

# DAILY | FUNDAMENTAL



## OUR REPORTS

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- Theme Based Report

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- Technical Market Update
- Derivative Market Update
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### Others

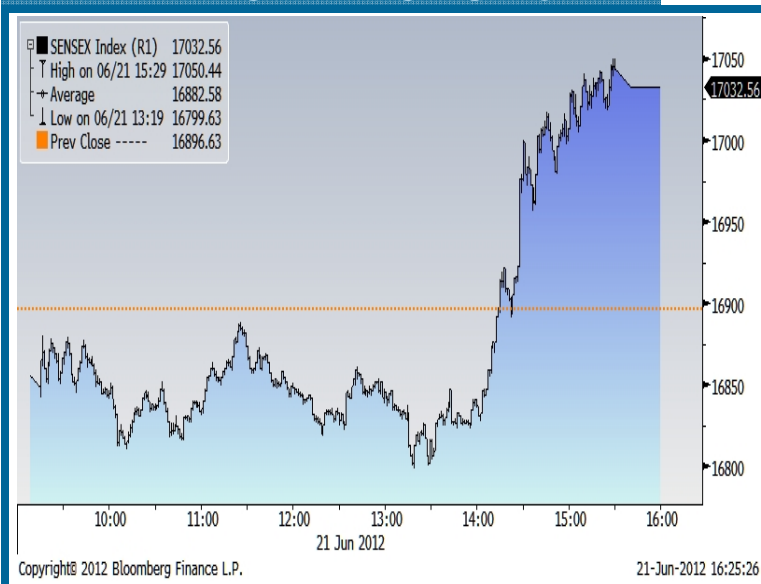
- Event Based Report
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## INTRA DAY CHART OF SENSEX



The Sensex rebounded quite sharply in last hour of trade today, even after a downtrend in global markets. Banks, capital goods and FMCG took the lead in driving the benchmark index above 17,000 level (at close) for the first time since May 3.

Nifty closed at 5165.00 up by 44.45 points or 0.87percent over the previous day closing 5120.55, after witnessing a low of 5093.45 and a high of 5170.40. Sensex closed at 17032.56 up by 135.93 points or 0.80percent over the previous day closing of 16896.63. It touched an intraday low of 16799.63 and high of 17050.44.

The markets' breadth was positive. Out of 2861 stocks traded, 1658 stocks advanced, 1079 stocks declined and 124 stocks remained unchanged. In Sensex, Out of 30 stocks 25 stocks advanced and 05 stocks declined.

## MARKET TURNOVER (Rs.Cr)

| NAME     | LAST      | PREVIOUS DAY |
|----------|-----------|--------------|
| NSE CASH | 9754.02   | 9316.46      |
| NSE F&O  | 140575.43 | 118567.04    |

Among the sectors, BSE Realty, BSE CG and BSE Bankex were the main gainers of the day, which increased by 2.89percent, 2.18percent and 2.06percent respectively.

## NIFTY TOP TURNOVERS

| COMPANY    | LAST PRICE | SHARE TRADED | TOTAL TURNOVER (Rs. Cr) |
|------------|------------|--------------|-------------------------|
| SBIN       | 2178.90    | 3402503      | 724.68                  |
| RELIANCE   | 718.50     | 5166832      | 370.42                  |
| LT         | 1370.30    | 2576060      | 350.99                  |
| ICICIBANK  | 850.00     | 3549518      | 299.02                  |
| TATAMOTORS | 248.00     | 11221215     | 276.31                  |

In BSE Realty sector, HDIL, Indiabulls Real estate and Unitech increased by 8.33percent, 4.89percent and 3.83percent respectively. In BSE CG sector BHEL, Lakshmi Mach and AIA Engineering expanded by 3.60percent, 2.88 percent and 2.81percent respectively. In BSE Bankex PNB, Yes Bank, and SBI increased by 3.32percent, 3.09percent and 289percent respectively.

