

Morning Coffee with GEPL Capital



Date: July 09, 2012

Market Update

Indices	Close	% Chg	% YTD
Indian Markets			
Sensex	17,521.12	(0.10%)	13.37%
Nifty	5,316.95	(0.19%)	14.98%
Global Markets			
DJIA	12,772.47	(0.96%)	4.54%
Nasdaq	2,937.33	(1.30%)	12.75%
FTSE	5,662.63	(0.53%)	1.62%
Emerging Markets			
HangSeng	19,800.64	(0.04%)	7.41%
Nikkei	9,020.75	(0.65%)	6.69%

BSE Sectoral Indices	Latest	% Chg	% YTD
Auto	9487.65	(0.45%)	16.50%
Banks	12265.41	0.18%	34.00%
Capital Goods	10151.78	(1.03%)	25.83%
Comm & Teck	3338.47	(0.71%)	(1.24%)
Con. Durables	6448.88	(1.08%)	22.04%
FMCG	4910.21	0.67%	21.68%
Healthcare	6941.97	(0.01%)	18.25%
IT	5654.85	(0.79%)	(1.69%)
Metals	11001.86	(1.09%)	18.39%
Oil & Gas	8060.69	(0.35%)	7.06%
Power	2011.27	(0.83%)	11.99%
Realty	1744.57	(1.20%)	26.82%
Midcap	6313.9	(0.56%)	22.96%
Smallcap	6822.52	(0.21%)	22.93%

Bulk Deals (BSE)

Date	Scrip Name	Client Name	Buy/Sell	Quantity	Price
06-July-12	Reliance Industrial Infra	Crosseas Capital Securities Pvt. Ltd.	Buy	100,882	453.01
06-July-12	Reliance Industrial Infra	Crosseas Capital Securities Pvt. Ltd.	Sell	100,882	452.97

Bulk Deals (NSE)

Date	Scrip Name	Client Name	Buy/Sell	Quantity	Price
06-July-12	Globus Spirits Ltd.	Franklin Templeton Mutual Fund	Sell	150,151	96.00
06-July-12	Lanco Infra	Sunteck Wealth Max Capital Pvt. Ltd.	Buy	18,170,021	16.23

Fund Flows ('bn)	Latest	MTD	YTD
FIs	2.70	60.91	698.45
MFs	25.46	146.53	2,775.05

Corporate News

- **Indraprastha Gas** has raised prices of auto gas by Rs 2.90 per kg in Delhi and Rs 3.30 per kg in neighbouring areas because of rising input cost, rupee depreciation and recent hike in electricity rates.
- **Reliance Industries'** KG-D6 field has seen further drop in natural gas output to 30.82 mn standard cubic meters per day as high water and sand ingress led to shutting of 8 wells.
- Vedanta group is unlikely to revise its Rs 170 bn offer for buying out government's stake in **Hindustan Zinc** and Balco.
- **Ranbaxy Laboratories** has begun selling its low-cost version of Lipitor, but its earnings could be less than expected because of its decision to share profits with Israel's Teva pharmaceuticals.
- Credit Suisse has accused **JSW Steel** for understating its debt by Rs 119 bn.
- Work resumes at **Indian Oil Corporation** refinery site at Paradip after four day strike by the labourers.
- Insurance Regulatory and Development Authority imposed a penalty of Rs 1.5 mn on **Indusind Bank** for violating corporate agency norms.

Economy News

- Indian companies raised \$3.37 bn through external commercial borrowing in May 2012 against \$2.73 bn in April 2012, to fund modernisation, foreign acquisitions, import of capital goods and onward lending.
- India's foreign exchange reserves went up \$1.36 bn to \$289.99 bn during the week ended June 29, mainly due to revaluation of currencies and gold in the reserves.
- Mauritius pushes India to include a 'grandfather provision' while finalizing the GAAR.

