

ShroffConnect Weekly Report

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Current scenario & news

World economy

- Germany plans net new borrowing of 26.1 billion euros (\$35.5 billion) next year, as a deepening euro zone debt crisis drags on Europe's largest economy and stalls tax revenue growth.
- China's lending jumped by more than analysts forecast in October, signaling that the government may be loosening credit quotas to support growth in the world's second-biggest economy as Europe's debt crisis deepens.
- Hong Kong's economy grew 0.1 % in the third quarter from the previous three months as low unemployment and tourists from China boosted consumption while Europe's crisis dragged on exports.
- Japan's economy probably expanded at the fastest pace in more than a year last quarter, a rebound that may not be sustained as Europe's debt crisis sends stocks plunging and boosts the yen.

Indian economy

- India's industrial output grew at its slowest pace in two years in September, providing further evidence of deceleration in the economy and raising the odds of a pause in the RBI's 20-month-long policy tightening cycle.
- Reflecting slowdown, industrial production slipped to a "disappointing" two-year low of 1.9 % in September, a development that may prompt RBI to halt rate hikes in its policy review next month.
- State-run retailers may cut petrol prices from Nov. 16, the first cut in nearly three years and the first in the 18 months since the government ended controls.
- The government plans to allow companies with outstanding secured loans to be converted into limited liability partnerships, a more flexible corporate structure introduced two years ago to boost business.

Macro scenario

World economy

- Slowing recovery in developed markets
- Slowdown of global factory activity
- Eurozone crisis

Indian economy

- High inflation
- High Interest rate
- High input cost
- Steep depreciation in rupee
- GDP growth at 7-8%

WORLD MARKETS - A SNAPSHOT

	Name	Description	Week ended 12th Nov 2011	% Change
STOCKS	Australia	ASX	4358.56	0.37
	Brazil	Bovespa	58546.97	(0.21)
	China	Shanghai	2481.08	(1.87)
	France	CAC	3149.38	0.83
	Germany	DAX	6057.03	1.52
	Hong Kong	Hang Seng	19137.20	(3.56)
	India	Sensex	17192.82	(2.11)
	Japan	Nikkei	8514.47	(3.26)
	UK	FTSE	5545.38	0.33
	USA	DJIA	12153.70	1.42
COMMODITIES	Copper	\$/Pound	3.49	(2.24)
	Crude	\$/Barrel	99.22	5.08
	Gold	\$/Troy Ounce	1789.00	1.92
	Natural Gas	\$/MMBtu	3.56	(6.32)
	Silver	\$/Troy Ounce	34.63	1.44
	Aluminium	\$/Tonne	2162.00	1.03
	Lead	\$/Tonne	1995.00	(2.59)
	Nickel	\$/Tonne	18075.00	(4.37)
	Zinc	\$/Tonne	1920.00	(1.54)
CURRENCIES	GBP/USD		1.6062	0.19
	EUR/USD		1.3748	(0.30)
	AUD/USD		1.0278	(0.93)
	JPY/USD		77.16	(1.37)
	INR/USD		50.00	2.06
	HKD/USD		7.7799	0.16
	BRL/USD		1.7425	(0.57)
BONDS	2 Year	US Treasury	110.17	(0.05)
	10 Year		129.78	(0.36)
	30 Year		140.44	(0.40)

INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 12th Nov 2011	% Change
STOCKS	Nifty	Large Cap	5168.85	(2.18)
	Sensex	Large Cap	17192.82	(2.11)
	BSE Midcap	Mid Cap	6162.35	(2.16)
	BSE Smallcap	Small Cap	6764.72	(2.78)
Some Major Shares	ACC	Rs/share	1218.60	(0.40)
	Bharti Airtel		395.60	(0.43)
	HDFC Ltd		666.70	(2.51)
	Infosys		2775.70	(1.78)
	L&T		1330.40	(4.54)
	Reliance Inds		885.35	0.61
	Tata Motors		181.45	(3.54)
	Tata Steel		429.85	(7.98)
COMMODITIES	Aluminium	INR/Kg	108.05	2.32
	Copper	INR/Kg	384.00	(0.94)
	Crude	INR/Barrel	4921.00	6.56
	Gold	INR/10gms	28897.00	3.56
	Lead	INR/Kg	99.80	(0.25)
	Natural Gas	INR/1mmBtu	181.90	(2.52)
	Nickel	INR/Kg	916.20	(1.62)
	Silver	INR/Kg	57845.00	2.82
	Zinc	INR/Kg	96.65	0.36
CURRENCIES	INR/EUR		68.74	1.73
	INR/GBP		80.25	2.10
	INR/100 JPY		64.76	3.32
	INR/USD		50.00	2.06

