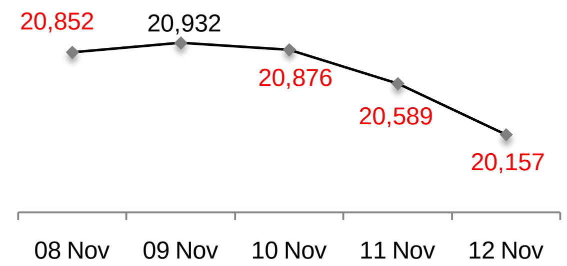
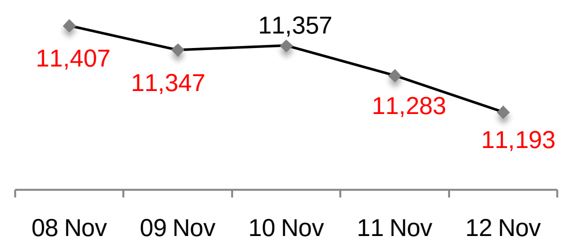
Business This Week – India

15 November 2010

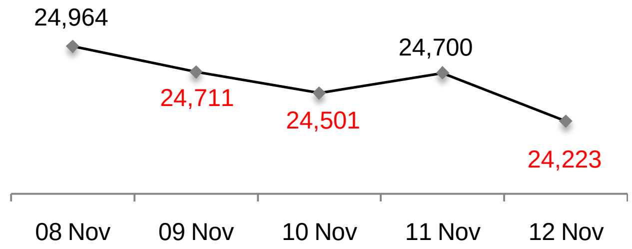
BSE Sensex



Dow Jones

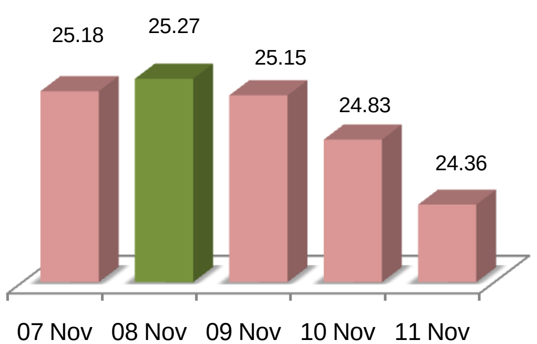


Hang Seng



BSE: 20,157		DJI: 11,193		Nasdaq: 2,518		S&P 500: 1,199		HSI: 24,223		FTSE: 5,797		Nikkei: 9,725	
(848)	(4.04%)	(316)	(2.20%)	(61)	(2.36%)	(27)	(2.17%)	(654)	(2.63%)	(79)	(1.34%)	99	1.03%

BSE Sensex P/E



Currency

	05 Oct'10	12 Nov'10
USD	44.4683	44.6888
EUR	63.0592	61.3962
GBP	71.9573	72.10
JPY	0.5499	0.54310

Sectoral Indices in the week

Sector	% Change
Realty	(6.5%)
Bankex	(6.0%)
Capital Goods	(3.9%)
Technology	(3.2%)
Metal	(3.1%)

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The market plummeted last week. The BSE Sensex slumped 848.07 points or 4.04% to 20,156.89 in the week. The S&P CNX Nifty tumbled 240.8 points or 3.81% to 6,071.65. Market correction during the previous week was more driven by the global issues than the domestic issues as weak global cues resulted in huge profit booking in the market. Fear of efforts by the Chinese government to slow the growth of the economy and worries over sovereign debt levels in Europe weighed heavily on the domestic bourses.

FIIs

Record FIIs inflow of $28 billion have helped the Indian benchmark outperform its BRIC (Brazil, Russia, India, China) peers this year. So far, the Sensex has beaten the MSCI Emerging Markets Index by 7% to generate returns of 23% in dollar terms. In the last week ended 12 November 2010, FIIs were the net buyer of $20 million.

