

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

- U.S. jobs growth ground to a near halt in June, with employers hiring the fewest workers in nine months, frustrating hopes the economy would bounce back quickly from a slowdown in the first half of the year
- U.K. manufacturing rose at the fastest pace in more than a year in May as factories rebounded from the impact of an extra public holiday in April and the Japanese earthquake
- China raised interest rates for the third time this year on Wednesday, making clear that taming inflation remains a top priority even as the growth pace of its vast economy gently eases
- International bankers and European Union officials made no progress in securing a pvt. sector contribution for a second bailout of Greece and bond yields climbed on concern about the scheme

Indian markets

- Food inflation in the country fell to a seven-week low of 7.61 % for the week ended June 25 on the back of cheaper vegetables, pulses and potatoes
- A panel of Indian ministers on Thursday approved a new bill calling for coal miners to share a maximum 26 % of their profits with local communities
- Tax refunds recorded a 205.01 % increase at Rs 46,868 crore in the April-June quarter of 2011-12 as against Rs 15,366 crore in the year-ago period
- India's foreign exchange reserves rose to \$315.715 billion as on July 1 from \$309.020 billion in the previous week
- India's exports in June rose an annual 46.4 % to \$29.2 billion, while imports for the month rose 42.4 % to \$36.9 billion

Macro scenario

World markets

- Slowing recovery
- Inflation
- Political unrest in Middle East

Indian markets

- High inflation
- Fuel Price Hike
- Increasing interest rate
- GDP growth at 7-8%

WORLD MARKETS - A SNAPSHOT

	Name	Description	Week ended 9th July 2011	% Change
STOCKS	Australia	ASX	4716.03	1.47
	Brazil	Bovespa	61513.24	(2.97)
	China	Shanghai	2797.77	1.39
	France	CAC	3913.55	(2.34)
	Germany	DAX	7402.73	(0.23)
	Hong Kong	Hang Seng	22726.43	1.47
	India	Sensex	18858.04	0.51
	Japan	Nikkei	10137.73	2.73
	UK	FTSE	5990.58	0.01
	USA	DJIA	12657.20	0.59
COMMODITIES	Copper	\$/Pound	4.41	2.32
	Crude	\$/Barrel	96.48	1.83
	Gold	\$/Troy Ounce	1544.60	3.89
	Natural Gas	\$/MMBtu	4.22	(2.31)
	Silver	\$/Troy Ounce	36.68	8.33
	Aluminium	\$/Tonne	2535.00	1.28
	Lead	\$/Tonne	2719.00	1.68
	Nickel	\$/Tonne	23890.00	3.87
	Zinc	\$/Tonne	2356.00	(0.38)
CURRENCIES	GBP/USD		1.6052	(0.14)
	EUR/USD		1.4246	(1.91)
	AUD/USD		1.0759	(0.08)
	JPY/USD		80.66	(0.19)
	INR/USD		44.28	(0.76)
	HKD/USD		7.7819	0.00
	BRL/USD		1.5645	0.45
BONDS	2 Year	US Treasury	109.84	0.19
	10 Year		123.72	1.43
	30 Year		124.97	1.86

INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 9th July 2011	% Change
STOCKS	Nifty	Large Cap	5660.65	0.59
	Sensex	Large Cap	18858.04	0.51
	BSE Midcap	Mid Cap	6996.31	1.37
	BSE Smallcap	Small Cap	8375.14	1.83
Some Major Shares	ACC	Rs/share	975.35	2.11
	Bharti Airtel		398.15	3.83
	HDFC Ltd		714.20	1.55
	Infosys		2976.55	1.45
	L&T		1836.60	1.61
	Reliance Inds		854.85	(0.82)
	Tata Motors		1054.00	5.96
	Tata Steel		594.90	(1.23)
COMMODITIES	Aluminium	INR/Kg	112.40	0.58
	Copper	INR/Kg	433.45	1.77
	Crude	INR/Barrel	4287.00	1.16
	Gold	INR/10gms	22351.00	3.02
	Lead	INR/Kg	120.15	1.01
	Natural Gas	INR/1mmBtu	187.80	(3.05)
	Nickel	INR/Kg	1064.00	2.51
	Silver	INR/Kg	54736.00	8.92
	Zinc	INR/Kg	104.85	(0.38)
CURRENCIES	INR/EUR		63.20	(2.56)
	INR/GBP		71.08	(0.86)
	INR/100 JPY		54.90	(0.51)
	INR/USD		44.28	(0.76)

