



# NDA Securities Ltd

Member: NSE & BSE DP: NSDL

Sebi Regn. : INB-230643830/INF-230643830/INB-010643832

## NDA Commodity Brokers Pvt Ltd

Member: NCDEX & MCX

Fmc Regn. : NCDEX/TCM/CORP/0312 & MCX/TCM/CORP/0527

# Morning Notes

Date: 18.12.2012

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## GLOBAL NEWS

### Yen Trades Near 20-Month Low as Abe Win Boosts BOJ Easing Bets

The yen traded near its lowest level since April 2011 before the Bank of Japan begins a two-day meeting tomorrow with incoming Prime Minister Shinzo Abe pressing it to engage in further policy easing. The yen maintained losses after declining versus most of its 16 major counterparts yesterday as gains in stocks worldwide sapped demand for safer assets. The Australian dollar held a drop from yesterday after the Reserve Bank released minutes from its meeting this month when policy makers cut interest rates.

### Asian Stocks Head for Eight-Month High on U.S. Budget

Asian stocks rose, with the regional benchmark index headed for the highest close in more than eight months, as two people familiar with the talks said U.S. President Barack Obama is considering budget concessions. James Hardie Industries SE (JHX), a building-materials supplier that gets 67 percent of sales from the U.S., added 0.5 percent in Sydney. Mitsubishi UFJ Financial Group Inc. (8306) rose 1.5 percent, pacing gains among Japanese banks on speculation the nation's central bank will ease monetary policy further. Tokyo Electric Power Co. (9501) surged 25 percent after jumping 33 percent yesterday on speculation Japan's new political leadership may allow nuclear reactors to restart.

### Oil Advances a Third Day amid Optimism on U.S. Budget Agreement

Oil rose for a third day in New York amid optimism an agreement may be reached to avert automatic spending cuts and tax increases known as the fiscal cliff in the U.S., the world's biggest crude consumer. Futures gained as much as 0.3 percent after closing at the highest level in almost two weeks yesterday. President Barack Obama is considering a concession on Social Security cost-of-living increases after House Speaker John Boehner dropped his opposition to raising tax rates for some top earners.



## KEY INDICES

### Indian Markets

Index	Close	Pt. Chg.	Change %
S&P CNX NIFTY	5857.90	-21.70	-0.37
CNX NIFTY JUNIOR	12042.90	+65.70	0.55
CNX 100	5786.20	-13.35	-0.23
S&P CNX DEFTY	3706.00	-43.80	-1.17
S&P CNX 500	4693.95	-4.85	-0.10
CNX MIDCAP	8382.70	+20.95	0.25
NIFTY MIDCAP 50	2363.65	+15.80	0.67
SENSEX	19244.42	-72.83	-0.38

### Global Markets

Index	Close	Change (%)
S&P 500	1430.36	1.19
NASDAQ	3010.60	1.32
DOW JONES	13235.39	0.76
FTSE	5912.15	-0.16
DAX	7604.94	0.11
CAC 40	3638.10	-0.14
NIKKEI	9922.66	0.95
HANG SENG	22557.53	0.20
STRAITS TIMES	3171.31	0.40

Global data recorded/updated last as on 18, Dec. 7.30 a.m. IST

## NIFTY TOP GAINERS

### Indian Markets

Company	Close	Change (%)
HINDALCO	124.05	3.42
SESA GOA	193.10	2.85
JINDAL STEEL	439.40	1.90
CIPLA	410.60	1.89

## NIFTY TOP LOSERS

### Indian Markets

Company	Close	Change (%)
BHARTI ARTL	300.95	-3.68
TCS	1205.85	-2.98
BPCL	344.50	-1.84
SIEMENS	668.90	-1.73

## MARKET SUMMARY

The key domestic benchmarks began the week on a lackluster note as the Sensex shed more than 70 points after the government warned that Asia's third largest economy may witness the slowest growth in a decade this fiscal. India's economy may grow about 5.7 per cent to 5.9 per cent in FY 13, down from the 7.85 per cent projected earlier, the Finance Ministry said.

At the same time, investors were cautious ahead of the monetary policy decision of the RBI on Tuesday. Speculation is rife that the central bank may hold fire and refrain from an interest rate cut despite a fall in inflation last month, dimming the appeal of risky assets.

