

INDICES

	Today	Prev.	Change
BSE	17064.95	17117.69	-52.74
NSE	5119.35	5135.50	-16.15
DJIA	10211.07	9931.97	279.1
NASDAQ	2243.60	2219.17	24.43
FTSE	5163.68	5126.00	37.68
DAX	6047.83	5938.88	108.95
CAC	3555.52	3455.61	99.91

ACTIVITY INDICATORS**Market Breath (BSE)**

Number of Advance	1531
Number of Declines	1311
Unchanged	125
Total Trades	2967

BSE GAINERS (TOP 5)

Company	Today	Prev.	%Change
Hinduja Vent	326.25	271.9	19.99
Gyan Devlprs	24.62	20.52	19.98
Futura Poly	7.94	6.62	19.94
ASSAMCO	21.25	17.75	19.72
Excel Crop	237.15	198.45	19.00

BSE LOSERS (TOP 5)

Company	Today	Prev.	%Change
Elegant Marb	41.00	46.8	-12.39
Vision Corp	5.07	5.68	-10.74
Axtel Inds	10.89	12.15	-10.37
Ashirwad stl	14.02	15.48	-9.43
Galaxy Entert	19	20.95	-9.31

INSTITUTIONAL ACTIVITY (Rs in Crs)

	BUY	SELL	NET
FII's (NET)	10618.58	10455.81	162.77
DII's (NET)	5247.88	5600.69	-352.81

CURRENCIES & BOND MARKET

	Today	Prev.
Rs/ US \$	46.83	46.85
Rs/ Euro	56.55	56.50
Euro/US \$	1.2096	1.2062

COMMODITIES

	Today	Prev.
Nymex Oil (US\$/bbl)	74.1	72.87
Gold (US\$/oz)	1219.45	1205.45

Market News➤ **Stock market weekly, Gains finally kick in**

It was a week of gap-downs and gap-ups. The Indian benchmark indices finally ended the week with decent gains for the third week in a row. After starting on a somber note and facing stiff resistance around 17,000 levels, bulls were back to their scoring ways as the markets managed to recoup all the earlier losses. Better than expected April IIP data backed by positive European cues stemmed any further slide. The Realty stocks witnessed some serious offloading with heavyweights like DLF and Unitech losing over 5%. Lower than expected PMI output data in China led to a fall in Metal prices, which in turn dragged the metal stocks lower. However, the Pharma and the Auto stocks were among the notable gainers. Finally, the NSE Nifty and the BSE Sensex gained 1.3% each during the week. The BSE Sensex hit an intra-week high of 17,131 and low of 16,560 and the NSE Nifty hit an intra-week high of 5,139 and low of 4,967.

The top gainers in the Sensex were Cipla (up 3.8%), HDFC Bank (up 3.2%), Grasim Inds (up 2.7%), BHEL (up 2.6%) and ACC (up 2.4%).

The top losers in the Sensex were DLF (down 6.9%), Hindalco Inds (down 5.5%), Infosys Tech (down 3.6%), Tata Steel (down 2.4%) and ICICI Bank (down 2.3%).

➤ **Wall street ends higher**

The Dow Jones added 39 points, or 0.4% to 10,211.07. S&P 500 index rose 5 points, or 0.4% to 1091.60. Stocks rallied on Friday, as Dow posted its first weekly gain in a month. The Dow Jones added 39 points, or 0.4% to 10,211.07. S&P 500 index rose 5 points, or 0.4% to 1091.60, while the Nasdaq composite gained 25 points, or 1.1% to 2243.60. U.S. light crude oil for July delivery fell \$1.70 to \$73.78 a barrel, and gold for August delivery rose \$8.00 to \$1,1230.20 an ounce. European markets ended mixed. France's CAC 40 climbed 1.1% and Britain's FTSE 100 rose 0.6%, while the DAX in Germany closed down 0.1%.

Economy News➤ **April industrial production grows 17.6% v/s 13.5% M-o-M**

The Country's industrial output rose for the seventh consecutive month in April at a much faster than expected rate of 17.6% from 13.5% a month earlier led by growth across all sectors. The manufacturing sector in April grew 19.4% as against 0.4%, while consumer durables surged to 37% versus 17.6%. The mining sector's growth came in at 11.4% in the month versus 3.4%. There was strong growth in capital goods sector, which rose 72.8% from negative 5.9% on year-on-year basis and the consolidated non-durable jumped 6.6% as against negative 10.5%.

