

**INDICES**

	Today	Prev.	Change
BSE	17730.24	17755.94	-25.70
NSE	5340.20	5323.15	17.05
DJIA	10152.8	10298.44	-145.64
NASDAQ	2217.42	2254.23	-36.81
FTSE	5100.23	5178.52	-78.29
DAX	6115.48	6204.52	-89.04
CAC	3555.36	3641.79	-86.43

ACTIVITY INDICATORS**Market Breath (BSE)**

Number of Advance	1569
Number of Declines	1298
Unchanged	111
Total Trades	2978

BSE GAINERS (TOP 5)

Company	Today	Prev.	%Change
Kirloskar Oil	425.35	175.25	142.71
BSL	35.7	29.75	20
NRC	10.8	9	20
Onward Tech	21.4	17.85	19.89
Cable Corp	31.4	26.2	19.85

BSE LOSERS (TOP 5)

Company	Today	Prev.	%Change
Lotus Eye Care	19.95	24.7	-19.23
RDB Inds	65.9	81.15	-18.79
CCL Intl	103.55	115	-9.96
Alpine Housing	30.7	33.95	-9.57
Phoenix Intl	25.35	27.9	-9.14

INSTITUTIONAL ACTIVITY

(Rs in Crs)

	BUY	SELL	NET
FII's (NET)	4465.02	3311.06	1153.96
DII's (NET)	1299.33	2193.16	-893.83

CURRENCIES & BOND MARKET

	Today	Prev.
Rs/ US \$	46.49	46.17
Rs/ Euro	57.31	56.67
Euro/US \$	1.2307	1.2224

COMMODITIES

	Today	Prev.
Nymex Oil (US\$/bbl)	75.95	76.00
Gold (US\$/oz)	1242.6	1228.7

Market News➤ **Another flat finish...Nifty holds above 5300**

The Indian markets finished the day almost unchanged amid a volatile F&O expiry. Benchmark indices started off on a flat note with a positive bias and remained lackluster until bulls lost grip over the indices. The NSE Nifty even went on to drop below the psychological 5300 levels.

Markets turned extremely volatile and bounced back towards the last hour of the session lifting the benchmark indices from day's low. A lot of action was seen outside the main indices. Stocks like Core Projects, ABG Shipyard and Orbit Corp also were in demand as they are scheduled to be incorporated in the F&O segment in the July series. Finally, the BSE 30-share Sensex edged lower by 25 points to close at 17,730 and Nifty ended flat 5320.

Among the BSE sectoral indices, BSE Realty index was the top loser, down 0.9% followed by BSE Bankex index, which was down 0.9%, BSE Oil & Gas index was down 0.6%. While, BSE Mid-Cap index and the BSE Small-Cap index ended almost unchanged. On the other hand, the BSE FMCG index was up 0.8% and the BSE Capital Goods index up 0.7%. Outside the frontline indices, the big gainers in the broader market were Godrej Ind, Sterling Bio, Punj Lloyd and REI Agro were among the major gainers. On the other hand, losers included HCL Tech, Bharat Electronics, BOB and JP Hydro were among the major losers.

➤ **Nikkei falls 1.5%, hovers near key support level**

Japan's Nikkei average fell 1.5% today morning, hovering around a key support level, after fresh signs of consumer weakness and worries about stringent financial regulation sent Wall Street lower. The benchmark Nikkei dropped 149.64 points to 9,778.70, while the broader Topix fell 1.1% to 870.11. Support has been seen at 9,800, about the level of its 25-day moving average, a proxy for a one-month moving average that is closely watched in Japan. On weekly charts, the Nikkei's 13-week moving average has crossed below the 26-week moving average, a formation known as a "death cross" and often a sign of more falls.

➤ **US stocks: Market sinks on fragile recovery fears**

The S&P 500 fell for the fourth straight day on Thursday as fresh signs of consumer weakness and worries about stringent financial regulation provoked investors to unload positions. The S&P 500 has lost 3.8% in four days, with retailers among the biggest decliners a day after discouraging outlooks from Bed Bath & Beyond and athletic apparel maker Nike Inc. Banks were pressured by fears Congress would pass stringent rules in an overhaul of financial regulations. Lawmakers were on the verge of adopting a bill that could restrict banks' trading and investment activities, crimping their profits.

The DJIA dropped 145.64 points, or 1.41%, to 10,152.80. The Standard & Poor's 500 Index fell 18.35 points, or 1.68%, to 1,073.70. The Nasdaq Composite Index lost 36.81 points, or 1.63%, to 2,217.42. A drop in initial jobless claims and a rise in a gauge of long-lasting manufactured goods failed to offset recent weak economic data, and the Federal Reserve on Wednesday gave a subdued assessment about the economy's recovery.