The BSE SENSEX closed at 19,244.42, down by 72.83 points or by 0.38 per cent and the NSE Nifty ended at 5,857.9, down by 21.7 points or by 0.37 per cent.

The BSE Sensex touched intraday high of 19,346.78 and intraday low of 19,221.87. The NSE Nifty touched intraday high of 5,886.05 and intraday low of 5,850.15.

Meanwhile, the BSE MIDCAP closed at 7,040.47, up by 41.42 points or by 0.59 per cent, while the BSE SMLCAP ended at 7,387.33, up by 33.61 points or by 0.46 per cent.

On the Sectoral front, Teck and IT shed 1.32 per cent and 1.22 per cent, respectively.

The Market breadth, indicating the overall health of the market, was strong. On BSE out of total shares traded 3099, shares advanced were 1572 while 1382 shares declined and 145 were unchanged.

The top losers of the BSE Sensex pack were Bharti Airtel Ltd. (Rs. 300.45,-3.69%), Tata Consultancy Services Ltd. (Rs. 1205.85,-2.83%), Housing Development Finance Corporation Ltd. (Rs. 836.60,-1.85%), Bharat Heavy Electricals Ltd. (Rs. 220.95,-1.76%), HDFC Bank Ltd. (Rs. 677.65,-1.60%), among others.

## NEWS UPDATES

### MACRO

The government lowered the growth projection for the current financial year to 5.7-5.9% from 7.6% estimated earlier, while pitching for supportive monetary and fiscal policies to improve investor confidence. "Given ...An emerging scenario, it should be possible for the economy to improve the overall growth rate of GDP to around 5.7% to 5.9% for the year 2012-13", said the mid-year economic analysis tabled in Parliament. The economy, it added, would have to record a growth rate of 6% in second half of the current financial year to reach the desired growth rate. It grew by 5.4% during April-September 2012-13.

### COMPANY

**McNally Bharat Engineering Company Limited (MBE)**, a Kolkata-headquartered engineering company, has received an order worth Rs 733.34 crore from cement manufacturer ACC Limited. The contract, which involves onshore supply, civil construction and installation and erection of ACC's new cement plant at Jamul in Chhattisgarh, has a contractual delivery period of 30.5 months, MBE said.

Vivanta by Taj – Hotels and Resorts, owned and managed by Taj group of hotels, has expanded its network by adding a new property in Karnataka's hill station - Madikeri. This hotel is the 25th property in the Vivanta portfolio since the brand was launched in 2010. Situated at an altitude of 4,000 ft, within 180 acres of subtropical rainforest, the hotel offers panoramic view of the Western Ghats and imposing mountains that Coorg is famous for. Speaking on the launch, Raymond N Bickson, MD & CEO, **Indian Hotels Company Limited**, said, "Vivanta by Taj – Madikeri, Coorg is Taj Group's first hill station hotel.

**Suzlon** Group subsidiary, REpower Systems SE, announced it has concluded a contract with wpd Europe GmbH, a subsidiary of project developer wpd AG, for the delivery of 51 wind turbines. As part of this, a service and maintenance agreement (ISP) for a total of 15 years for the new projects was also concluded, the company said in a statement. The REpower MM92 turbines, each with a rated power of 2.05 MW, are intended for six projects-- Whittington, Springwood, White Pines, Napier, Sumac Ridge and Fairview-- to be constructed and commissioned in 2014, it said.

**IDBI Bank** in association with National Payment Corporation of India (NPCI) has launched the 'Kisan Credit Smart Card' (KCSC). KCSC is a pioneering credit delivery innovation for providing adequate and timely credit to farmers under a single window with flexible and simplified procedures. Under this facility, farmers can avail assistance to meet their credit needs for agriculture and allied activities, such as, cultivation of crops, consumption requirements of farmer household, post harvest expenditures etc.

Drug firm **Panacea Biotech** said it has received an order worth Rs 187.61 crore from the government to supply polio vaccines till May 2013. The company has received order from the government to supply 345 million doses of trivalent oral Polio Vaccines (tOPV) and Bivalent Oral Polio Vaccine (bOPV) worth Rs 187.61 crore, to be supplied between December 2012 and May 2013, Panacea Biotec said in a statement.

