KHANDWALA SECURITIES LIMITED

Market Today

May 25, 2009

KSL Market Today

Markets at a Glance:

	22-May	% Change 1-Day	1-Mth	3-Mths
BSE Sensex	13,887	1.1	24.7	57.4
S&P Nifty	4,239	0.7	23.8	55.0
BSE MidCap	4,756	1.8	34.6	73.4
BSE Small Cap	5,513	3.2	37.8	76.9
BSE Auto	4,379	-1.0	28.1	72.0
BSE Bankex	7,828	1.8	43.9	84.6
BSE Cap Goods	11,108	2.9	42.6	87.5
BSE FMCG	2,081	0.4	-1.4	3.4
BSE Healthcare	3,377	1.8	11.2	30.8
BSE IT	2,830	1.1	11.0	39.0
BSE Metals	9,741	-0.2	37.5	112.5
BSE Oil & Gas	9,814	1.3	22.7	62.9
BSE Power	2,737	1.0	29.2	58.8
BSE PSU	7,676	0.6	29.5	55.7
BSE Realty	3,311	-0.2	48.2	127.9
World Indices				
Dow Jones	8,277	-0.2	4.0	12.6
Nasdaq	1,692	-0.2	2.4	17.4

Institutional Trends:

INR Cr	Cash	F&O	Cash MTD	YTD (FY)
FIIs	147	-639	15,282	21,790
MFs	97	-	-289	-249

Currencies/Commodities:

INR	Rate/ Unit	Change Abs	%
Re/US ($)	47.13	0.3	-0.5
Re/UK (£)	74.98	-1.0	1.3
Re/Euro (€)	65.82	-0.6	0.9
Brent ($/Bbl) – Crude Oil	59.95	0.2	0.4
Gold 99.90 (10 Grm)	14,540	105.0	0.7
Silver .999 (1 Kg)	22,770	280.0	1.2

Interest Rates (%):

	Last	1-Mth ago	3-Mth ago
Call	3.50	3.30	4.45
91 Day T-Bills	3.27	3.63	4.68
1 Year G-Sec	4.04	4.02	4.69
9 Year G-Sec	6.65	6.32	6.32

ADR/GDRs:

Company	Price ($)	% Chg	Prem/Disc
Dr. Reddy's	13.4	2.8	-4.3
HDFC Bank	91.8	2.2	5.4
ICICI Bank	29.5	5.1	-1.1
Infosys	31.6	0.2	-2.0
MTNL	3.8	0.0	-3.0
Tata Motors	9.6	0.6	-34.5
Tata Comm.	25.1	1.5	1.0
Wipro	11.0	0.8	40.1

	Sensex Close			
Current Week: 09	▲	8	▼	0
Today: 33	▲	19	▼	13

Strategy for the Day:

- ✓ The indices are likely to gyrate between red and green since bulls are riding on strong momentum and bear are counting on ground realities like fiscal deficit, deflation and sizeable contraction in GDP of countries like S'pore, Thailand and Japan.
- ✓ The short term battle may favoring bulls since last week of expiry would keep bears on their toes after 22% rise in indices from April expiry.
- ✓ On the other hand, medium term picture suggests a much required consolidation is on the offing after a whopping rise of 67% in last two and a half months.
- ✓ Even on technical front, the rise has reached 50% retracement mark of entire bear run, which would act as strong resistance and require enormous amount of consolidation for an up break.
- ✓ Asian markets are trading mix as Nikkei and Taiwan are in green while rest are in the red.

Action Ideas Today:

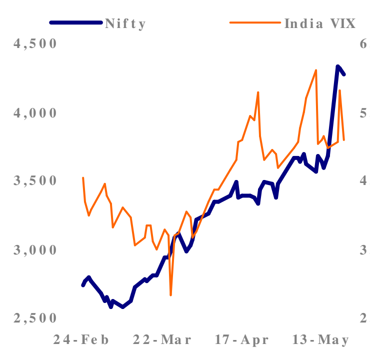
	Bias	Support S2	S1	Resistance R1	R2
Sensex	Neutral	13,486	13,687	14,012	14,137
ABB	Positive	599	615	645	659
Bank of Baroda	Negative	408	415	433	444
Bharti Airtel	Negative	836	847	867	875
Wipro	Negative	356	362	376	384