Global News

- Spanish industrial production dropped at a slower pace in May 2012 to 6.1% against 8.3% fall in April 2012.
- Employment in the US increased for the twenty-first consecutive month in June 2012 by 80,000 jobs less than the economist estimates for an increase of about 100,000 jobs. Unemployment rate remained unchanged at 8.2%.
- Germany's industrial production increased 1.6% in May 2012 against 2.1% decrease in the month of April 2012.
- New Zealand's budget deficit during the eleven months ended May 2012 was NZ\$5.9 bn, 16% lower than forecast.

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Debt Market Snapshot

Market Turnover	₹ bn	% Chg
BSE	20.85	(0.95)
NSE	97.82	(2.26)
Derivatives (NSE)	824.66	13.04

Market Breadth	Adv	Dec	A/D
BSE	597	913	0.65
NSE	1361	1532	0.89

Forex Rates	Latest	% Chg	% YTD
Rs / US\$	55.5100	1.00	3.96
Euro / US \$	0.8080	0.40	4.32
Yen / US\$	79.8820	0.12	3.68

Particulars	Latest	Previous	Chg(bps)
5 Year GOI Bond	8.22%	8.22%	-
10 Year GOI Bond	8.15%	8.18%	0.03
15-Year GOI Bond	8.41%	8.44%	0.03
Call Money (WAR)	8.09%	8.05%	(0.04)
CBLO (WAR)	8.05%	7.93%	(0.12)
US 10 Year	1.58%	1.61%	0.03
Crude Oil (in \$/bl)	87.22	87.66	0.44
Inflation (Monthly)	7.55%	7.55%	-

Government Security Market:

- The Inter-bank call money rate traded in the range of 7.95% - 8.40% on Friday, ended at 8.25% .
- Total Borrowings From RBI's Repo with banks Taking Rs. 115300 mn Friday Vs. Rs. 146600 mn Thursday.
- The benchmark 8.15% GOI 2022 bond closed at 8.1544% on Friday Vs. 8.1750% on Thursday .

Global Debt Market:

US Treasury rose for a second day before a report forecast to show the U.S. economy is struggling to create enough jobs to bring down unemployment, underpinning demand for the safest assets. The benchmark 10-year yield declined three basis points, or 0.03 percentage point, to 1.58%. The European Central Bank and People's Bank of China both cut interest rates yesterday and the Bank of England increased its asset-purchase program.

10 Year Benchmark Technical View:

10 year yield likely to move in the range of 8.11% - 8.16% level on Monday.

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

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	5316.95	5327.20	10.25	27.00	25128600	5909.73		1.38	1.00	18.04
Previous	5327.30	5344.50	17.20	29.40	25442350	5172.11		1.37	1.11	18.35
change	(10.35)	(17.30)	(6.95)	(2.40)	(313750)	737.62		0.01	(0.11)	(0.31)
% Change	(0.19)	(0.32)			(1.23)	14.26				(1.69)

Snapshot

- From the options data, 5200 put has added more than 4lakh shares suggesting that level of 5200 is likely to act as positional support for Nifty futures.
- The open interest put call ratio for Nifty futures stood at 1.38 vs. 1.37 levels.
- The IV's stood in between 17% to 22% with NSE VIX index ending 0.31% lower at 18.04 levels.
- Long positions were witnessed in stocks like BFUTILITIE, DISHTV, ICICIBANK, YESBANK.
- Short positions were witnessed in stocks like JETAIRWAYS, JINDALSTL, TECHM, NCC.

