

**INDICES**

	Today	Prev.	Change
<b>BSE</b>	17534.09	17774.26	-240.17
<b>NSE</b>	5256.15	5333.50	-77.35
<b>DJIA</b>	9870.30	10138.52	-268.22
<b>NASDAQ</b>	2135.18	2220.65	-85.47
<b>FTSE</b>	4914.22	5071.68	-157.46
<b>DAX</b>	5952.03	6157.22	-205.19
<b>CAC</b>	3432.99	3576.45	-143.46

**ACTIVITY INDICATORS****Market Breath (BSE)**

Number of Advance	1129
Number of Declines	1728
Unchanged	132
<b>Total Trades</b>	<b>2989</b>

**BSE GAINERS (TOP 5)**

Company	Today	Prev.	%Change
Shri Shakti Lpg	7.73	1.5	415.33
Astrazeneca	1207.05	1005.9	20
Eurotex Inds	33.6	28	20
GTN Inds	25.8	21.5	20
Ventura Tex	9.97	8.31	19.98

**BSE LOSERS (TOP 5)**

Company	Today	Prev.	%Change
UTISundrETF	945.6	1124.9	-15.94
InterState	0.55	0.65	-15.38
Ledo Tea	76.5	85.4	-10.42
Jasch Inds	10.51	11.65	-9.79
Remi Edel.	25	27.35	-8.59

**INSTITUTIONAL ACTIVITY (Rs in Crs)**

	BUY	SELL	NET
<b>FII's (NET)</b>	1828.26	2089.41	-261.15
<b>DII's (NET)</b>	1148.88	1263.59	-114.71

**CURRENCIES & BOND MARKET**

	Today	Prev.
Rs/ US \$	46.49	46.21
Rs/ Euro	56.51	57.01
Euro/US \$	1.2156	1.2340

**COMMODITIES**

	Today	Prev.
Nymex Oil (US\$/bbl)	75.70	78.09
Gold (US\$/oz)	1230.95	1253.05

**Market News**➤ **Sensex ends 240 pts lower on European woes**

The benchmark Nifty retreated all its Monday's gains on negative global cues and closed 77 points lower. The sell-off across all the sectors as well as funding worries for banks in Europe dragged the Sensex 240 points down. Metal, banking, oil & gas, power and realty were the major losers; respective indices declined 1-2.7%.

European markets were trading 2-2.6% lower, as investors were nervous over the funding situation of banks about to repay Euro 442 Bn (USD 545.5 Bn) to the European Central Bank. Banks must repay the money borrowed a year ago at rock bottom rates on Thursday, leaving a potential liquidity shortfall in the financial system of over Euro 100 Bn. Dow Jones and NASDAQ futures also slipped 1.2-1.5%.

China's Shanghai fell 4.27% to a 14-month low as investors started pulling funds from the market to prepare for a major initial public offering by Agricultural Bank of China, pointing to tight liquidity in China's markets. The company aims to raise USD 23 Bn. Among the other Asian markets, Hang Seng declined 2.5%; Nikkei, Jakarta, Straits Times, Kospi and Taiwan were down 1-2%. The 30-share BSE Sensex closed at 17,534.09, down 240.17 points or 1.35% and the 50-share NSE Nifty shed 77.35 points or 1.45% to settle at 5,256.15.

**World News**➤ **Deutsche Bank, Commerzbank, BayernLB Pass Stress Test**

Deutsche Bank AG, Commerzbank AG and Bayerische Landesbank passed a stress test that evaluated how about 25 European lenders would weather an economic downturn. The three German lenders' core capital ratio, a key measure of financial strength, remained at 6% or higher under the economic scenario, said the people, who declined to be identified because the information is confidential. The results are based on data from April that were passed on to the Committee of European Banking Supervisors, the people said. European Union leaders pledged on June 17 to disclose the results of tests by the end of July showing how banks would perform under scenarios such as slower-than-forecast economic growth.

➤ **Volcker Rule May Give Goldman, Citigroup Until 2022 to Comply**

Goldman Sachs Group Inc. and Citigroup Inc. are among U.S. banks that may have as long as a dozen years to cut stakes in in-house hedge funds and private-equity units under a regulatory revamp agreed to last week. Rules curbing banks' investments in their own funds would take effect 15 months to two years after a law is passed, according to the bill. Banks would have two years to comply, with the potential for three one-year extensions after that. They could seek another five years for "illiquid" funds such as private equity or real estate. Giving banks until 2022 to fully implement the so-called Volcker rule is an accommodation for Wall Street in what President Barack Obama called the toughest financial reforms since the 1930s.