➤ **Government raises tax exemption on gratuity**

The Central Board of Direct Taxes has approved notification of Rs10 lakhs as the maximum amount of gratuity entitled to exemption under sub-clause (iii) of clause (10) of section 10 of the Income Tax Act 1961. The exemption from income tax for gratuity payments has been enhanced from an earlier limit of Rs3.5 lakhs. The notification will be applicable to employees who retire, or become incapacitated before retirement, or expire, or whose services are terminated, on or after the 24th May, 2010, the Finance Ministry said today. Earlier, the Parliament had approved raising the limit of gratuity to be exempted from income tax. The Payment of Gratuity (Amendment) Bill, 2010, was passed by the Parliament in the Budget session.

➤ **BWA bid ends; government to garner Rs 38,500 Crs**

India's Wireless broadband spectrum auction (BWA) ended on Friday after 16 days of bidding. The last bid for the spectrum allocation ended at Rs 12890 Crs while the government is expected to garner Rs 38,500 Crs. Three telecom majors Idea Cellular, Reliance Communications and Vodafone have opted out of the race. Info Tel Broadband has won bid for all the 22 circles. The revenue generated by the BWA auction is far lesser than what the 3G had fetched. However the real issue is that the revenue from BWA auction will not start flowing in at least six to eight quarters because the network architecture is still not in place. On Thursday one of the standards of Wimax was approved internationally. So this is clearly going to be the holding strategy where all the companies that have won the spectrum allocation will try to match the Wimax conditions. That perhaps explains why companies like Idea dropped out of the bid. So the question of viability remains as far as the broadband allocation is concerned.

Telecom Operator	Number of circles	Amount (Rs in Crs)
Info Tel Broadband	22	12847
Aircel	8	4912
Bharti	4	3438
Qualcomm	4	3314
Tikona	5	1058
Augere	1	125

Corporate News

➤ **RIL makes 6th oil discovery**

Reliance Industries announced its sixth oil discovery in exploratory block CB-ONN-2003/1 (CB 10 A&B), awarded under the NELP-V round of exploration bidding. The well CB10A-T1 flowed at a rate of 425 barrels of oil per day through a 6-mm bean with a flowing tubing head pressure of 290 psi. The discovery is significant as this play fairway is expected to open more oil pool areas leading to better hydrocarbon potential within the block. The block CB-ONN-203/1 is located at a distance of about 130 kms from Ahmedabad in Gujarat in the Cambay basin. The block covers an area of 635-sq km in two parts viz. Part A and Part B. RIL as operator holds 100% participating interest in the block.

➤ **RIL acquires 95% stake in Infotel Broadband**

In a bid to enter the Telecom Sector, Reliance Industries (RIL) has acquired 95% stake in Infotel Broadband, making it a subsidiary of the Indian major. RIL would invest Rs 4,800 Crs in fresh equity capital. Confirming the news, Anant Nahata, Promoter Director of Infotel said, the company had been in talks with RIL since the start of the BWA auction. "We realized that we needed a strategic partner once auction prices went up," he added. RIL is expected to pay BWA spectrum fee and infuse funds for the rollout. The company would evaluate tech options for the same. Unlisted Infotel Broadband Services, which has over five lakh subscribers, is the only firm to win the broadband spectrum in all 22 zones in an auction that ended on Friday. The firm is paying Rs 12,848 crore (USD 2.7 Bn) for the spectrum.

➤ **Stan Chart IDRs trade below London price**

UK bank Standard Chartered's Indian depository receipts traded near their offer price in their debut but below their equivalent London close, in the first such issue in Asia's third-largest economy. The bank, which raised about USD 530 Mn after pricing its IDRs towards the lower end of an indicated range. The offering was aimed more at building its brand and presence in its second-largest market by profit than about raising funds. The stock was the most actively traded on both the BSE and the NSE on Friday, with nearly 22 Mn shares changing hands after about 90 minutes of trade. The IDRs opened at Rs 105, rose as much as 2.9% to Rs 108 but also slipped to as low as Rs 100.60 in early deals. Standard Chartered's Thursday closing price in London of 1,649 pence indicated a price of about Rs 113 per IDR at Friday morning's exchange rates, as 10 IDRs are equivalent to one London-listed share in Stan Chart.

