quarter. For the entire 2011-12, CIL posted 36 per cent rise in net to Rs 14,788 crore as against the previous fiscal. With 0.50 paise final dividend, the total dividend for the year is pegged at Rs 10 per share of face value of Rs 10 each. CIL is targeting a production growth of 34 million tonnes in 2012-13. A back-of-the-envelope calculation shows, that at the current average realisation of Rs 1,200 a tonne, the additional production will boost revenues by approximately Rs 4,000 crore, or Rs 2,000 crore short of recovering the wage cost.
- ◆ Crisil Research said toll road projects awarded before 2009 could earn an average return on equity of 22 per cent. The study, covering 23 operational build-operate-transfer projects, indicates that less competition had kept bid amounts modest and higher than expected growth traffic had boosted toll revenues. The 23 projects form one-fourth the length of BOT toll road projects operational in the country. Typically developers look for 16-18 per cent returns while bidding. Crisil said on an average, only five developers bid for each project prior to 2009. This was due to uncertainties in policies on BOT toll road projects. Developers were unsure whether the government would transfer land in time for construction. On an average, toll revenues for the 23 projects increased 10-12 per cent over 2008-09 to 2010-11. Crisil said assuming future traffic growth at a modest six per cent through the remaining term of the projects the equity returns for these projects were likely to exceed 20 per cent. High inflation also boosted toll revenues.
- ◆ To make projects commercially viable, state-run NHPC has made a strong pitch for returns during the period of construction of projects, as well as different rates for peak-demand scenarios. In a submission to the power ministry and the Central Electricity Regulatory Commission (CERC), NHPC said the clause of 15.5 per cent return on equity applicable for hydro and thermal power projects needed to be revisited, considering the long gestation periods required for their commissioning. As hydro projects usually take six to 10 years, after tackling issues related to clearances and settlement of demands by locals, returns during the construction period would make these more feasible. If the construction of hydro project does not begin, say, for two years, owing to implementation issues, the developer does not get returns. Hydro power projects have long gestation periods and, therefore, returns during construction need to be considered by the power ministry and the CERC.
- ◆ State Bank of India plans to come out with a medium-term notes (bonds) issue worth about \$1 billion before August. The issue is for bank's overseas operations, preparation for the issue was going on and the bank has time till August. The exact timing of the issue will be decided at a "strategic moment". SBI has a tier-I capital adequacy of 9.67 per cent.

CORPORATE ACTION BONUS / RIGHTS / STOCK SPLIT / ADR & GDR / FCCB / M&A / WARRANTS ETC.			
COMPANY	RECORD DATE	Ex-DATE	DETAILS
MMFL	31/05/2012	30/05/2012	INTERIM DIVIDEND INR3.00PER SHARE
VTMLTD		30/05/2012	ANNUAL GENERAL MEETING AND DIVIDEND INR4.00PER SHARE

OTHER EVENTS

- ♦ U.S. MBA Mortgage Applications data for the week ended May25,2012.
- ♦ U.S. Pending Home sales data for the month ended April,2012.

- Investment Banking
- Equity, Commodity & Currency Broking
- Wealth Management
- Insurance Broking
- Club Kautilya
- prpsolutions.com



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