

ShroffConnect Weekly Report

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Shroff Securities Pvt. Ltd.

Portfolio Investment Management Services

Email - shroffsec@gmail.com

Phone - 033 32933592 / 32933658

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Current scenario & news

World markets

- China raises fuel prices after crude advances to 30-month high
- World food price index fell for the first time after eight months of continuous price spikes to an average 230 points in March, down 2.9% from its peak in February
- The BOE held interest rates at a record-low 0.5%, opting to wait for clearer signs of recovery before following the European Central Bank in tightening policy
- New U.S. claims for jobless benefits fall, retailers racked up much stronger-than-expected sales in March
- China Q1 GDP growth seen slowing, inflation accelerates

Indian markets

- Private equity (PE) firms' investments in the country touched a whopping USD 3.3 billion in January-March, 2011
- The Govt. said indirect tax collections for FY 2010-11 have exceeded the revised estimate of Rs 3.34 lakh crore for the fiscal on the back of strong economic activities and the partial withdrawal of fiscal stimulus measures
- The government will soon unveil a national manufacturing policy, which aims at attracting overseas investments and increase the share of the sector in the economy
- Supreme Court lifts Karnataka iron ore shipments ban

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 9th Apr 2011	% Change
STOCKS	Australia	ASX	5036.47	1.65
	Brazil	Bovespa	68718.01	(0.79)
	China	Shanghai	3030.10	2.13
	France	CAC	4061.91	0.18
	Germany	DAX	7217.02	0.52
	Hong Kong	Hang Seng	24396.07	2.50
	India	Sensex	19451.45	0.16
	Japan	Nikkei	9768.08	0.61
	UK	FTSE	6055.75	0.76
	USA	DJIA	12380.05	0.03
COMMODITIES	Copper	\$/Pound	4.51	5.87
	Crude	\$/Barrel	113.05	4.38
	Gold	\$/Troy Ounce	1476.40	3.30
	Natural Gas	\$/MMBtu	4.03	(7.14)
	Silver	\$/Troy Ounce	40.93	8.17
	Aluminium	\$/Tonne	2712.00	3.08
	Lead	\$/Tonne	2850.15	5.64
	Nickel	\$/Tonne	27599.00	7.81
	Zinc	\$/Tonne	2534.00	6.03
CURRENCIES	GBP/USD		1.6380	1.69
	EUR/USD		1.4479	1.74
	AUD/USD		1.0563	1.72
	JPY/USD		84.76	0.83
	INR/USD		44.07	(0.68)
	HKD/USD		7.7711	(0.09)
	BRL/USD		1.5685	(2.43)
BONDS	2 Year	US Treasury	109.01	(0.01)
	10 Year		118.38	0.31
	30 Year		118.53	(1.54)

INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 9th Apr 2011	% Change
STOCKS	Nifty	Large Cap	5842.00	0.27
	Sensex	Large Cap	19451.45	0.16
	BSE Midcap	Mid Cap	7173.50	2.73
	BSE Smallcap	Small Cap	8772.55	4.96
Some Major Shares	ACC	Rs/share	1120.85	2.66
	Bharti Airtel		361.90	1.86
	HDFC Ltd		710.65	0.35
	Infosys		3227.30	0.28
	L&T		1678.45	1.91
	Reliance Inds		1023.90	(1.21)
	Tata Motors		1253.30	0.93
	Tata Steel		629.85	0.52
COMMODITIES	Aluminium	INR/Kg	120.00	2.61
	Copper	INR/Kg	443.15	5.74
	Crude	INR/Barrel	5030.00	4.25
	Gold	INR/10gms	21412.00	3.64
	Lead	INR/Kg	131.85	7.59
	Natural Gas	INR/1mmBtu	177.90	(8.68)
	Nickel	INR/Kg	1233.50	7.20
	Silver	INR/Kg	60483.00	8.23
	Zinc	INR/Kg	113.40	6.73
CURRENCIES	INR/EUR		63.87	1.09
	INR/GBP		72.19	1.25
	INR/100 JPY		51.97	(1.53)
	INR/USD		44.07	(0.68)

WORLD MARKETS - TECHNICAL SNAPSHOT

		Very Bullish	Bullish	Neutral	Bearish	Very Bearish
STOCKS	USA		Australia ↑ China Hong Kong ↑	Brazil France Germany India Japan UK		
COMMODITIES	Aluminium Crude Oil Gold Lead ↑ Silver		Copper ↑	Natural Gas Nickel Zinc		
CURRENCIES (against USD)	AUD ↑ EUR		BRL GBP ↑ INR ↑	HKD ↑ JPY		
BONDS (US Treasury)				2 Year ↑		10 Year ↓ 30 Year ↓

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

INDIAN MARKETS - TECHNICAL SNAPSHOT



INDICES

Mid Cap
Nifty
Sensex
Small Cap ↑

SECTORS

IT

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

COMMODITIES

Aluminium
Crude Oil
Gold
Lead ↑
Silver

Copper ↑

Natural Gas
Nickel
Zinc

CURRENCIES
(against INR)

EUR

GBP

JPY ↓
USD ↓

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

MAJOR LARGE CAP COMPANIES - TECHNICAL SNAPSHOT

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

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

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

Our opinion

- Money Flow: The flow of money is towards stocks and bullion. The USD and US treasuries are weak.
 - Opinion on money flow: In spite of crude oil being at very high prices, there is an appetite for stocks. This is due to the increasing confidence in the global economies. Bullion continues to remain high due to the weak USD and Middle Eastern uncertainty.
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- Indian stocks: The market seems to have ended the correction and begun a new uptrend.
 - Sectors: Outperforming sectors are Cement, IT, Metals (selective) and Telecom (selective). Performing sectors are Banks, Capital Goods, Fertilizers, Food, Gas, Housing Finance, Textiles and Watches/Jewellery.
 - Positives: FII inflows, higher advance tax paid by companies.
 - Negatives: High inflation, high interest rates.
 - Opinion: The market seems to have begun an uptrend on FII inflows. The volumes are not high, and hence a minor correction cannot be ruled out. Nevertheless any correction will give an opportunity to buy into the market. Investors should buy stocks in good sectors on dips.

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