## NIFTY TOP GAINERS

| COMPANY    | LAST PRICE | CHANGE | % CHANGE |
|------------|------------|--------|----------|
| JPASSOCIAT | 74.70      | 3.35   | 4.70     |
| RELINFRA   | 537.80     | 22.85  | 4.44     |
| DLF        | 194.00     | 7.55   | 4.05     |
| BHEL       | 223.30     | 8.30   | 3.86     |
| PNB        | 781.10     | 26.85  | 3.56     |

## OUTLOOK

The Indian markets is likely to remain rangebound. Cement sector stocks likely to remain under strain in the near term due to proposed penalty by CCI on top cement companies owing to cartelisation. As expected Indian markets continued to hold strong through the week with value buying around 5000 levels. Despite a spate of major events there are few sellers at lower levels, indicating long term commitment in the market. European Union Summit is on June 28-29, we believe major changes may happen in Indian political and economic front which may be long term positive, hence we strongly recommend to BUY Equities on every dips. Hindustan lever, TCS, Exide, LICHF gained strongly over the week as recommended. Nifty may trade between 11.8-13x FY13E EPS of 404 which makes a range of 4780-5250 for June 2012. BUY Infosys, Bharti Airtel, SBI, TCS, and Bajaj Auto, Exide on dips and M&M, L&T, Godrej Ind, Cummins India, Castrol and LIC housing with long term horizon.

## NIFTY TOP LOSERS

| COMPANY   | LAST PRICE | CHANGE | % CHANGE |
|-----------|------------|--------|----------|
| RELIANCE  | 718.50     | 18.90  | (2.56)   |
| CAIRN     | 325.75     | 8.25   | (2.47)   |
| TCS       | 1224.20    | 28.60  | (2.28)   |
| AMBUJACEM | 172.25     | 3.50   | (1.99)   |
| ACC       | 1256.20    | 15.00  | (1.18)   |

## DOMESTIC INDICES

| NAME                 | LAST PRICE | CHANGE | % CHANGE |
|----------------------|------------|--------|----------|
| SENSEX               | 17032.56   | 135.93 | 0.80     |
| NIFTY                | 5165.00    | 44.45  | 0.86     |
| BSE MID-CAP          | 6002.48    | 48.11  | 0.80     |
| BSE SMALL-CAP        | 6405.08    | 48.59  | 0.76     |
| NSE CNX MIDCAP INDEX | 7128.70    | 81.95  | 1.16     |

## SECTORAL INDICES

| NAME              | LAST PRICE | CHANGE | % CHANGE |
|-------------------|------------|--------|----------|
| AUTO              | 9329.12    | 68.28  | 0.73     |
| CAPITAL GOODS     | 9799.54    | 208.61 | 2.17     |
| FMCG              | 4885.59    | 62.64  | 1.29     |
| METAL             | 10500.74   | 63.81  | 0.61     |
| OIL & GAS         | 7908.01    | -71.18 | (0.89)   |
| HEALTHCARE        | 6715.92    | 30.61  | 0.45     |
| POWER             | 1892.77    | 32.46  | 1.74     |
| REALTY            | 1624.26    | 45.60  | 2.88     |
| CONSUMER DURABLES | 6176.89    | -3.88  | (0.06)   |
| BANK              | 11562.75   | 233.24 | 2.05     |
| IT                | 5677.50    | -11.03 | (0.19)   |

## GLOBAL INDICES

| NAME                     | LAST PRICE | CHANGE  | % CHANGE |
|--------------------------|------------|---------|----------|
| DOW JONES                | 12824.39   | -12.94  | (0.10)   |
| NASDAQ                   | 2930.45    | 0.69    | 0.02     |
| S&P 500                  | 1355.69    | -2.29   | (0.16)   |
| FTSE                     | 5589.95    | -32.23  | (0.57)   |
| CAC                      | 3113.11    | -13.41  | (0.42)   |
| DAX                      | 6369.53    | -22.53  | (0.35)   |
| MEXICO BOLSA             | 38973.64   | 284.99  | 0.73     |
| BRAZIL BOVESPA           | 57166.55   | -28.94  | (0.05)   |
| RUSSIAN RTS              | 1315.49    | -17.19  | (1.28)   |
| NIKKEI 225               | 8824.07    | 71.76   | 0.82     |
| HANG SENG                | 19265.07   | -253.78 | (1.30)   |
| TAIWAN TAIEX             | 7279.05    | -55.58  | (0.75)   |
| SHANGHAI                 | 2260.87    | -32.00  | (1.39)   |
| KOSPI                    | 1889.15    | -14.97  | (0.78)   |
| FTSE BURSA MALAYSIA KLCI | 1601.43    | -2.96   | (0.18)   |
| JAKARTA COMPOSITE        | 3901.78    | -42.10  | (1.06)   |
| PSEI - PHILIPPINE SE     | 5109.43    | -37.03  | (0.72)   |
| STOCK EXCH OF THAI       | 1159.05    | -14.19  | (1.20)   |

