

Morning Coffee with GEPL Capital

Date: May 09, 2012



Market Update

Indices	Close	% Chg	% YTD
Indian Markets			
Sensex	16,546.18	(2.17%)	7.06%
Nifty	4,999.95	(2.23%)	8.12%
Global Markets			
DJIA	12,932.09	(0.59%)	5.85%
Nasdaq	2,946.27	(0.39%)	13.09%
FTSE	5,554.55	(1.78%)	(0.32%)
Emerging Markets			
HangSeng	20,484.75	(0.25%)	11.12%
Nikkei	9,181.65	0.69%	8.59%

BSE Sectoral Indices	Latest	% Chg	% YTD
Auto	9903.93	(2.40%)	21.62%
Banks	11051.8	(2.84%)	20.74%
Capital Goods	8935.05	(3.44%)	10.75%
Comm & Teck	3247.41	(2.62%)	(3.93%)
Con. Durables	6634.5	(1.07%)	25.55%
FMCG	4565.79	(2.45%)	13.15%
Healthcare	6733.78	(0.88%)	14.71%
IT	5533.39	(3.09%)	(3.80%)
Metals	10549.56	(1.67%)	13.52%
Oil & Gas	7638.24	(0.78%)	1.45%
Power	1897.71	(2.52%)	5.67%
Realty	1617.4	(1.32%)	17.57%
Midcap	6053.89	(1.28%)	17.89%
Smallcap	6550.82	(0.87%)	18.03%

Bulk Deals (BSE)

Date	Scrip Name	Client Name	Buy/Sell	Quantity	Price
8-May-12	Venus Power Ventures Ltd.	Invest Direct India Pvt. Ltd.	Buy	100,000	21.22
8-May-12	Gandhimati Appliances Ltd.	Bellwether Capital Pvt. Ltd.	Buy	70,000	370.00

Bulk Deals (NSE)

Date	Scrip Name	Client Name	Buy/Sell	Quantity	Price
8-May-12	Subex Ltd.	Credit Suisse Singapore	Sell	1,250,000	23.75
8-May-12	Kingfisher Airlines Ltd.	Transglobal Securities Ltd.	Sell	5,224,064	15.09

Fund Flows ('bn)	Latest	MTD	YTD
Flls	(5.06)	14.21	615.50
MFs	0.84	(20.74)	1,614.61

Corporate News

- **Reliance Industries** reduces estimates for proven gas reserves by 6.7%. Company's D6 output may drop to 20 mmscmd.
- **Maruti Suzuki India** has raised the prices of the new diesel variants of its sedan DZire by up to Rs 12,000 from this month citing input costs pressure.
- **Bharti Shipyards** lenders clear Rs56 bn debt recast.
- **Zydu cadilla** is in early stages of talk to acquire strides arcolabs Rs700 mn domestic generic business.
- **IRB Infrastructure** promoters pledge another 1.16 mn shares as collateral to lenders.
- **JSPL** acquires 9.25% stake in Australia's Apollo Minerals for 1 mn Australian dollars.

Corporate Results

Company	Particulars (Rs mn)	Mar-12	Mar-11	YoY Chg	Dec-11	QoQ Chg
Hindalco	Sales	76,471	68,464	11.7%	66,470	15.0%
	PAT	6,400	7,084	(9.7%)	4,507	42.0%
Central Bank of India	Sales	49,401	42,323	16.7%	47,415	4.2%
	PAT	(1,052)	1,327	(179.3%)	1,132	(192.9%)
Kotak Mahindra Bank	Sales	17,448	11,979	45.7%	16,410	6.3%
	PAT	2,969	2,487	19.4%	2,761	7.6%
Ceat	Sales	12,148	10,654	14.0%	9,781	24.2%
	PAT	415	24	1,635.1%	(118)	(450.3%)
Glenmark Pharma	Sales	4,502	3,208	40.4%	3,992	(100.0%)
	PAT	1,482	659	125.0%	131	(100.0%)
Shriram Transport Finance	Sales	14,836	13,763	7.8%	14,345	3.4%
	PAT	3,081	3,406	(9.6%)	3,027	1.8%
Cesc	Sales	13,480	9,080	48.5%	12,410	8.6%
	PAT	2,660	1,120	137.5%	1,140	133.3%
Whirlpool	Sales	6,494	6,110	6.3%	6,174	5.2%
	PAT	372	472	(21.2%)	212	75.7%

Economy News

- Exporters industry body Fieo says India is unlikely to maintain export growth of 21% in FY13E and may find it difficult to meet overseas shipment targets against the backdrop of continuing euro-zone debt crisis.