## Economy News

### ➤ **SEBI relaxes norms for PN issuing FIIs**

Securities and Exchange Board of India (SEBI) has relaxed disclosures for Participatory Notes (PN) issuing Foreign Institutional Investors (FIIs) on short positions. The new norm effective from 2 July, FIIs will be required to report lending of securities on a weekly basis. As per the new norm, FIIs will put out disclosures on every Friday while public dissemination of disclosure will be on every Tuesday. The market regulator has made it mandatory that those FIIs issuing PN will be required to take an undertaking to report any fresh short position to SEBI immediately. Earlier, FIIs were required to report about lending of securities to entities abroad and give disclosures on a daily basis. PNs have not reported shorts in last one year. Its value has grown 54% while FII has increased 41% in last one year. Total PN value as on May 2010 is Rs 1, 59,927 Crs. PN value 15% of total FII at Rs 8, 83,379 Crs.

### ➤ **India 2010-11 sugar output likely 23 Mn tons**

India's sugar production in the next marketing year is likely to be 23 Mn metric tons, which is enough to meet the domestic demand. The country's sugar output in the current marketing year ending Sept. 30 is expected to be 18.8 Mn tons. These are initial estimates and may be revised later. India, the world's biggest sugar consumer, was forced to import sugar for the second straight year in 2009-10 as production lagged domestic consumption.

## Corporate News

### ➤ **SBI sets base rate at 7.5%**

Ahead of the Reserve Bank of India's (RBI) review of monetary policy on 27 July, State Bank of India (SBI) has announced base rate at 7.5% per annum effective from July 1. SBI CFO S Ranjan said that the base rate has been fixed at 7.5% due to cost factor. He is expecting public and private players will also operate in a band of 7.5 - 8%. However, Ranjan said that there may not be any significant fall in demand in a rising interest rate scenario.

### ➤ **Godrej Consumer launches USD 87 Mn QIP**

Godrej Consumer too has launched a qualified institutional placement (QIP) to raise USD 87 Mn with an option to upsize to USD 130 Mn. The management of Godrej Consumer had indicated for a long time that they are in the market to raise money. The book size is USD 87 Mn with an option to upsize up to USD 130 Mn. Bankers say the issue is likely to be subscribed at the upper end as the demand is quite strong for this QIP. The floor price for this issue has been set at Rs 345/ share. Kotak and HSBC are the book-running lead managers for the QIP issue. This will result in a dilution of 3.5-4%. The management has a comfortable stake in the company, so that is not a problem. Earlier, the management had indicated that the QIP proceeds would be used for reducing the debt on the company's balance sheet. They plan to bring down the debt-equity ratio to around 1:1. They had raised money via debt to fund the 51% stake acquisition in Godrej Sara Lee, for which they had to pay Rs 700 Crs. The book is expected to close before the market opens and has been getting a good response from various investors.

### ➤ **Bajaj Auto Finance may raise Rs 5 Bn by end July**

Bajaj Auto Finance Ltd said on Tuesday it may raise at least Rs 500 Crs by July end and will choose to raise the money through retail debentures if the liquidity tightness persists after that. "We will continue to raise money from both money markets and banks for Rs 500 Crs which is the minimum economic size of a retail issue if we were to choose that," said Rajeev Jain, CEO of the non-banking finance company. "We want to watch till July end, and then go for a retail issue if the situation demands it," he added.

### ➤ **IDFC raises USD 575 Mn in share sale**

India's Infrastructure Development Finance Co (IDFC) has raised USD 575 Mn through share sale to institutional investors. The qualified institutional placement, which opened on Monday and closed a day later, has been priced at Rs 168.25/share. "The response from both domestic as foreign investors has been very strong," a source said, adding the issue would lead to equity dilution of 10.6%.

### ➤ **Wipro Infotech set to bag Rs 2K Crs e-governance project**

Wipro Infotech is all set to bag one of the largest e-governance projects worth Rs 2,000 Crs for linking police records across the country. Wipro Infotech is the front runner to bag the Central government's Crime and Criminal Tracking Network and Systems (CCTNS) project, which are valued at around Rs 2,000 Crs for eight years. The deal is to link police stations nationwide, digitize criminal records, and develop Core Application Software (CAS) for CCTNS project. The project will digitally integrate 14,000 police stations and 6,000 headquarters.

### ➤ **Essar Shipping gets OHSAS 18001:2007 certification**

Sea Transportation division of Essar Shipping Ports & Logistics Ltd (ESPLL), an integrated logistics solution provider, became the first shipping company in India to be awarded the OHSAS 18001:2007 certification. ESPLL has set a benchmark with this prestigious certification, underscoring the company's commitment towards international standards in occupational health and safety. OHSAS 18001:2007 is a standard for Occupational Health and Safety Assessment Series for health and safety management systems. It is intended to help organizations to control occupational health and safety risks. It was developed in response to widespread demand for a recognized standard against which to be certified and assessed.

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