➤ **Wipro promoters may divest 7% stake via block deal**

The exclusion of ADR and GDR from the public shareholding guidelines seems to have hit Wipro promoters. Wipro may be on the prowl for a strategic investor to sell 7% bulk stake in Wipro. Wipro has been well prepared about divesting their stake and gradually looking at selling about 4.9% to meet the government public shareholding guidelines. Wipro needs to sell around 6.17% to bring it down 73.35% from the current holding of 79.52%.

➤ **Kalanithi Maran to buy 37% stake in Spice Jet**

Sun TV Network's Chief Executive Officer Kalanithi Maran will buy 37% stake in low-cost airline Spice jet. The stake will be purchased through holding company KAL Airways and in Maran's individual capacity. Maran will sign an agreement to purchase nearly 37 % stake in the low-fare carrier from its promoters Bhupendra Kansagra and Wilbur L Ross for around Rs 800 Crs. The deal will be executed through off-market transactions. Of the 37%, 25% will come from the shareholding of Ross who holds foreign currency convertible bonds (FCCBs) in the company. Further, Maran, will also make an open offer to Spice Jet's minority shareholders to acquire an additional 20 per cent stake in Spice Jet.

➤ **HUL okays share buyback at Rs 280/share**

HUL board has given its nod to buy back shares worth up to Rs 630 Crs, which is within 25% of the total paid-up capital. The buyback amounting to 2.25 Crs shares will be done at a price not exceeding Rs 280 per share. The motive, analysts say, is to provide a sentimental boost as it won't have any material impact on the stock. The HUL shares closed at Rs 252.50, up Rs 0.35, or 0.14%. Its market capitalization stands at Rs 55,087.59 Crs.

➤ **Eicher JV to invest Rs 290 Crs to raise capacity**

VE Commercial Vehicles, the joint venture between India's Eicher Motors and Sweden's Volvo, said it will invest Rs 290 Crs to raise capacity by 85,000 engines per year from 2012. The company's current capacity is 40,000 engines per year at its Pithampur plant in Madhya Pradesh. Volvo will source engines from the Eicher JV for global operations. The plant will make engines with displacement ranging from five to eight litre which will meet Euro IV to Euro VI emission norms.

➤ **TDR plan dismissal big setback for city infra, says Ackruti**

The Bombay High Court has dismissed the government's regulation, which had proposed to hike floor space index or FSI in suburban Mumbai from 1 to 1.33. This could result a hike in real estate prices as well as sales of transfer of development rights or TDRS.

➤ **Karuturi Global denies promoters stake sale buzz**

The market is abuzz with news of Karuturi Global's promoters looking to sell 26% stake in the company. The dilution is expected to help the company raise USD 100 Mn. KS Ramakrishna, MD, Karuturi Global however denied the information. "I must deny this information. There is no stake sale taking place and no dilution of the promoter stake for sure. This is market speculation and it is not information that is genuine at all," said Ramakrishna.

Our views on Indian market

Indian Equity markets have strong reversal in Friday trade with higher closing at above 17000 levels investors can reasonably expect the market to resume its upward journey . We expect the market to cross 17150 to 17450 levels this week.

**NVS BROKERAGE PRIVATE LIMITED**

Registered Office: 1 &1-A, 3rd Floor, Birla Mansion, 134, Nagindas Master Road, Fort, Mumbai- 400 023.

Corporate Office: 702/703, Embassy Centre, Nariman Point, Mumbai- 400 021.

EQUITY RESEARCH DESK

Boardline : 61539100

Mr Nalin Shah

Tel : 61539105 / 09 / 10

Mr Rau Thakur

Fax : 61539134-35 / 66315520

Ms Hiral Daiya

Email : nvsb.research@gmail.com

Web : www.nvsbrokerage.com

EQUITY DEALING DESK

Tel : 66348301 / 02

Mr Nalin Shah

: 61539101 / 110

Mr Rau Thakur

Fax : 61539134-35 / 66315520

Mr Tejas Dalal

Email : nvsb.research@gmail.com

Web : www.nvsbrokerage.com

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