Economy News

➤ **India's food inflation accelerates to 16.9%**

Inflation in the food as well as non-food groups climbed in the second week of June, while fuel group inflation remained unchanged. Stubbornly high food inflation has been a major headache for policymakers, and if prices do not show any sign of moderation in the coming days, the RBI will be forced to act ahead of its scheduled policy meet in late July. It may be recalled that WPI-based inflation shot up to 10.16% in May from 9.59% in April, while the March figure was revised to over 11% from 9.9%.

The data issued by the Commerce & Industry Ministry yesterday revealed that inflation in the Food Articles group rose to 16.90% in the week ended June 12 from 16.12% in the previous week. It was at 9.26% in the year-ago period. The index for 'Food Articles' group rose by 0.7% to 295.3.

World News

➤ **Aussie erases gains, mining shares fall in London**

The Australian dollar retreated while shares of BHP Billiton and Rio Tinto declined in London trading amid uncertainty about the stance of the new Prime Minister Julia Gillard on the controversial mining tax. Resources stocks and the Aussie (as the Australian dollar is called) rallied in Asian trading after Gillard become the nation's first woman leader, following the resignation of Kevin Rudd. Rudd's proposed tax on miners' profits has not gone down well with the industry and also led to a slump in Rudd's ratings ahead of the Labor Party's new election.

The so-called Resources Super Profits Tax was announced last month by the Rudd government. The RSPT would impose a 40% tax on miners' profits, beginning on July 1, 2012. The mining industry claims that the planned tax would hurt their business, cost jobs and dampen investments. But on Thursday, Gillard called for a truce between the government and the mining industry on the thorny issue. She said the government would end its advertising campaign in support of the tax and urged the mining industry to stop their own ads against the measure. The Aussie was last quoted at 0.8654 cents against the US dollar after rising as high as 87.68 US cents earlier.

Corporate News

➤ **RIL buys 45% in US Shale gas JV for USD 1.36 Bn**

Reliance Industries will invest USD 1.36 Bn in the US shale gas assets of Pioneer Natural Resources, its second such investment in as many months as it builds business beyond the Indian energy sector. Under the agreement, India's largest listed company will make a cash payment of USD 263 Mn for a 45% stake in US firm Pioneer's Eagle Ford shale acreage in south Texas. Reliance said it will also contribute USD 1.052 Bn towards drilling costs over four years. The deal is expected to close within five business days. The deal is the second this year in the promising US shale gas sector for Reliance, a petrochemicals-to-refining giant with a market value of USD 75 Bn, making it India's most-valuable company. The deal had been widely expected and Reliance shares were little changed on Thursday.

In April, Reliance agreed to pay USD 1.7 Bn to Atlas Energy to form a joint venture and own a 40% stake in Atlas' Marcellus Shale operations in the eastern United States. Under the new agreement, Pioneer will get USD 1.15 billion and partner Newpek LLC will receive about USD 210 Mn. After the deal, Reliance will own 45% in the Eagle Ford shale acreage, while Pioneer and Newpek will hold 46% and 9% respectively.

➤ **ING to sell its stake in Kotak Mahindra Bank**

ING Group is selling its entire 3.1% stake in Kotak Mahindra Bank to raise up to US\$173Mn. The shares would be sold at Rs 730 to Rs 750 each, the price represents a 4% discount at the upper range of the band to June 23rd closing price of Rs 783.2. Kotak Mahindra Bank shares fell 2.55% to Rs 763.25 on reports that ING to sell its stake in Kotak Mahindra. On BSE, 5.12 lakh shares were traded in the counter as against an average daily volume of 1.15 lakh shares in the past one quarter.

Upcoming Events

- G-8 summit 2010 Toronto, Canada
- GDP detailed (Q-o-Q) Q1, France
- GDP Final Q1, USA
- PCE prices, final Q1, USA

**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

Disclaimer: This document has been prepared by the Research Desk of M/s NVS Brokerage Pvt. Ltd. and is meant for use of the recipient only and is not for circulation. This document is not to be reported or copied or made available to others. It should not be considered to be taken as an offer to sell or a solicitation to support any security. The information contained herein is obtained and collated from sources believed reliable and we do not represent it as accurate or complete and it should not be relied upon as such. The opinion expressed or estimates made are as per the best judgment as applicable at that point of time and are subject to change without any notice. NVS Brokerage Pvt. Ltd. along with its associated companies/ officers/ employees may or may not, have positions in, or support and sell securities referred to herein.