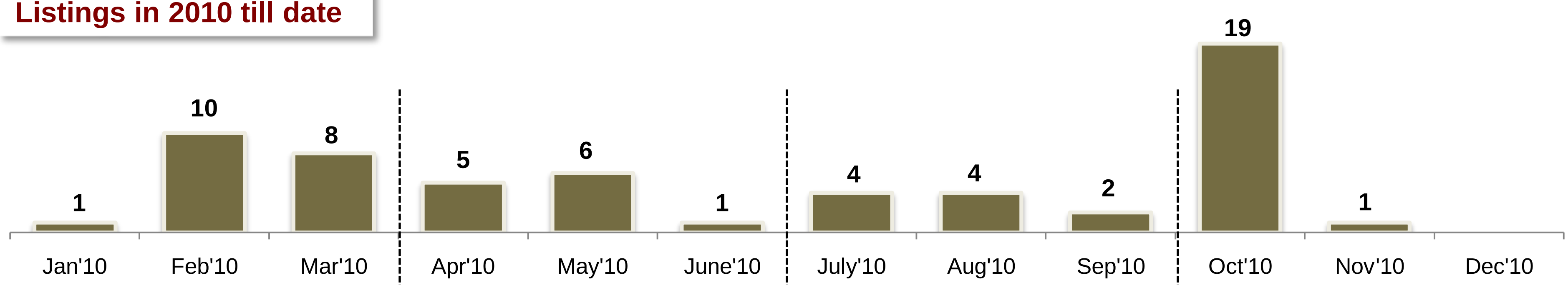
Oil prices slumped on Friday, after hitting two-year highs the previous day, as traders took their cue from a stronger dollar and speculation over a Chinese interest rate rise. Benchmark crude for Dec'10 delivery settled at $86.34 a barrel on the New York Mercantile Exchange. Weekly loss was 0.6% from the previous Friday.

Precious metal prices turned lower on Friday, 12 November 2010 at Comex. Prices fell despite the dollar index slipping. Prices fell on reports that China is preparing for an interest-rate increase to counter rising inflation. On Friday, gold for December delivery ended at $1,365.5 an ounce, lower by $37.8 (2.8%) on the New York Mercantile Exchange. During intra day trading, prices fell to a low of $1,359.3. For the week, the yellow metal lost 2.3%. It was first weekly loss for gold in three weeks.

Latest IPO Listings

Listing Date	Company Name	IPO Price (₹)	Listing Price (₹)	Closing on 12 Nov (₹)	Change on IPO Price
04 Nov'10	Coal India	245.00	287.75	319.9	30.6%
27 Oct'10	Gyscoal Alloys	71.00	76.60	72.0	1.4%
27 Oct'10	BS Transcomm	248.00	251.00	213.8	(13.8%)
27 Oct'10	Prestige Estate Projects	183.00	190.00	193.1	5.5%

Listings in 2010 till date



CY Q1 March'10 :– 19	CY Q2 June'10 :– 12	CY Q3 September'10 :– 10	CY Q4 December'10 :– 20*
CY Q1 March'09 :– 1	CY Q2 June'09 :– 1	CY Q3 September'09:– 8	CY Q4 Dec'09:– 7

Buzz of The Week

The G20 ended without any agreement

The G20 summit in South Korea ended without any agreement between the major powers on resolving the increasingly fractious conflicts over currency and trade. It barely attempted to paper over the divisions, setting a timetable for next year to agree to "indicative guidelines" on imbalances in the world economy. The Obama administration failed to get agreement on its principal aims, including the demand that China allow its currency to appreciate more rapidly, and that sharper restraints be placed on exports from surplus countries (particularly China and Germany). The administration also failed to secure a much-trumpeted bilateral trade deal with South Korea.

Stocks fall on China rate hike, Irish contagion fears

The euphoria seen last week during Diwali and the second round of quantitative easing by the US, which pushed the benchmark indices to closing highs, is long gone now. Investors around the world exited risky assets on fears that China might raise rates this weekend to cool its overheated economy and the debt problems of Ireland and Portugal may lead to contagion. The drops were only a fraction of the bloodbath in the Chinese market. Shanghai Composite Index fell 5.16% and the Shenzhen Composite 7%, spurring sell-offs across the world, including in Europe and the US. Investors also fear that Ireland and Portugal, which are struggling with high borrowing costs, might default, leading to a debt contagion in Europe.

Factory output growth slumps, putting RBI under rate pressure

Industrial output growth in September slumped to a 16-month low of 4.4%, an unexpected slowdown that could make policymaking tougher for the Reserve Bank of India (RBI), which had said it wanted to hold off from further rate increases for the next three months at least. Factory output was dragged down by the anaemic performance of the manufacturing and electricity sectors, which grew at 4.5% and 1.7%, respectively. The use-based classification of Index of Industrial Production (IIP) showed capital goods contracted by 4.2% and consumer durables slowed to 10.9% during the month.