Turnover Data:

INR Cr	Last	% Change 1-Day	1-W Avg	1-M Avg
BSE Cash	7,131	-10.8	18.9	29.5
NSE Cash	20,333	-16.4	4.7	24.2
NSE F&O	68,153	-5.0	20.6	11.3
Nifty Index Future	16,752	-0.2	10.1	-0.3
Nifty Index Future OI	12,851	-19.1	-17.3	-3.6
NSE Market Cap	4,268,872	0.9	8.3	19.1

Intraday:

Nifty & India VIX - 3 mths:



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Derivatives:

Rise in Open Interest	% Chg	Future Price (INR) Close	% Chg	Fall in Open Interest	% Chg	Future Price (INR) Close	% Chg
Biocon	242.2	177.2	8.0	KSK Energy	50.0	184.0	-12.4
India Infoline	96.8	138.6	-4.5	Strides Acro	49.7	135.9	5.9
Network 18	68.8	134.2	16.5	Havells India	32.6	271.6	1.9
Everest Kanto	59.1	188.8	7.6	ABB	25.5	633.6	2.6
Cummins India	57.9	264.0	-5.1	UltraTech Cements	24.4	669.5	-2.5

BSE Top Movers & Shakers:

Gainers	Close Price (INR) Day	Prev.	% Chg	Losers	Close Price (INR) Day	Prev.	% Chg
NIIT	48.4	39.4	23.0	Federal Bank	228.3	249.2	-8.4
Firstsource Solutions	25.0	21.1	18.2	Tata Chemicals	225.7	242.7	-7.0
NDTV	150.4	128.6	17.0	Cummins India	259.6	277.5	-6.5
S Kumar Natwide	37.2	32.2	15.4	Titan Industries	1,023.7	1,079.0	-5.1
Karnataka Bank	140.5	123.1	14.1	GAIL India	287.3	302.7	-5.1

NEWS TODAY

ECONOMY

- ✓ **India's aluminium production** is expected to grow by 10.7% this fiscal, the CMIE said.
- ✓ **India exported over 100,000 tonnes of sugar** in the current season even as the government has allowed imports of 1 million tonnes at zero-duty to increase domestic availability.
- ✓ India has increased its **exposure to American debt securities** by over three-fold to $38.2-bn till March compared to the year-ago period.
- ✓ ICAI will soon update the **accounting norms for oil and gas industry** to keep pace with the technological developments in the sector.
- ✓ In a move that will **bring greater clarity in the way public finances** are presented, the govt is planning to issue five accounting standards for its different departments to follow.
- ✓ The Tuticorin Port will **develop coal handling facilities** for state-run Neyveli Lignite Corp (NLC) and Coastal Energy Co with a combined investment of around Rs 7-bn.
- ✓ The government appears keen to **speed up construction of highways and rail freight corridors** in its current term as a way to boost the slowing economy.
- ✓ The controversial **call and put option** that gives the strategic partner an option to pick residual stakes in a company at a later stage is likely to be dropped in the disinvestment programme of the new UPA regime.

CORPORATE

- ✓ State Electricity Transmission Co has recently awarded **Areva T&D India** the Rs 1,100-mn contract for construction of WBSETCL's third 400 KV substation in Kharagpur.
- ✓ **Avinash Bhosale Group (ABIL)** is planning to invest Rs 6-bn for setting up three five-star hotels in Pune, Nagpur and Mumbai over the next three years.
- ✓ **Bank of India (BoI)** is looking at acquisition in Kenya to increase its presence in the East African nation.
- ✓ **Dhanalakshmi Bank** plans to float a venture fund with a corpus of Rs 20-bn and will set up a wholly-owned subsidiary for the purpose.
- ✓ US-based **Hartmarx Corp** said it had entered into a "stalking horse" asset purchase agreement with **Emerisque Brands UK** and **SKNL North America**, an arm of **S Kumars Nationwide**, for all assets of Hartmarx.
- ✓ **Intense Technologies** said its projects revenues for the current financial year to be at over Rs 300-mn and an uptick of about 40% in net profit in the current financial year.
- ✓ **Reliance Infrastructure** said it would raise up to Rs 43-bn through issuance of 42.9-mn equity shares to its promoters.
- ✓ **Satyam Computer** is likely to sack most of its 'non-billable' staff, up to 8,000 employees, after **Tech Mahindra** takes charge of the company from June 1.

