

ShroffConnect Weekly Report

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Current scenario & news

World markets

- Surging global prices of basic foodstuffs raise the risk that the food crisis of 2007-2008 in developing countries will be repeated
- U.S. consumer prices rose at their fastest pace in more than 1-1/2 years in February, driven by higher food and energy prices
- U.K. Consumer Confidence Declines to Record Low on Economy, Jobs Concerns
- Steelmakers in quake-hit Japan expect a long-elusive spike in domestic demand as the country prepares for the colossal task of rebuilding everything from homes to power plants

Indian markets

- Iron ore exports from India, are likely to fall 35% to about 58 million tonnes in the next fiscal year, weighed by curbs and a four-fold rise in export tax
- Amidst high food inflation, falling industry output and uncertain crude oil prices, the RBI hiked key policy rates by 25 basis points
- India's foreign exchange reserves declined by \$755 mn to \$301.84 bn on the back of a reduction in foreign currency assets (FCAs)
- India Inc paid robust advance tax in the fourth quarter this fiscal, an indication of better corporate performance despite concerns over margins and slowdown.

Macro scenario

World markets

- Low interest rates
- Strengthening recovery
- Inflation in Europe
- Political unrest in Middle East
- Effects of Japanese earthquake

Indian markets

- High deficit
- High inflation
- Increasing interest rate
- GDP growth at 8-9%

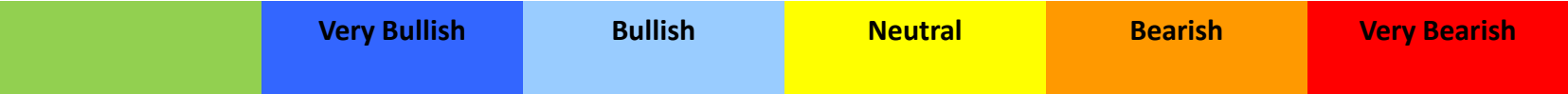
WORLD MARKETS - A SNAPSHOT

	Name	Description	Week ended 19th Mar 2011	% Change
STOCKS	Australia	ASX	4715.78	(0.40)
	Brazil	Bovespa	66879.89	0.29
	China	Shanghai	2906.89	(0.98)
	France	CAC	3810.22	(3.02)
	Germany	DAX	6664.40	(4.54)
	Hong Kong	Hang Seng	22300.20	(4.08)
	India	Sensex	17878.81	(1.62)
	Japan	Nikkei	9206.75	(10.22)
	UK	FTSE	5718.13	(1.90)
	USA	DJIA	11858.50	(1.54)
COMMODITIES	Copper	\$/Pound	4.34	2.60
	Crude	\$/Barrel	101.62	1.02
	Gold	\$/Troy Ounce	1419.30	(0.18)
	Natural Gas	\$/MMBtu	4.16	6.67
	Silver	\$/Troy Ounce	35.27	(1.73)
	Aluminium	\$/Tonne	2560.25	0.59
	Lead	\$/Tonne	2677.00	10.30
	Nickel	\$/Tonne	26750.00	3.08
	Zinc	\$/Tonne	2325.00	2.20
CURRENCIES	GBP/USD		1.6232	0.97
	EUR/USD		1.4181	2.01
	AUD/USD		0.9957	(1.79)
	JPY/USD		80.59	(1.53)
	INR/USD		45.02	(0.09)
	HKD/USD		7.7997	0.16
	BRL/USD		1.6665	0.06
BONDS	2 Year	US Treasury	109.70	0.07
	10 Year		121.95	0.79
	30 Year		123.34	1.20

INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 19th Mar 2011	% Change
STOCKS	Nifty	Large Cap	5373.70	(1.32)
	Sensex	Large Cap	17878.81	(1.62)
	BSE Midcap	Mid Cap	6509.68	(0.30)
	BSE Smallcap	Small Cap	7797.80	(1.29)
Some Major Shares	ACC	Rs/share	1021.10	2.88
	Bharti Airtel		318.65	(1.21)
	HDFC Ltd		620.30	(6.07)
	Infosys		2941.10	(3.69)
	L&T		1516.20	(1.65)
	Reliance Inds		993.00	0.10
	Tata Motors		1117.45	(3.88)
	Tata Steel		597.15	2.73
COMMODITIES	Aluminium	INR/Kg	114.85	0.48
	Copper	INR/Kg	435.35	2.77
	Crude	INR/Barrel	4564.00	0.35
	Gold	INR/10gms	20848.00	(0.60)
	Lead	INR/Kg	121.75	9.29
	Natural Gas	INR/1mmBtu	187.70	6.53
	Nickel	INR/Kg	1210.00	2.39
	Silver	INR/Kg	53111.00	(1.74)
	Zinc	INR/Kg	105.00	1.94
CURRENCIES	INR/EUR		63.88	1.95
	INR/GBP		72.98	0.88
	INR/100 JPY		55.87	1.51
	INR/USD		45.02	(0.09)