WORLD MARKETS - TECHNICAL SNAPSHOT

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

FMCG

Cap Goods ↑
Cons Durable
Healthcare

Auto ↑
Bankex
IT
Power ↑
Realty ↑
Teck

Metal

Oil & Gas

COMMODITIES

Gold

Aluminium
Copper
Crude Oil
Lead
Natural Gas
Silver ↑
Zinc

Nickel

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	Bharti Airtel HDFC Bank ↑ Hind Unilever Idea Cellular ↑ ITC M R P L ↑ Nestle India Petronet LNG ↑	Adani Ent B P C L ↑ Bajaj Auto ↑ Cipla H P C L ↑ Hero Honda LT Power Grid ↑ Ranbaxy Siemens Tata Chemicals ↑	Allahabad Bank ↑ Andhra Bank ↑ Axis Bank BOB ↑ Bhel ↑ GAIL ↑ HDFC Hind Zinc ICICI Bank IOB Infosys Tech Jindal Steel ↑ M&M MRF NTPC O N G C Punj Loyd PNB ↑ RCOM ↑ Sesa Goa ↑ Sterlite Ind Suzlon Syndicate Bank	ACC Ambuja Cem ↓ Ashok Leyland ↑ Bank Of India BEL ↑ Cairn Grasim Ind Hindalco Jindal Saw ↑ JP Associates ↑ JSW Steel ↑ Maruti Suzuki ↑ Reliance Infra ↑ Ultratech <div>Neutral</div> Tata Power Tata Steel TCS United Spirits ↑	Canara Bank PFC Reliance Ind SAIL SBIN Tata Motors UCO Bank 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	Apollo Tyres	Aditya Bir Nuv	Biocon	Bharat Forge ↑	GMR Infra	
	Asian Paints	Dabur	Chambal Fert	DLF	Patni Comp	
	Colgate-Palm	Exide Inds ↑	Crompton Gr	Dr Reddy	RECL	
	Divi's Lab	Federal Bank	Cummins India	HCC	Sun Tv	
	IGL	Glenmark Ph ↑	GSPL	I D F C ↑		
	Sun Pharma ↑	Kotak Bank	Havells India	IDBI Bank ↑		
	Titan Ind ↑	Lupin ↑	HCL Tech	IFCI ↑		
		Mundraport	HDIL	Indian Hotel		
		OFSS	Jain Irrigation ↑	Piramal Health ↑		
		Yes Bank	LIC Housing ↓	Shriram Trans ↑		
			Mphasis ↑	SRF ↑		
			Reliance Cap	Sterlite Tech		
			Shr Renuka ↑	Voltas		
			Tata Global ↑			
			Tech Mahindra			
			United Phosp			

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

Our opinion

- Money Flow: There is some flow into stocks.
 - Opinion on Money Flow: Money seems to be looking towards growth once again.
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- Indian stocks: The market is consolidating.
 - Sectors: Two Wheelers, Private Banks, FMCG, Consumer Durables, Healthcare and Telecom are outperforming.
 - Positives: No further negatives are in sight except perhaps a 0.25% interest rate hike in August.
 - Negatives: High interest rates and input prices.
 - Opinion: The market has rallied and showing signs that the correction may be over. Macro factors remain negative. There is a slowdown due to increasing interest rates and high input prices, and Q1 results are here. Investors may buy on dips.

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