



MARKET THIS WEEK

The key benchmark indices gained in a truncated trading week on heavy buying by foreign institutional investors backed by slew of positive domestic economic indicators, hopes of strong Q2 earning and gains in global stocks. The BSE Sensex moved past the 17,000 mark. The Sensex and the 50-unit S&P CNX Nifty struck their highest level in more than 16 months. The market will remain closed on Friday, 2 October 2009, on account of Gandhi Jayanti . The market had remained closed on Monday, 28 September 2009 due to Dussehra. The BSE Sensex rose in all the three trading sessions in the week.

There is optimism about Q2 September 2009 results after advance tax collections registered a positive growth in the second quarter after witnessing a negative growth in the first quarter. Corporate advance tax and advance personal income-tax were up by 14.7% and 1.7%, respectively in the September 2009 quarter. Infosys kickstarts the reporting season on 9 October 2009.

A latest economic data showed that the economy is recovering from a slowdown last year. The HSBC Markit Purchasing Managers' Index (PMI), based on a survey of 500 companies, surged 55 in September 2009 from a five-month low of 53.2 in August 2009. A reading above 50 shows expansion while below 50 reading denotes contraction. The new orders index rose to 58.3 in September 2009, from August's 56.2, which was its lowest in four months.

The index of six core industries having a combined weight of 26.7% in the index of industrial production (IIP) registered a growth of 7.1% in August 2009 compared to a growth of 2.1% in August 2008. During April-August 2009-10, six core industries registered a growth of 4.8% as against 3.3% during the corresponding period of the previous year. Coal and cement sector boosted overall growth in the six infrastructure industries in August 2009.

On the flip side, exports fell for eleventh straight month as the global slump crimped demand for Indian goods. Exports fell 19.4% to \$14.29 billion in August 2009 over August 2008, the government data showed on Thursday, 1 October 2009. Imports dropped 32.4% to \$22.66 billion in August 2009 over August 2008. India's trade deficit shrunk to \$8.37 billion in August 2009 from \$15.79 billion a year earlier.

Inflation based on the wholesale price index rose 0.83% in the year through 22 September 2009, higher than previous week's annual gain of 0.37%, government data showed on Thursday, 1 October 2009. The government revised upward headline inflation for the year through 25 July 2009 to a fall of 0.71% from a provisional decline of 1.58% Most auto and cement firms will unveil their monthly sales data for September 2009 starting today, 1 October 2009.



The International Monetary Fund (IMF) on 1 October 2009 said China and India will lead Asia's expansion in 2010, growing at rates of 9% and 6.4%, respectively. The IMF said global economy will grow next year, but it will be a sluggish recovery that could stall if policymakers around the world announce a premature exit from accommodative monetary policy and fiscal policies.

The Fund said it now expects the world economy to contract 1.1% in 2009 before growing 3.1% in 2010. This is more upbeat than its last update in July 2009 when the Fund projected the world economy would shrink 1.4% in 2009, before expanding 2.5% in 2010.

Over the four years starting at the end of 2010, global growth is expected to average a little more than 4% a year, below the 5% growth rates before the financial crisis erupted, the IMF said.

The BSE 30-share Sensex rose 441.55 points or 2.64% to settle at 17,134.55 in the week ended Friday, 1 October 2009. The S&P CNX Nifty rose 124.45 points or 2.5% to 5,083.40 in the week

The Sensex rose 2,633 points or 18.16% to in the quarter ended 30 September 2009 from its closing of 14,493.84 on 30 June 2009. The Sensex is up 7,487.24 points or 77.6% in calendar year 2009 as 1 October 2009. From a 3-year closing low of 8,160.40 on 9 March 2009, the Sensex is up 8,974.15 points or 109.97% as on 1 October 2009.

Foreign investors are positive on India as a recovery of the Indian economy is underway. Some large initial public offers and placement to qualified institutional investors by India Inc in recent past also attracted huge FII inflows. FII inflow in the calendar year 2009 totaled Rs 58,627.30 crore (till 29 September 2009).