India's leading steel maker, **JSW Steel Ltd** and Japan's JFE Steel Corporation announced that a joint agreement signed where JFE will provide technology for the production of non-oriented electrical steel sheets (CRNGO) at the JSW's Vijayanagar plant in Karnataka. By leveraging JFE Steel's well-established manufacturing technology for electrical steel, shall produce CRNGO grade electrical steel and supply to its customers, including local companies as well as Japanese, European and US-affiliated companies doing business in India. The electrical steel sheet products are primarily imported in India due to technological constraints and JSW Steel shall be in a position to cater to fast growing consumer and industrial applications market.

## TECHNICAL ANALYSIS

### **MOST ACTIVE STOCKS PIVOTAL GUIDANCE**

Company	Lower 2	Lower 1	Axis	Higher 1	Higher 2
NIFTY	5830.26	5840.16	<b>5858.06</b>	5885.09	5895.42
BANK NIFTY	12245.23	12344.53	<b>12428.84</b>	12530.74	12606.25
RELIANCE	822.94	826.57	<b>833.21</b>	838.02	843.05
RCOM	73.04	74.24	<b>75.03</b>	75.75	76.85
RELCAPITAL	464.33	467.07	<b>470.80</b>	474.07	477.65
REL INFRA	509.68	512.78	<b>516.88</b>	520.47	524.11
LT	1610.49	1623.52	<b>1635.56</b>	1647.97	1660.00
STER	115.36	116.29	<b>118.23</b>	119.05	120.19
ICICIBANK	1131.74	1140.85	<b>1149.95</b>	1157.92	1159.34
SBIN	2322.65	2341.34	<b>2360.02</b>	2376.37	2379.29
TATASTEEL	394.52	397.69	<b>400.87</b>	403.64	404.14
RPOWER	99.05	99.85	<b>100.65</b>	101.34	101.47
TATAPOWER	104.92	105.76	<b>106.61</b>	107.35	107.48
INFOSYSTCH	2239.61	2257.63	<b>2275.65</b>	2291.41	2294.23
BHEL	218.79	220.55	<b>222.31</b>	223.85	224.13
ONGC	255.59	257.64	<b>259.70</b>	261.50	261.82
ACC	1397.27	1408.51	<b>1419.75</b>	1429.59	1431.34
PUNJLLOYD	58.05	58.52	<b>58.99</b>	59.40	59.47
HDFCBANK	671.14	676.54	<b>681.94</b>	686.66	687.50
MARUTI	1481.81	1493.73	<b>1505.65</b>	1516.08	1517.94
AXISBANK	1342.58	1353.38	<b>1364.18</b>	1373.63	1375.31

### BULLISH ON SHORT TERM

**CIPLA** BUY AS QUICKDELIVERY @410-411 FOR BTST/T+2 WITH TARGETS OF 413-415-417 SL 406

**SAIL** BUY AS QUICKDELIVERY @85-85.50 FOR BTST/T+2 WITH TARGETS OF 87-88-89 SL 84

## Following the MUTUAL FUNDS

### Franklin India Opportunities – G

Latest NAV: 32.64 (14/12/12)	52-Week High: 32.91 (06/12/12)	52-Week Low: 25.54 (20/12/11)
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Returns	Year	Fund	Category
	1 Year	22.24	25.35
	3 Year	4.03	5.95
	5 Year	-3.59	0.87
	Return Since Launch	16.46	-

#### Top Holdings: As on 30 Nov.

Name of Holding	% Net Assets
ICICI Bank	7.82
Bharti Airtel	6.79
L&T	5.56
Axis Bank	5.24
HDFC Bank	4.60

#### Top 5 Sectors

Top 5 Sectors	% Net Assets
Financial	35.27
FMCG	8.81
Technology	7.03
Communication	6.79
Diversified	6.33

#### Top 3 Holding Company Details

##### ICICI Bank

LTP: 1143.60	PE Ratio: 17.70
PB Ratio: 2.03	Year to Date Return: 67.05

##### Other Funds That Own ICICI Bank

Fund name	% Net Asset	Date
Goldman Sachs Banking BeES	29.63	Sep 30, 2012
R*Shares Banking ETF	29.19	Nov 30, 2012
UTI Banking Sector Reg	27.06	Nov 30, 2012
Taurus Banking & Financial Services	25.03	Nov 30, 2012

