

Week 5, TD2

Tuesday, 1st Feb 2011

Equity Markets – Highlights: The domestic market was down today as the All-Share Index and the Market Capitalisation shed 0.40% each. There are indications that investors are moving their funds to the money market due to the attractive returns on short-term deposits. The recent increase in MPR has led to a surge in deposit rates. The number of deals, volume and value of stocks traded however rose 10.07%, 16.87% and 5.47% respectively. The stocks of 117 companies were traded, of which 16 stocks advanced whilst only 39 stocks declined. We expect the rising short-term deposit rates to drive investors to sell-off their stock holdings in the near term.

Global markets were upbeat today as the price of crude oil continued to trade above \$100 per barrel. In the US, indications that manufacturing activities grew in the past month encouraged investors to assume more risk. Consequently, the Dow, S&P and NASDAQ rose 0.58%, 0.77% and 0.49% respectively in early trading. European markets were also bullish as the FTSE 100, Germany Dax 30 and France's CAC 40 gained 1.58%, 1.39% and 1.54% respectively. Asian markets trended upwards today as fears over the crisis in Egypt waned. Hong Kong's Hang Seng, Japan's Nikkei, China's Shanghai and Korea's KOSPI surged 0.15%, 0.36%, 0.30% and 0.11% respectively. Global stock prices are expected to trade in the same direction with commodities' prices in the near term.

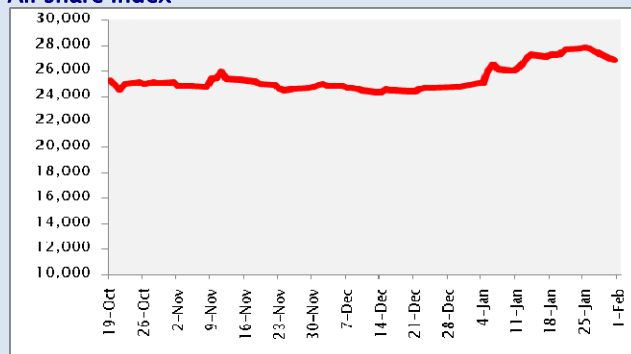
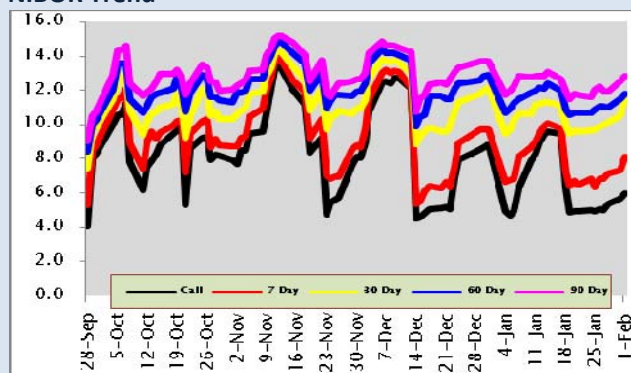
Inter-Bank Market-Highlights: The inter-bank rates continued to rise today due to liquidity shortage in the market. NIBOR on Call, 7-day, 30-day, 60-day and 90-day obligations rose 5.88%, 10.86%, 1.58%, 2.54% and 2.67% respectively. Short tenored rates may continue to rise in the immediate term.

Equities (NSE) – Market Snapshot

Indicator	Tue 01/02	Mon 31/01	Change	%
No of Deals	6,349	5,768	581	10.07
Vol. Traded	330.41mn	282.72mn	47.69mn	16.87
Total Value	₹3.28bn	₹3.11bn	₹0.17bn	5.47
Mkt. Cap	₹8.54tr	₹8.58tr	₹(0.04)tr	(0.40)
All-Share Index	26,723.49	26,830.67	(107.18)	(0.40)

Company Results Released

Company	Period	Current N' bn		Previous N' bn		Div (k) Bonus
		T'over	PAT	T'over	PAT	
PZ	Q2'10	26.77	1.82	27.36	1.77	-

All share Index

NIBOR Trend

The Day's Gainers & Losers

GAINERS				LOSERS			
Company	OP (₹)	CP (₹)	%	Company	OP (₹)	CP (₹)	%
Air Service	2.01	2.11	5.0	Royal Ex	0.60	0.57	5.0
Neimeth	1.21	1.27	5.0	UBA	10.45	9.93	5.0
Afromedia	0.62	0.65	4.8	AP	26.39	25.08	5.0
Guaranty	19.01	19.85	4.4	Presco	7.49	7.12	4.9
Dang Flour	19.11	19.90	4.1	DangSugar	16.2	15.40	4.9

Money Market Trend

Tenor	Tue 01/02	Mon 31/01	Fri 28/01	Thur 27/01	Wed 26/01
Call	6.0000	5.6667	5.3750	5.0000	5.0417
7 Day	8.0833	7.2917	7.1250	6.7917	6.7917
30 Day	10.7083	10.5417	10.1667	9.9583	9.9167
60 Day	11.7917	11.5000	11.0000	11.0417	11.0833
90 Day	12.8333	12.5000	11.9167	12.0000	12.2083

FBN Heritage Fund @ 31 Jan '11

Bid Price	Offer Price
₹92.04	₹92.78

OP/CP = Opening Price /Closing Price