INTERNATIONAL

- ✓ **Barclays Plc** may hire as many as 65 bankers for its European mergers advisory business this year.
- ✓ U.S. Federal Trade Commission officials are opposed to Australian biotech firm **CSL Ltd's** planned $3.1-bn purchase of smaller U.S. rival **Talecris Biotherapeutics**, CSL said.
- ✓ **GMAC LLC** plans to slash $1-bn in costs this year, or about 20% of its expenses.
- ✓ **Industrial and Commercial Bank of China** said its new lending in May slowed to more than $7.33-bn.
- ✓ Singapore's **Keppel Corp** said a wholly-owned unit had sold its entire stake in **Singapore Petroleum Co** to **PetroChina** for S$1.47-bn ($1.02-bn).
- ✓ **Kingboard Chemical** said it would offer about US$63.25-mn for the remaining shares of printed circuit-board maker **Elec & Eltek** in which it already owns 71.71%.
- ✓ **Magna International** and **Fiat** have improved their offers for **General Motors** unit **Opel** ahead of a crucial week in which the German govt is expected to decide which bid to back.
- ✓ **Thailand's GDP** fell 7.1% last quarter from a year earlier, after declining a revised 4.2% in the previous three months.
- ✓ China's **Weichai Holdings Group, Shandong Construction Machinery Group Co** and **Shandong Auto** will merge to form an auto parts maker targeting more than $14.6-bn in sales by 2012.

INDIA

EQUITY RESEARCH		TEL. NO. +91 22 4076 7373	FAX +91 22 4076 7378
Name	**Designation**	**Sectors**	**E-mail**
Ashok Jainani	VP, Head Research	Market Strategy	ashokjainani@kslindia.com
Dipesh Mehta	Sr. Research Analyst	IT, Telecom	dipesh@kslindia.com
Hatim K Broachwala	Research Analyst	BFSI	hatim@kslindia.com
Vinay Nair	Research Analyst	Energy	vinay.nair@kslindia.com
Giriraj Daga	Research Analyst	Metals & Mining	giriraj@kslindia.com
Kruti Shah	Research Associate	Economics	kruti.shah@kslindia.com
Sandeep Shrimali	Research Associate	Cement	sandeep.shrimali@kslindia.com
Dinesh Bhatia	Research Associate	Technical Analysis	dinesh.bhatia@kslindia.com
Sandeep Bhatkhande	Research Associate	Publishing	sandeep@kslindia.com
Lydia Rodrigues	Research Executive	Data Mining	lydia@kslindia.com
INSTITUTIONAL DEALING		**TEL NO. +91 22 4076 7342-47/56**	**FAX NO. +91 22 4076 73 77-78**
Biranchi Sahu	Head	Institutional Equity	bsahu@kslindia.com
Gopi Doshi	Senior Dealer	Institutional Equity	gopi.doshi@kslindia.com
Mayank Patwardhan	Dealer	Institutional Equity	mayank.patwardhan@kslindia.com
PRIVATE CLIENT GROUP		**TEL No. +91 22 4076 7317-21**	**FAX NO. +91 22 4076 73 77**
Sanjay K Thakur	President	Sales & Marketing	thakursk@kslindia.com
Subroto Duttaroy	General Manager	Equity & Portfolio Mgmt. Service	subroto@kslindia.com
Jagdish R Modi	Manager	Equity & Portfolio Mgmt. Service	jrmodi@kslindia.com
BRANCH OFFICE (PUNE)		**TEL NO. +91 20 2567 1404/06**	**FAX NO. +91 20 2567 1405**
Ajay G Laddha	Vice President		ajay@kslindia.com

Corporate Office:
Vikas Building, Ground Floor,
Green Street, Fort,
MUMBAI 400 023.
Tel. No. (91) (22) 4076 7373
Fax No. (91) (22) 4076 7377/78
E-mail: research@kslindia.com

Web site: www.kslindia.com

Branch Office:
C8/9, Dr. Herekar Park,
Off. Bhandarkar Road,
PUNE 411 004
Tel. No. (91) (20) 2567 1404/06
Fax. No. (91) (20) 2567 1405
Email: pune@kslindia.com

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