The BSE Mid-Cap index rose 75.08 points or 1.2% to 6302.01 and the BSE Small-Cap index gained 136.93 points or 1.83% to 7,587.18. Both the indices underperformed the Sensex.

Data showing a surge in growth in the core sector boosted domestic bourses on Tuesday, 29 September 2009 with the 50-unit S&P CNX Nifty settling above the psychological 5,000 level. The BSE 30-share Sensex rose 159.91 points or 0.96% to 16,852.91 on that day.

The key benchmark indices extended gains for second straight day on Wednesday, 30 September 2009 on optimism about Q2 September 2009 which will start trickling in from the second week of October 2009. A decent listing of Oil India which settled at a premium of 8.62% over the initial offer price (IPO) of Rs 1,050 also supported market. The BSE 30-share Sensex rose 273.93 points or 1.63% to 17126.84 on that day.



Key benchmark indices ended flat on Thursday, 2 October 2009 after seeing wild swings throughout the day on alternate bouts of buying and selling. The BSE 30-share Sensex rose 7.71 points or 0.05% to 17,134.55 on that day.

India's largest private sector firm by market capitalisation and oil refiner Reliance Industries (RIL) rose 1.9% to Rs 2,170.45. In the face of opposition from the Power Ministry and Anil Ambani group firm Reliance Infrastructure on the marketing margins charged, RIL has justified the levy saying it was essential to cover risks and costs incurred in marketing of gas.

Terming as illegal the market margin, Reliance Infra had refused to pay the levy prompting RIL to issue a notice for suspension of fuel supply for "default". NTPC has sought to know whether the margins levied by RIL had government's approval.

RIL had said on 24 September 2009 it has signed gas supply agreement with state-run utility NTPC to supply gas for some of its power plants for five years. Reliance will supply 0.61 million standard cubic metres a day (mscmd) to NTPC, and expects to start supplies within a week.

Auto stocks were mixed after witnessing a solid surge in the past few weeks on expectations of a pick up in sales in festive season which began with Dussehra on 28 September 2009. India's largest tractor maker by sales Mahindra & Mahindra rose 4.92%. The company's total vehicle sales increased 11% to 28,134 units in September 2009 over September 2008. India's top small car maker by sales Maruti Suzuki rose 0.62%. The company's total vehicle sales rose 17.3% to 83,306 units in September 2009 over September 2008.

As per reports, the government will release pay arrears to government employees under the second and final installment ahead of big festivals in October 2009. The payout would boost demand for cars and motorcycles.

India's largest truck maker by sales Tata Motors fell 2.1%. Tata Motors-owned Jaguar Land Rover on 24 September 2009 unveiled a new business plan for the next decade, under which it will invest substantially in a new range of eco-friendly vehicles. The plan, designed to increase global competitiveness, drive growth and sustain profitability, envisages an investment of Â£800 million (over Rs 6,200 crore) on environmental innovation alone, part-supported by the European Investment Bank.

The plan will also see the company shutting down of one of its plants, in a bid to cut costs and to improve its financial health.

IT stocks rose on hopes of a revival in US economy. US is the biggest market for Indian IT firms. India's third largest software services exporter by sales Wipro rose 7.01%. India's second largest software services exporter by sales Infosys rose 3.58%.



India's largest IT exporter by sales Tata Consultancy Services rose 7.64%. The company on Wednesday said it signed a multi-million dollar deal with a Singapore state organisation to provide annual application management services for two years.

A news agency quoted chief executive S. Ramadorai as saying that the company expects a recovery in the global banking sector to boost its revenues this year. Ramadorai said the company was seeing some signs of a recovery in the demand for outsourcing, especially from the banking, financial services and insurance sectors that account for 43% of its business.

