

ShroffConnect Weekly Report

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Current scenario & news

World markets

- China will tightly regulate land supply to boost affordable housing and to clamp down harder on illegal land use this year, the Ministry of Land and Resources said on last Tuesday, as it seeks to contain housing inflation
- Emerging debt crises hold warnings for Greece with \$428.3 billion in outstanding public and private debt
- Crude oil prices are expected to fall to an average of \$108 a barrel in the third quarter, as analysts expect current highs around \$124 to dent demand and economic growth
- Spain attracted solid demand in a bond sale, easing concerns it could be swept up by euro zone contagion

Indian markets

- India's exports surged to record high growth in fiscal year 2010/11, but uncertainty over the global economy and a ballooning import bill mean concerns persist over the trade deficit of one of the world's fastest-growing economies
- Foreign exchange reserves dipped \$286 million on account of revaluation of non-dollar assets in reserves during the week ended April 15
- India's annual food inflation snapped a three-week easing trend on April 9, while fuel inflation also quickened, raising the odds for an aggressive rate hike by the Reserve Bank of India (RBI) next month.

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 23rd Apr 2011	% Change
STOCKS	Australia	ASX	4995.73	1.14
	Brazil	Bovespa	67058.02	0.56
	China	Shanghai	3011.00	(1.30)
	France	CAC	4021.88	1.19
	Germany	DAX	7295.49	1.63
	Hong Kong	Hang Seng	24138.31	0.54
	India	Sensex	19602.23	1.11
	Japan	Nikkei	9682.21	0.95
	UK	FTSE	6018.30	0.37
	USA	DJIA	12505.99	1.33
COMMODITIES	Copper	\$/Pound	4.38	3.06
	Crude	\$/Barrel	112.35	2.71
	Gold	\$/Troy Ounce	1504.90	1.20
	Natural Gas	\$/MMBtu	4.42	4.99
	Silver	\$/Troy Ounce	46.60	8.25
	Aluminium	\$/Tonne	2745.00	1.89
	Lead	\$/Tonne	2601.00	(1.89)
	Nickel	\$/Tonne	26900.00	2.85
	Zinc	\$/Tonne	2360.00	(1.58)
CURRENCIES	GBP/USD		1.6501	1.13
	EUR/USD		1.4559	0.90
	AUD/USD		1.0738	1.62
	JPY/USD		81.83	(1.55)
	INR/USD		44.18	(0.16)
	HKD/USD		7.7710	(0.05)
	BRL/USD		1.5645	(0.70)
BONDS	2 Year	US Treasury	109.37	0.07
	10 Year		119.98	0.14
	30 Year		121.03	0.18

INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 23rd Apr 2011	% Change
STOCKS	Nifty	Large Cap	5884.70	1.03
	Sensex	Large Cap	19602.23	1.11
	BSE Midcap	Mid Cap	7235.33	0.36
	BSE Smallcap	Small Cap	8878.57	0.80
Some Major Shares	ACC	Rs/share	1112.50	(0.08)
	Bharti Airtel		376.25	1.03
	HDFC Ltd		732.20	3.61
	Infosys		2910.00	(2.66)
	L&T		1707.25	(1.18)
	Reliance Inds		1040.60	1.92
	Tata Motors		1243.75	0.64
	Tata Steel		630.05	(0.09)
COMMODITIES	Aluminium	INR/Kg	122.10	3.34
	Copper	INR/Kg	432.95	3.82
	Crude	INR/Barrel	5018.00	3.42
	Gold	INR/10gms	22120.00	2.55
	Lead	INR/Kg	117.10	(2.01)
	Natural Gas	INR/1mmBtu	197.10	5.12
	Nickel	INR/Kg	1205.90	3.52
	Silver	INR/Kg	70783.00	13.45
	Zinc	INR/Kg	104.95	(0.09)
CURRENCIES	INR/EUR		64.34	0.70
	INR/GBP		72.90	0.90
	INR/100 JPY		53.94	1.33
	INR/USD		44.18	(0.16)

WORLD MARKETS - TECHNICAL SNAPSHOT

		Very Bullish	Bullish	Neutral	Bearish	Very Bearish
STOCKS	USA		Australia ↑ China Germany ↑ UK ↑	Brazil France Hong Kong ↓ India	Japan ↓	
COMMODITIES	Aluminium Crude Oil Gold Silver		Lead ↓	Copper Natural Gas Nickel Zinc		
CURRENCIES (against USD)	AUD BRL EUR		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

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

COMMODITIES

Aluminium
Crude Oil
Gold
Silver

Copper
Lead ↓
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	Hind Zinc ↑	Bank of Baroda ↑ Grasim Ind ↓ Hero Honda ↑ IOB ITC Reliance Ind ↑ TCS	ACC Adani Ent Allahabad Bank Ambuja Cem Andhra Bank Axis Bank Bajaj Auto Bank Of India BEL Bharti Airtel Bhel Cairn Canara Bank Cipla GAIL H P C L ↑ HDFC HDFC Bank Hind Unilever Hindalco ICICI Bank Idea Cellular Infosys Tech Jindal Saw Jindal Steel JP Associates JSW Steel LT ↑ M R P L M&M Maruti Suzuki ↑ MRF	Ashok Leyland B P C L Punj Loyd Ranbaxy RCOM Neutral Nestle India NTPC O N G C Petronet LNG Power Grid PNB Reliance Infra ↑ SAIL Sesa Goa Siemens ↓ SBI Sterlite Ind Suzlon Syndicate Bank Tata Chemicals Tata Motors Tata Power Tata Steel UCO Bank Ultratech Union Bank Wipro	PFC 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	HCL Tech ↑		Apollo Tyres	Aditya Bir Nuv Asian Paints Bharat Forge Biocon Chambal Fert Colgate-Palm Crompton Gr Cummins 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 IGL Kotak Bank	HCC OFSS	Jain Irrigation Mphasis RECL
					Neutral	
					LIC Housing Lupin ↑ Mundraport Patni Comp Piramal Health Reliance Cap Shr Renuka Shriram Trans SRF Sterlite Tech Sun Pharma Sun Tv Tata Global Tech Mahindra ↓ Titan Ind United Phos Voltas ↑ Yes Bank	

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

Our opinion

- Money flow: The flow of money is towards bullion and stocks, though the flow towards stocks is not pronounced.
 - Opinion on money flow: The probable reason for the continued flow on money towards bullion is due to their perceived investment value in the absence of alternatives.
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- Indian stocks: The market is holding onto its higher levels inspite of low volumes.
 - Sectors: No sector is doing exceedingly well, though there are selective shares which are outperforming.
 - Positives: FII inflows.
 - Negatives: High crude prices, high interest rates and high inflation.
 - Opinion: That the markets are holding onto their higher levels indicates some buying interest. Individual stocks are doing better on anticipated good Q4 results. Sector performance should be visible as the results are announced. Short term investors may invest in growth stocks with less debt on dips. Long term investors may hold onto their existing positions.

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