## INDUSTRIAL METALS & ENERGY MARKETS

| NAME                    | LAST PRICE | CHANGE  | % CHANGE |
|-------------------------|------------|---------|----------|
| COPPER (USD/T)          | 7415.75    | -127.50 | (1.71)   |
| ALUMINUM (USD/T)        | 1887.75    | -17.25  | (0.90)   |
| ZINC (USD/T)            | 1852.50    | -14.50  | (0.77)   |
| LEAD (USD/T)            | 1863.00    | -19.00  | (1.00)   |
| OIL (USD/BBL)           | 80.49      | -0.96   | (1.17)   |
| NATURAL GAS (USD/MMBTU) | 2.55       | 0.03    | 1.47     |

## PRECIOUS METALS

| NAME            | LAST PRICE | CHANGE | % CHANGE |
|-----------------|------------|--------|----------|
| GOLD (USD/OZ)   | 1599.05    | -8.47  | (0.52)   |
| SILVER (USD/OZ) | 27.94      | -0.22  | (0.78)   |

## INDUSTRY INDICES

| NAME                     | LAST PRICE | CHANGE | % CHANGE |
|--------------------------|------------|--------|----------|
| BALTIC DRY INDEX         | 972.00     | 18.00  | 1.89     |
| BBG WORLD IRON/STEEL IDX | 182.47     | -1.60  | (0.86)   |

## CURRENCIES

| NAME    | LAST PRICE | CHANGE | % CHANGE |
|---------|------------|--------|----------|
| USD-INR | 56.35      | 0.20   | 0.37     |
| EUR-INR | 71.46      | 0.08   | 0.16     |
| GBP-INR | 88.51      | 0.12   | 0.13     |
| INR-JPY | 1.41       | 0.005  | 0.35     |

## INSTITUTIONAL FLOW IN Cr (20/06/2012)

| INSTRUMENT | PURCHASE | SALE    | NET    |
|------------|----------|---------|--------|
| FII (P)    | 1902.80  | 1760.70 | 142.10 |
| DII        | 1013.08  | 969.52  | 43.56  |
| MF         | 535.60   | 347.60  | 188.00 |

## FII DERIVATIVE SEGMENT IN Cr (20/06/2012)

| INSTRUMENT   | PURCHASE | SALE     | NET    |
|--------------|----------|----------|--------|
| INDEX FUTURE | 1097.25  | 911.27   | 185.98 |
| INDEX OPTION | 14402.01 | 13947.60 | 454.41 |
| STOCK FUTURE | 1724.83  | 1732.33  | (7.50) |
| STOCK OPTION | 858.10   | 866.36   | (8.26) |

## BULK & BLOCK DEALS

[http://www.bseindia.com/mktlive/market\\_summ/bulk\\_deals.asp](http://www.bseindia.com/mktlive/market_summ/bulk_deals.asp)

[http://www.bseindia.com/mktlive/market\\_summ/block\\_deals.asp](http://www.bseindia.com/mktlive/market_summ/block_deals.asp)