Global News

- Greece may exit Euro as soon as next month as the government runs out of cash and the European institutions fail to lend more to the nation.
- German industrial output rose 2.8% for the month of March 2012 more than three times the economists forecasts. In February the output dropped 0.3%.
- Job openings in US increased 172,000 to 3.74 mn, the most since July 2008.

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Debt Market Snapshot

Market Turnover	₹ bn	% Chg
BSE	21.15	2.32
NSE	109.00	(6.66)
Derivatives (NSE)	1277.14	(6.20)

Market Breadth	Adv	Dec	A/D
BSE	456	1006	0.45
NSE	1052	1688	0.62

Forex Rates	Latest	% Chg	% YTD
Rs / US\$	53.1190	0.39	(0.36)
Euro / US \$	0.7678	0.06	(0.70)
Yen / US\$	79.8541	-0.11	3.65

Particulars	Latest	Previous	Chg(bps)
5 Year GOI Bond	8.35%	8.39%	0.04
10 Year GOI Bond	8.54%	8.69%	0.15
15-Year GOI Bond	8.78%	8.84%	0.14
Call Money (WAR)	8.40%	8.46%	0.06
CBLO (WAR)	8.14%	8.09%	(0.05)
US 10 Year	1.85%	1.86%	0.01
Crude Oil (in \$/bl)	97.94	98.49	0.55
Inflation (Monthly)	6.89%	6.89%	-

Derivatives Snapshot

	Nifty Spot	Nifty Futures	Nifty Futures Prem. / Disc	Nifty Futures Basis	Nifty Futures Change in OI	Nifty Futures Volume (in cr.)	Total Market F&O Open Interest (in bn)	Nifty Open Interest (OI) PCR	Nifty Volume PCR	NSE VIX
Current	4999.95	5005.60	5.65	18.10	21960900	10357.60		1.00	0.94	22.16
Previous	5114.15	5125.95	11.80	15.20	20081650	10985.78		1.10	0.99	20.22
change	(114.20)	(120.35)	(6.15)	2.90	1879250	(628.18)		(0.10)	(0.05)	1.94
% Change	(2.23)	(2.35)			9.36	(5.72)				9.59

Snapshot

- From the options data, 5100 call has added more than 6lakh shares suggesting that level of 5100 is likely to act as positional resistance for Nifty futures.
- The open interest put call ratio for Nifty futures stood at 1.00 vs. 1.10 levels.
- The IV's stood in between 20% to 24% with NSE VIX index ending 9.59% higher at 22.16 levels.
- Long positions were witnessed in stocks like CESC, ASIANPAINTS, PATNI, RUCHISOYA.
- Short positions were witnessed in stocks like JPASSOCIAT, ITC, M&M, ANDHRABANK.

FII Derivatives Statistics

	Buy (in Cr.)	Sell (in Cr.)	Open Interest at the end of the day (in Cr.)	Open Interest as on 10-FEB-2011 (in Cr.)	Change in open Interest (in Cr.)	Net Buy / Sell (in Cr.)
INDEX FUTURES	2038.92	2114.58	9726.69	9335.47	391.22	(75.66)
INDEX OPTIONS	23593.28	23249.36	34378.03	32261.37	2116.66	343.93
STOCK FUTURES	1720.80	1825.19	20699.69	21011.48	(311.79)	(104.39)
STOCK OPTIONS	981.99	986.40	1006.95	918.36	88.59	(4.41)

Government Security Market:

- Inter-bank call money rate traded in the range of 8.25% -8.50% on Tuesday ended at 8.30%.
- Total Borrowings From RBI's Repo with banks Taking Rs. 116060 mn on Tuesday Vs. Rs.112370 mn on Monday .
- The benchmark 8.79% GOI 2021 bond closed at 8.5406% on Tuesday Vs. 8.6904% on Monday .

Global Debt Market:

US 10 year yield approached the lowest level since February as Greece faced the prospect of becoming the first developed nation to default on its debt, two months after forcing through the biggest-ever sovereign bond restructuring.

10 Year Benchmark Technical View:

10 year yield likely to move in the range of 8.52% - 8.56% level on Wednesday.