##### Bharti Airtel

LTP: 300.45	PE Ratio: 18.95
PB Ratio: 2.25	Year to Date Return: -12.38

##### Other Funds That Own Bharti Airtel

Fund name	% Net Asset	Date
Goldman Sachs Infra BeES	11.80	Sep 30, 2012
Franklin India Flexi Cap	10.38	Nov 30, 2012
ICICI Prudential Top 100 Inst I	9.62	Nov 30, 2012
ICICI Prudential Top 100	9.62	Nov 30, 2012

##### L&T

LTP: 1633.75	PE Ratio: 20.73
PB Ratio: 3.78	Year to Date Return: 64.18

##### Other Funds That Own L&T

Fund name	% Net Asset	Date
Goldman Sachs Infra BeES	32.01	Sep 30, 2012
LIC Nomura MF Infrastructure	10.94	Oct 31, 2012
IDFC Infrastructure	10.76	Nov 30, 2012
Religare Infrastructure	10.23	Nov 30, 2012

## Good for Delivery

### JSW Steel Ltd

JSW Steel Ltd and Japan's JFE Steel Corporation on Monday announced signing of a joint agreement for technical collaboration. Under the agreement, JFE will provide technology for the production of non-oriented electrical steel sheets (CRNGO) at the JSW's Vijayanagar plant in Bellary district of Karnataka. By leveraging JFE Steel's well-established manufacturing technology for electrical steel, JSW shall produce CRNGO grade electrical steel and supply to its customers, including local companies as well as Japanese, European and US-affiliated companies doing business in India. The electrical steel sheet products are primarily imported in India due to technological constraints and JSW Steel shall be in a position to cater to fast growing consumer and industrial applications market. JSW Steel plans to start up its new annealing and coating line for electrical steel sheets in latter half of 2014. The initial annual output is projected to be 200,000 tonne, which will be increased to 0.6 million tons per year in phases. The company will also take sight on the production of Cold Rolled Grain Oriented (CRGO) grade in future.

Implemented in phased manner, JSW envisages becoming the largest electrical steel producer in the country. JSW Steel Ltd., belonging to Rs 60,000 crore JSW group, part of the O P Jindal Group, is one of the lowest cost steel producers in the world. The group has diversified interest in mining, carbon steel, power, industrial gases, port facilities, aluminium, cement and Information Technology. JSW Steel is engaged in manufacture of flat and long products viz. HR coils, CR coils, galvanised/galvalume products, colour coated products, auto grade/ white goods grade CRCA steel, bars and rods. JFE Steel Corporation, one of the world's leading integrated steel producers, was established through the consolidation of NKK Corporation and Kawasaki Steel Corporation in 2003. The company operates several steelworks in Japan and numerous branch offices and affiliates throughout the world. JFE Steel owns a 16.17% share in JSW Steel Limited, an equity-method affiliate. **Accumulate.**

### HCL Technologies

HCL Technologies, a provider of IT services, has released its second corporate sustainability report under the Global Reporting Initiative (GRI) 3.1 framework. The report is an indicator of HCL's progress and outcomes in the corporate sustainability areas and has been created as per the A+ application level and externally assured by DNV. The report is aligned to the requirements of Business Responsibility Report (BR Report) in compliance with Ministry of Corporate Affairs' National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business. The sustainability report not only highlights relevant data and numbers but also showcases how HCL has continued to leverage its core competencies, people, values and 'Employees First' culture to reinforce its commitment to the ecosystem including environment and the diverse communities it interacts with. HCL's Sustainability vision is founded on 4 R's - Responsible Business, Redefine Workplace, Renew Ecosystem and Repay Society.