India's largest mobile telecom player by sales Bharti Airtel rose 5.06%. The talks between Bharti Airtel and South Africa's MTN Group to create the world's third-largest mobile operator collapsed for the second time in just over a year.

Bharti Airtel blamed the South African government for the breakdown in the planned \$24 billion deal which faced close scrutiny from regulators and politicians. South Africa was eager to retain MTN's local management and homegrown character and had approached Indian authorities to consider a dual-listed entity, a structure Indian law does not allow.

India's largest private sector bank in terms of operating income ICICI Bank rose 10.23%. The bank sold 4.41% stake in software services provider 3i Infotech for Rs 46.17 crore on Wednesday, 30 September 2009, in open market transactions on BSE and NSE.

India's largest commercial lender by branch network State Bank of India (SBI) rose 3.3%. The bank has cut deposit rates across maturities by 25 basis points from 5 October 2009. The (SBI) stock has been on a roll after Chairman O.P. Bhatt on 8 September 2009 said the bank's earnings are likely to grow 30-35% in Q2 September 2009 over Q2 September 2008.

India's largest power equipment maker by sales Bharat Heavy Electricals rose 4.64%. The company secured an export order worth Rs 270 crore on Wednesday, 30 September 2009.



WEEKLY REPORT

Economic Data

Market Breadth

Inflation

Whole Sale Price Index

Advances

Declines

Unchanged

Week End				BSE			
19-Sep-09	12-Sep-09	19-Sep-09	12-Sep-09				
0.83%	0.37%	243.3	242.6	NSE	447	823	38

Corporate Announcements

Bonus/Rights/Stock Split/Dividend

Bonus

Company Name	Ratio	Ex-Date	Company Name	Ratio	Ex-Date
Shree Nath Comm	3:1 Bonus	7-Oct-09	Sundaram-Clayto	1:1 Bonus	9-Oct-09

Rights

Company Name	Ratio	Ex-Date	Company Name	Ratio	Ex-Date
No Upcoming Rights			No Upcoming Rights		

Board Meeting

Company Name	Date	Purpose	Company Name	Date	Purpose
Samkrg Pistons	5-Oct-09	Quarterly Results	Reliance	7-Oct-09	Audited Results & Dividend
Nova Petrochem	5-Oct-09	Schme of Arrangements	Goa Corbon	8-Oct-09	issue of further Equity Shares
Ashco Niulab	5-Oct-09	Raising Add Capital	Mastek	8-Oct-09	Quarterly Results
DandH Welding	5-Oct-09	Conversion of Warrants	Atco Corp	8-Oct-09	Quarterly Results & Others
Yash Manage	5-Oct-09	Shifting of Registered Office	Eastern Silk	8-Oct-09	Quarterly Results
Galaxy Con	5-Oct-09	Quarterly Results	Chowgule Steam	8-Oct-09	Quarterly Results
Prism Cements	6-Oct-09	Quarterly Results	Infosys	9-Oct-09	Quarterly Results &Dividend
Vyarpar Ind	6-Oct-09	Preferential Issue of CWs	Popular Estate	9-Oct-09	Quarterly Results
Shiv Vani Oil	6-Oct-09	Quarterly Results	Radaan Media	9-Oct-09	Quarterly Results
Beckons Ind	6-Oct-09	Others	Super Syncotex	10-Oct-09	Reduction of Capital
Chemfab Alkalie	7-Oct-09	Quarterly Results	South Ind Bank	11-Oct-09	Quarterly Results

Stock Splits

Company Name	Old FV	New FV	Ex-Date	Company Name	Old FV	New FV	Ex-Date
Supertex Ind	10	1	8-Oct-09	Sunteck Realty	10	2	9-Oct-09
Meanon Bearings	10	5	8-Oct-09				

dividends

Company Name	Purpose	%percent	Ex-Date	Company Name	Purpose	%percent	Ex-Date
Bajaj Steel	Final	20	8-Oct-09				



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