- ◆ India will shortly impose a 5% import duty on power generation equipment in a move that will benefit domestic firms including Bharat Heavy Electricals Ltd (BHEL) and Larsen and Toubro Ltd (L&T) that have been lobbying with the government to limit imports. In addition, the government will also impose a 10% countervailing duty (CVD), a sort of equalization levy to make up for the excise on local products, and 4% special additional duty (SAD), taking the total to 19%. That duty structure will apply only to the so-called mega projects, or those generating at least 1,000 megawatts (MW). For non-mega projects, the overall duty will increase to 21%—5% import duty, 10% CVD, 2% excise duty and 4% SAD. The contentious move, which has been in the works since 2010, will affect Chinese power-generation equipment firms such as Shandong Electric Power Construction Corp., Shanghai Electric Group Co. Ltd, Dongfang Electric Corp. Ltd and Harbin Power Equipment Co. Ltd, **and their Indian customers—power companies such as Reliance Power Ltd, Lanco Infratech Ltd and Adani Power Ltd. Any rise in the cost of the equipment may also lead to higher power tariffs.**
- ◆ The finance and power ministries are close to finalising a new package for the debt-laden power distribution firms, after the RBI and other banks rejected an earlier move to refinance their Rs 1.19 lakh-crore liabilities. The package is being finalised and the cabinet note is likely to be moved by month-end. The centre will also ask state governments to expeditiously clear their dues to distribution companies as a part of the package. Short-term liabilities of discoms include their working capital loans and payments that have to be made for the power already purchased. The government was still collecting data from states on the total liabilities, and the final figure could be higher. After reservations expressed by the RBI and other banks on burdening latter's balance sheet, half of the short-term liabilities of discoms in states including Rajasthan, Tamil Nadu, Uttar Pradesh and Haryana, considered severely stressed, should be taken over by the state finance corporations. **As per the contours of the new package, discoms will issue bonds backed with state government guarantee for the 50% of their liabilities.** States will take over these bonds, depending on the fiscal space under the Fiscal Responsibility and Budget Management Act. The state governments will, however, have to bear the interest liability of these bonds in the intervening period before they can take over these bonds on their books.
- ◆ The country is reeling under a severe power shortage that has forced people to suffer 16-hour supply cuts in some regions **as fuel scarcity has hit generation and the precarious health of utilities has ravaged the finances and payment schedules in the sector.** The situation is particularly bad in north India, which had a deficit of 3,000 megawatts last month, as demand has soared due to the heat wave. But even in the southern states of Karnataka and Tamil Nadu, distribution bottlenecks and scarce supply have hurt domestic and industrial consumers with power deficit rising to 4,350 mw in May. The southern region is facing power cuts of 8-16 hours and many rural areas are going without electricity for days together. The way forward is resolving regulatory and policy issues in the sector. **With coal supply stagnant and gas production sharply down, about 37,000 mw of capacity out of 178,000 mw monitored by the Central Electricity Authority has been shut down.** This is primarily because of fuel shortage and partly due to plant maintenance. Most coal-fired power plants are operating at 60-70 per cent capacity as Coal India is supplying only 65 per cent of the requirement. The balance is met through e-auctions or imports, which are costly. Inefficient state utilities have aggravated the problem.
- ◆ Public sector banks will limit their exposure to loss-making state electricity boards (SEBs) by sharply cutting the amount of short-term loans extended to these entities for meeting their daily expenses and repayment of interest. As per a debt restructuring package finalised by the Prime Minister's Office (PMO) for SEBs and distribution utilities, banks would be required to meet only 50% of the short-term loans required by these entities while the balance would have to be funded by state-owned Rural Electrification Corporation (REC) and Power Finance Corporation (PFC). Banks are reluctant to extend fresh loans to discoms (distribution companies) fearing that it would add to their non-performing assets (NPAs). The finance ministry was also not keen on allowing additional exposure of banks in this risky sector. It has, therefore, been decided to divide the responsibility between banks and NBFCs.

## CORPORATE ACTION BONUS / RIGHTS / STOCK SPLIT / ADR & GDR / FCCB / M&A / WARRANTS ETC.

| COMPANY    | RECORD DATE | Ex-DATE    | DETAILS  |
|------------|-------------|------------|--|
| HDFC       |             | 22/06/2012 | ANNUAL GENERAL MEETING AND DIVIDEND INR11.00PER SHARE          |
| VIJAYABANK |             | 22/06/2012 | ANNUAL GENERAL MEETING / DIVIDEND INR2.50PER SHARE             |
| IOB        |             | 22/06/2012 | ANNUAL GENERAL MEETING/DIVIDEND INR1.00PER SHARE/<br>BONUS 1:1 |

## OTHER EVENTS

- ◆ HSBC Flash China manufacturing PMI data.



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