This year's sustainability report has drawn inspiration from 5 elements of the nature- atmosphere, fire, water, earth and wind and their characteristics for the sustainability journey. All recently acquired and new campuses outside India are 'green compliant'. For example, the Global Development Centres (GDC) in North America are LEED certified buildings. Introduction of Global IT Cloud services reduced the hardware procurement needs of HCL project teams, and thus reducing the total power consumption and cooling requirements by up to 58%. Savings of 20,292 units of electricity in FY 2012, with the help of various green IT initiatives launched pan Globe. **Accumulate**

## DERIVATIVES NOTES

### Institutional Investment Trends

(in Crores) Dec 17, 2012

	BUY	SELL	OIEoD
INDEX FUTURES	520.50	455.91	12081.55
INDEX OPTIONS	9265.72	8707.75	46593.90
STOCK FUTURES	1362.82	1842.09	33798.53
STOCK OPTIONS	1126.61	1172.18	2055.62

- ✓ **Nifty December 2012 futures** were at 5888.50, at a premium of 30.60 points over spot closing of 5857.90. Nifty January 2013 futures were at 5925.25, at a premium of 67.35 points over spot closing. Turnover on NSE's futures & options (F&O) segment declined to Rs 89900.38 crore from Rs 130742.28 crore on Friday, 14 December 2012.
- ✓ **State Bank of India (SBI) December 2012 futures** were at 2346.40, at a premium over spot closing of 2341.50. Tata Motors December 2012 futures were at 294.60, near spot closing of 293.55.
- ✓ **United Spirits December 2012 futures** were at 1894.60, at a premium over spot closing of 1879.75.

#### Put Call Ratio

##### Put Call Ratio-Index Options

Symbol	Put	Call	Ratio
MINIFTY	14,240.00	10,460.00	1.36
NIFTY	55,461,600.00	45,745,250.00	1.21
BANKNIFTY	1,463,300.00	1,473,450.00	0.99

##### Put Call Ratio-Stock Options (OI wise)

Symbol	Put	Call	Ratio
BAJAJ-AUTO	329,375.00	160,250.00	2.06
ACC	225,500.00	156,750.00	1.44
BANKBARODA	140,250.00	103,500.00	1.36

##### Put Call Ratio-Stock Options (Volume wise)

Symbol	Put	Call	Ratio
TATACOMM	5,000.00	2,000.00	2.50
MCLEODRUSS	2,000.00	1,000.00	2.00
SYNDIBANK	72,000.00	42,000.00	1.71

## DIVIDEND AND OTHER INFORMATION

**Samtel Color Limited** has informed the Exchange that the register of members and share transfer books of the Company will be closed from December 28, 2012 to December 29, 2012, (both days inclusive), for the purpose of the Annual General Meeting of the Company which will be held on December 29, 2012.

**Eastern Sug & Inds Limited** has informed the Exchange that the Register of Members & Share Transfer Books of the Company will remain closed from December 27, 2012 to December 31, 2012 (both days inclusive) for the purpose of Annual General Meeting (AGM) of the Company to be held on December 31, 2012.

### Equity Research Division

16, Krishna Market, 1st Floor, Kalkaji, New Delhi 110019  
Phones: 47152214-15, Fax 47152211 Email: equityresearch@ndaindia.com

### Regd. & Corp. Office

### Equity Research Division

1002A, 10th floor, Arunachal, 19 Barakhamba Road, New Delhi-110001, Phones: 011-46204000 (30 lines), 23717551, Fax 011-46204050

Web: www.ndaindia.com Email: info@ndaindia.com, investorcell@ndaindia.com

### Mumbai Office

21, Prospects Chamber Annexe Dr. D N Rd, Fort, Mumbai-400001 Phones: 022-22842694, 22851387

### Branches & Associates

Delhi		Haryana	Uttar Pradesh	Uttaranchal
Barakhamba Road	Paschim Vihar	Faridabad	Agra	Dehradun (Subhash Road)
Chander Vihar	Pitampura (CD Plaza)	Hissar	Aligarh	Dehradun (Arya Nagar)
East Patel Nagar	Pitampura (KD Market)	Mahender Garh	Baghpat	Haridwar
Hauz Kazi	Pushp Vihar	Panipat	Meerut (Samrat Palace)	Kotdwar
Inder Puri - I	Rohini	Rohtak	Meerut (Delhi Road)	
Inder Puri - II	Rohtak Road	Sonepat	Varanasi	<b>West Bengal</b>
Janak Puri	Shahadra			Kolkata
Kalkaji	Shastri Nagar	<b>Punjab</b>	<b>Bihar</b>	
Karol Bagh	Sheikh Sarai	Amritsar	Balia	<b>Mumbai</b>
Najafgarh	Siddharth Extension	Barnala	Darbhanga	Borivali
Naya Bazar	Vikaspuri	Jalandhar		
Netaji Subhash Place				

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