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	908.85	1238.53	13928.02	13929.06	(1.04)	(329.69)
INDEX OPTIONS	9072.49	8002.02	39106.76	37747.75	1359.02	1070.47
STOCK FUTURES	1074.93	1261.57	25243.30	24940.33	302.97	(186.64)
STOCK OPTIONS	724.24	706.98	1018.86	932.69	86.17	17.26

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Technical Snapshot

Nifty Futures Weekly Chart



Stocks to watch

BF Utilities (+) IFCI (+) IRB (+) NCC (-) Hexaware (-)

Trading Calls for the day

Stock	Buy / Sell	Segment	Lot Size	Type of Call	Reco. Price	Stop Loss	Target 1	Target 2
IOC	Buy	Futures	1000	One Day	269	264	274	-
Infy	Sell	Futures	125	One Day	2480	2520	2440	-

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	29.5	
2	10-Feb-12	Buy (P)	Dredging Corp Cash	317.5	287.5	347.5	377.5	270.55	
3	10-Feb-12	Buy (ST)	Dish TV Cash	67	60	74	81	70.65	
4	15-Feb-12	Buy (P)	India Cem Cash	98	75	121	144	87.05	
5	16-Feb-12	Buy (P)	GMDC Cash	196	196*	211	226	191.9	Part profit booked @ 211 Rev SL 196
6	6-Mar-12	Buy (P)	Reliance Cash	804	754	854	904	734.85	
7	21-Mar-12	Buy (ST)	Delta Corp Cash	74	71			68.25	
8	21-Jun-12	Buy (ST)	LNT Cash	1363	1363*	1423	1483	1405	Part profit booked @ 1427 Rev SL 1363
9	29-Jun-12	Buy (P)	GVK PIL Cash	15	13	17	19	15.95	
10	29-Jun-12	Buy (P)	IFCI Cash	39	35	43	47	41.25	
11	29-Jun-12	Buy (P)	HCC Cash	20.25	18.2	22.5	24.5	21.35	
12	4-Jul-12	Buy (D)	SBIN 2250 Call	51 - 52	30	75	90	47.05	Exited at 52. Call Closed.
13	5-Jul-12	Buy (P)	India Bulls Cash	241	217	265	289	240.1	
14	6-Jul-12	Buy (D)	Nifty 5300 PUT	79 - 80	60	100	120	65.55	

Open Positions Buy 13 & Sell 0 *- Revised Stop Loss

Nifty Futures likely to test 5400 mark in the current week.

Key Highlights

- Nifty Futures closed at 5327 which is 18 point lower than its previous close of 5345.
- Nifty Futures refused to surpass 5350 mark and moved in the 40 points range between 5340 & 5300.
- The chart of Nifty Futures is indicating that the fresh uptrend will be accompanied with gap up opening above 5350.
- On the weekly chart, 5th consecutive positive closing was seen with 30 points gain on week on week basis.
- If Nifty Futures able to surpass 5350 mark then the target is placed between 5400 - 5450 on positional basis.
- On the downside, if Nifty Futures breaches and sustains below 5300 mark then next important support is placed at 5250.
- The trend reversal of current uptrend is placed at 5090 levels on closing basis.
- The intermediate trend of Nifty Futures is in upward direction and the intermediate trend reversal level is 5000 on weekly closing basis.
- The intraday resistance levels for Nifty Futures are placed at 5350 & 5400 and support levels are placed at 5300 & 5250 respectively.

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Commodities Snapshot

Commodity	Month	Trend	Support 1	Support 2	Resistance 1	Resistance 2	Trading calls for the day
Gold	Aug	up	29476	29388	29725	29886	-
Silver	Sept	up	52812	52535	53554	54019	-
Crude Oil	July	up	4711	4661	4813	4865	-
Natural Gas	July	Up	155.70	152.10	165.50	171.70	-
Copper	Aug	Down	422.40	420.30	427.85	431.15	-
Nickel	July	Down	908.10	899.40	929.40	941.40	-
Aluminium	July	Down	105.05	104.50	106.35	107.10	-
Lead	July	Down	103.40	102.65	104.80	105.45	-
Zinc	July	Down	102.65	101.90	103.90	104.50	-
Gold \$	Spot	Down	1565.82	1554.24	1599.47	1621.55	-
Silver \$	Spot	Down	26.68	26.40	27.53	58.11	-

*Figures in INR unless indicated otherwise

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