Corporate Scorecard

Companies declared results	2,898 out of 4170	
Aggregate Net Sales	INR 8,838 billion	20.47%
Aggregate Net Profit	INR 1034 Billion	45.51%

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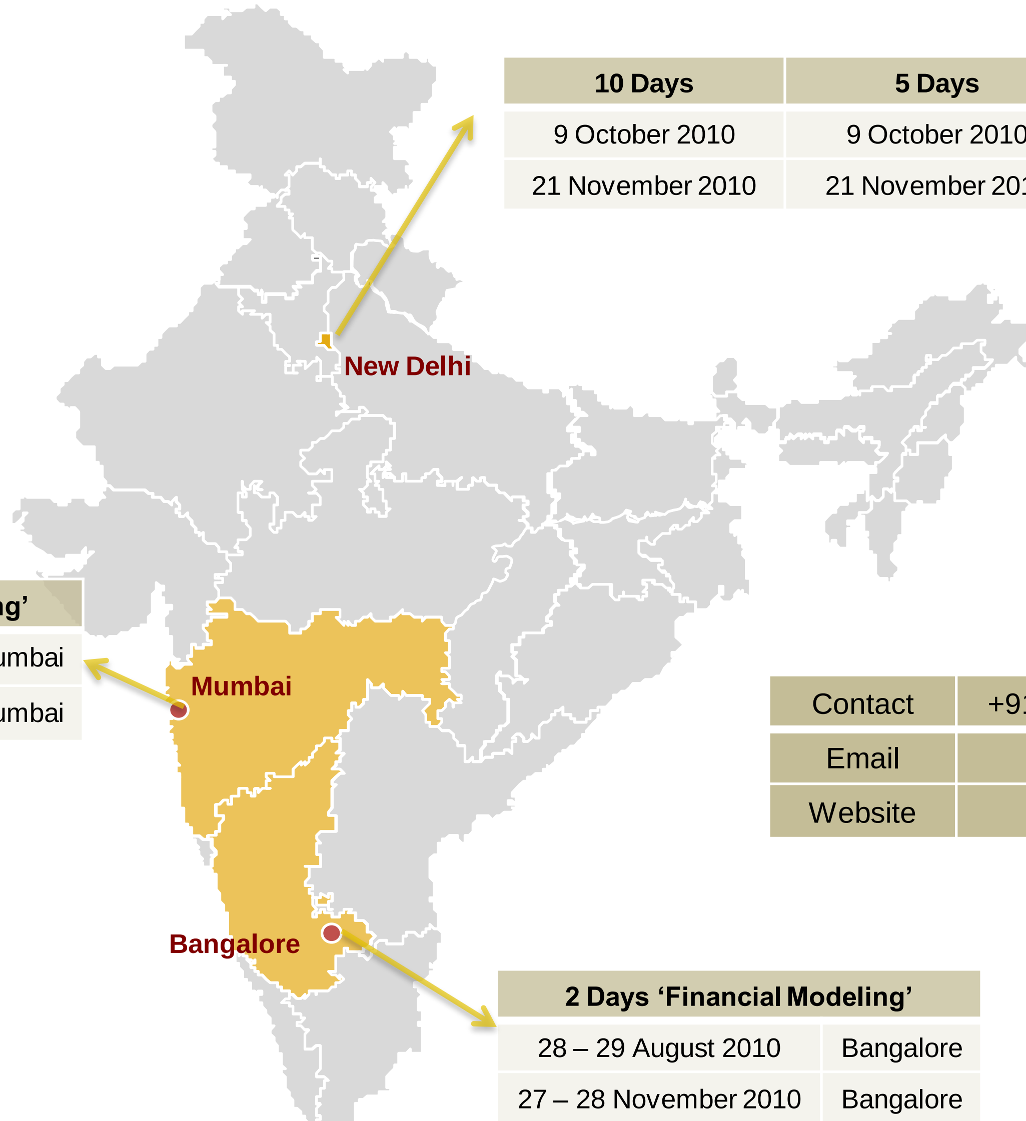

10 Days	5 Days	6 Weeks
9 October 2010	9 October 2010	11 October 2010
21 November 2010	21 November 2010	22 November 2010

2 Days ‘Financial Modeling’	
23 – 24 October 2010	Mumbai
11 – 12 December 2010	Mumbai

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2 Days ‘Financial Modeling’	
28 – 29 August 2010	Bangalore
27 – 28 November 2010	Bangalore

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