WORLD MARKETS - TECHNICAL SNAPSHOT



STOCKS			Australia Brazil Germany India UK USA	China ↑ France Hong Kong Japan	
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COMMODITIES		Gold	Crude Oil	Copper Silver	Aluminium Lead Natural Gas ↓ Nickel Zinc
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CURRENCIES (against USD)	HKD ↑	JPY ↑	AUD EUR GBP	BRL	INR
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BONDS (US Treasury)	30 Year	10 Year	2 Year		
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↑ = moved up from last week, ↓ = moved dn from last week

INDIAN MARKETS - TECHNICAL SNAPSHOT



INDICES

Mid Cap
Nifty
Sensex

Small Cap

SECTORS

FMCG

Auto
Cons Durable
Healthcare
IT
Oil & Gas
Teck

Bankex ↓
Power
Realty ↓

Cap Goods
Metal

COMMODITIES

Gold

Crude Oil
Natural Gas

Aluminium
Copper
Lead ↑
Nickel ↑
Silver
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	ACC Ambuja Cem Bajaj Auto Hero Motoco Hind Unilever M&M Ultratech ↑	Grasim Ind Idea Cellular ITC Kotak Bank ↑ Nestle India ↑	Apollo Tyres ↑ Ashok Leyland Axis Bank Bharti Airtel Bosch Ltd Cairn Canara Bank Chambal Fert Cipla Coromandel Int Dr Reddy GAIL ↑ Havells India HCL Tech HDFC HDFC Bank Infosys Tech Jindal Steel Lupin ↓ Maruti Suzuki MRF NMDC NTPC O N G C Petronet LNG PFC ↑ Power Grid RECL	Bank of Baroda Bank Of India BEL Coal India EID-Parry Hind Zinc JSW Steel PNB Ranbaxy ↓ Shr Renuka Tata Global Tata Power Tata Steel Tech Mahindra Thermax ↑ <div>Neutral</div> Reliance Ind Siemens Standard Chart ↑ Sun Pharma Tata Chemicals ↑ Tata Motors TCS United Phos Wipro	Bhel Crompton Gr ↓ Exide Inds Hindalco ICICI Bank ↓ LT Sesa Goa Shriram Trans SBIN Sterlite Ind

↑ = 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	Bata India Colgate-Palm CRISIL GMDC ↑	Britannia Ind ↑ IGL	Asian Paints Bajaj Electricals Bajaj Finserv Bayer Crop Bharat Forge Biocon Container Corp Dewan Housing Divi's Lab Federal Bank Glenmark Ph Godrej Cons GSK Con Health GSPL Gujarat Gas I D F C Jubilant Food LIC Housing Marico Opto Circuits ↑ Patni Comp Pidilite Ind Rallis India Supreme Ind ↑ Tata Coffee	Cadila Health Castrol India Dabur Emami Glaxo Pharma IDBI Bank ↓	CMC Cummins India Engineers India IFCI Indian Hotel ↓ Jain Irrigation JSW Energy Sintex Ind Voltas
				Neutral	
				Titan Ind TTK Prestige VIP Industries VST Ind ↓ Yes Bank	

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

Opinion on 12/11/2011

- Money Flow: Into stocks, gold and treasuries.
 - Opinion on money flow: There is no discernible trend in the stock market. Gold, of course, has rallied on Eurozone issues, and some money is again flowing into treasuries which are perceived as 'safe' assets.
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- Indian market: The Indian market retreated from its highs after briefly piercing the resistance zone of 5350.
 - Sectors: Two wheelers, Cement, Cigarettes, Food, FMCG and Telecom are outperforming.
 - Positives: Good economic data from USA, China and Japan.
 - Negatives: High inflation, interest rate, fiscal deficit and Eurozone issues.
 - Opinion: The Indian market is volatile, not showing any trend and is in a trading range. Investors should hold onto their investments, and buy strong sectors on dips.

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