Bonds on Sale:

	Coupon	Maturity	Min Quantum (in Rs.)
11.80% TATA STEEL PERPETUAL BOND	11.80%	PERPETUAL CALL OPTION 18-MARCH-2021	1000000
11.40% TATA MOTOR PERPETUAL BOND	11.40%	PERPETUAL CALL OPTION 2-June-2021	1000000
11.35% TATA MOTOR FINANCE LTD PERPETUAL BOND	11.35%	PERPETUAL CALL OPTION 23-Nov-2020	500000
NHAI Tax Free Bond	8.20%	25-Jan -2022	500000
PFC Tax Free Bond	8.20%	1-Feb-22	500000

For Further Bond Details Please Contact GEPL Debt Desk

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Technical Snapshot

Nifty Futures Daily Chart



Stocks to watch

CESC (+) IOC (+) GMR Infra (-) Shriram Transfin (-) Uco Bank (-)

Trading Calls for the day

Stock	Buy / Sell	Segment	Type of Call	Reco. Price	Stop Loss	Target 1	Target 2
J P Associate	Sell	Futures	One Day	65	68	63	-
Bombay Dyeing	Sell	Futures	One Day	480	505	455	-

Technical Calls for Retail Desk

Sr. No	Date	Action	Company	Reco. Price	Stop Loss	Target 1	Target 2	CMP	Remarks
1	10-Feb-12	Buy (P)	DCHL Cash	51.4	45.75	57	62.7	37.55	
2	10-Feb-12	Buy (P)	Dredging Corp Cash	317.5	287.5	347.5	377.5	249.8	
3	10-Feb-12	Buy (ST)	Dish TV Cash	67	60	74	81	59.2	
4	15-Feb-12	Buy (P)	India Cem Cash	98	75	121	144	84.7	
5	16-Feb-12	Buy (P)	GMDC Cash	196	196*	211	226	174.75	Part profit booked @ 211 Rev SL 196
6	6-Mar-12	Buy (P)	Reliance Cash	804	754	854	904	708.35	
7	21-Mar-12	Buy (ST)	Delta Corp Cash	74	71			54.55	
8	3-Apr-12	Buy (P)	Tata Coffee Cash	872	820	925	978	845.3	
9	24-Apr-12	Buy (C)	Buy USD INR 52.5 Put (May)	0.35 - 0.40	0.1	0.75	1	0.17	
10	3-May-12	Buy (D)	Ambuja Cem 160 Call	1.7 - 2	0.8	3.9	4.6	1	
11	4-May-12	Sell (ST)	TCS Fut	1275	1270*	1240	1205	1199.5	Part profit booked @ 1225 Entire booked @ 1205 Call closed

Open Positions Buy 11 & Sell 0

*- Revised Stop Loss

Nifty Futures placed at crucial juncture

Key Highlights

- Nifty Futures closed at 5006 which is 120 points lower than its previous close of 5126.
- Nifty Futures retraced the entire uptrend of previous day and formed intraday low at 4987.
- For past 2 trading sessions, the low of Nifty Futures is near 5000 and trading below this mark is likely to show a panic sell off.
- The intermediate trend reversal level is placed at 4880 and below this level, strong bearish trend may be establish on daily and weekly charts.
- Till Nifty trades below the level of 5150, the short trend will also remain in downward direction and 5150 – 5200 is a strong resistance zone.
- The daily volumes chart is showing higher volumes in the current sell off from 5300 to 5000 suggesting selling pressure in the market.
- The next Timing cycle on weekly chart is suggesting a probable trend reversal in 4th week of the May.
- The intermediate trend of Nifty Futures will remain in upward direction till it trades above 4900 levels.
- The intraday resistance levels for Nifty Futures are placed at 5040 & 5090 and support levels are placed at 4960 & 4900 respectively.

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Commodities Snapshot

Commodity	Month	Trend	Support 1	Support 2	Resistance 1	Resistance 2	Trading calls for the day
Gold	June	Up	28526	28378	28896	29118	-
Silver	Jul	Sideways Down	54691	54375	55486	55965	-
Crude Oil	May	Sideways Up	5132	5095	5202	5234	-
Natural Gas	May	Up	122.50	120.80	125.50	126.80	-
Copper	May	Up	433.30	430	441.20	445.60	-
Nickel	May	Sideways Up	923.10	912.50	945.10	956.50	-
Aluminum	May	Up	108.60	107.80	109.90	110.30	-
Lead	May	Up	110.80	109.85	112.40	113.20	-
Zinc	May	Up	105.40	104.70	106.75	107.40	-
Gold \$	Spot	Up	1587.50	1569.66	1631.25	1657.16	-
Silver \$	Spot	Sideways Down	28.99	28.58	29.96	30.52	-

*Figures in INR unless indicated otherwise

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