WORLD MARKETS - TECHNICAL SNAPSHOT



STOCKS

China
USA ↓
Australia
Brazil ↑
France
Germany ↓
Japan ↓
UK
Hong Kong ↓
India

COMMODITIES

Aluminium
Crude Oil
Silver
Copper
Gold
Lead ↑
Nickel ↓
Natural Gas
Zinc

↑ = moved up from last week
↓ = moved dn from last week

CURRENCIES
(against USD)

EUR
GBP
JPY ↑
AUD ↓
BRL
INR
HKD ↓

BONDS
(US Treasury)

2 Year
10 Year
30 Year ↑

INDIAN MARKETS - TECHNICAL SNAPSHOT



INDICES

Nifty
Sensex
Mid Cap
Small Cap

SECTORS

Bankex
Oil & Gas ↑
Cons Durable
FMCG
Healthcare
IT ↓
Metal
Teck
Auto ↓
Cap Goods
Power
Realty

COMMODITIES

Aluminium ↑
Crude Oil
Gold ↑
Lead ↑
Silver
Nickel ↓
Copper ↓
Zinc
Natural Gas

↑ = moved up from last week
↓ = moved dn from last week

CURRENCIES
(against INR)

EUR ↑
JPY ↑
GBP
USD

MAJOR LARGE CAP COMPANIES - TECHNICAL SNAPSHOT

		Very Bullish	Bullish	Neutral	Bearish	Very Bearish
COMPANIES	Siemens ↑		Grasim Ind ↑	ACC Adani Ent Ambuja Cem ↑ Axis Bank Bajaj Auto BOB Bank Of India BEL Cairn Canara Bank HDFC HDFC Bank Hind Zinc ↓ ICICI Bank IOB ITC Jindal Saw Jindal Steel ↑ Nestle India ↓ Petronet LNG Power Grid Reliance Ind Synd Bank ↑ Tata Motors Tata Steel TCS Ultratech Wipro	Allahabad Bank Andhra Bank Bharti Airtel GAIL Hind Unilever Hindalco ↓ Idea Cellular Infosys Tech M&M MRF ↑ PNB Ranbaxy SBIN Sterlite Ind Suzlon Tata Chem Tata Power Union Bank	Ashok Leyland B P C L Bhel Cipla H P C L Hero Honda JP Associates JSW Steel LT M R P L Maruti Suzuki ↓ NTPC O N G C PFC Punj Loyd RCOM Reliance Infra SAIL Sesa Goa UCO Bank United Spirits

↑ = moved up from last week

↓ = moved dn from last week

MAJOR MEDIUM & SMALL CAP COMPANIES - TECHNICAL SNAPSHOT

	Very Bullish	Bullish	Neutral	Bearish	Very Bearish
COMPANIES			Aditya Bir Nuv Apollo Tyres Colgate-Palm ↑ Dabur ↑ Federal Bank Havells India HCL Tech Kotak Bank LIC Housing Patni Comp Piramal Health Shriram Trans SRF ↑ Sun Pharma ↑ Tech Mahindra Titan Ind	Asian Paints Bharat Forge Chambal Fert Crompton Gr Cummins India Divi's Lab Dr Reddy ↓ Exide Inds Glenmark Ph GSPL I D F C ↑ IFCI IGL Jain Irrigation Lupin Mundraport OFSS Reliance Cap ↑ Shr Renuka Sun Tv Tata Global Yes Bank	Biocon DLF GMR Infra HDIL HCC IDBI Bank Indian Hotel Mphasis RECL Sterlite Tech United Phosp Voltas

↑ = moved up from last week

↓ = moved dn from last week

Our opinion

- Money flow: Into US treasuries and bullion, and out of stocks.
 - Opinion on money flow: There seems to be a move towards “safe” investments and out of stocks, probably due to uncertainties in the Middle East and due to the earthquake in Japan.
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- Indian stocks: The market is in a long term correction.
 - Current trend in sectors: No sector is bullish as of now, though Private Banks, Cement & Housing Finance are outperforming.
 - Positives: None.
 - Negatives: High inflation, high deficits and uncertain political conditions.

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