KARVY BAZAAR BAATEIN

A Weekly Investment Newsletter From KARVY
A Research Product of Karvy The Finapolis

28 Sep 2009 to 04 Oct 2009 **Volume 3 : Issue 26**

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CONTENTS

NSE		
52 Wk H/L	:	5036.30/2252.75
Mcap	:	Rs52,26,864 cr.
BSE		
52 Wk H/L	:	16943.49/7697.39

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by **S. Gopichand** on behalf of Karvy Stock Broking Limited.

Editor: **S. Gopichand**

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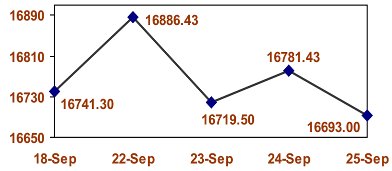
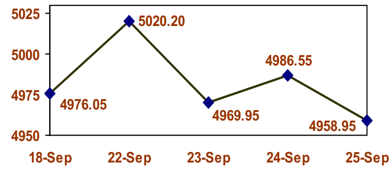
BSE Sensex



16693.00 ↓ **0.29%**

NSE Nifty



4958.95 ↓ **0.34%**

A superlative September indeed…

We would like to begin by wishing all our dear readers a very Happy Dussehra! It has been one year since the Lehmann brothers collapsed. Since March 2009, however, investors have regained some of their confidence in financial markets, and the rally has largely been driven by the ample foreign fund flows, a sign of increased attractiveness of key emerging markets like India.

After two consecutive weekly gains, the Nifty closed last week at 4960 levels, down 0.35% W/W, while the Sensex closed down 0.2% at 16,690 levels. The decline was largely based on global cues, led by the rise in the dollar which resulted in other asset classes declining. The Nifty was volatile in a very narrow range last week, being the expiry week for the September series derivative contracts.

While the medium-term story remains bullish for India, there is increased nervousness over the short-term, from a valuation perspective, given the unidirectional market move in recent times. On the other hand, there is a lot of liquidity (actually and perceived) waiting in the wings, implying limited downside for the markets. In fact, FIIs have already pumped in more than US$10 billion so far this year. In the near term, therefore, markets may remain range-bound, and the nearest visible trigger in October will be strong second-quarter results and encouraging global cues.

Last week, the defensive pharma and FMCG sectors saw increased action. If the market is consolidating at current levels, then these sectors are likely to see further buying interest this week. Meanwhile, mid-cap stocks might well end up performing much better than the large caps in the coming sessions. With only three days of trading this week, the market is likely to see lower participation. The Nifty is likely to trade in a range of 4800-5050 levels over the week. Buying is expected in energy stocks—especially oil marketing companies—and mid-cap banking stocks while metals and cement sectors could see selling at every rise.

KBB weekly recommendations for the week beginning 29th Sep.

Scrip	Action	CMP	Entry	Stop Loss	Target	Time Frame
Dish TV	Buy	45.20	43-45	41	52-53	5-6 Days
IDBI	Buy	124.90	Above 125	119	138-140	5-6 Days
Aurobindo Pharma	Buy	745.25	740-745	725	778-780	5-6 Days
LITL	Buy	481.90	475-480	468	508-510	5-6 Days
Bank of India	Buy	402.20	400-402	393	416-418	5-6 Days

Disclaimer: The above recommendations are purely based on technical analysis. Hence, the stop loss should be strictly adhered to.

KBB weekly performance monitor

Scrip	Action	Entry	SL	Target	Shares(#)	P/L	Return	Remark
Maruti	Buy	1630-1640	1600.00	1715-1720	-	-	-	NI
M&M	Buy	880-885	868.00	920-925	284	-4,120.14	-1.64%	SL
Jet Airways	Buy	310-315	300.00	360-365	802	8,425.54	3.36%	CMP
Welspun	Buy	265-270	258.00	288-290	-	-	-	NI
Bharti Airtel	Buy	440-443	435.00	460-462	568	-3,691.82	-1.47%	SL
Total						613.58		

Balance on inception (26- Jan- 09)	Balance last week (18-Sep-09)	Balance current week (25-Sep-09)	Abs. returns WoW (%)	Abs. returns since Jan 26, 2009(%)
5,00,000	7,52,280	7,52,894	0.08	50.58

TA - Target achieved; SLT - Stop loss triggered; CMP - Closing price as on last trading day; NI - Not initiated; # No. of Shares; SL - Stop Loss; P/L - Profit/Loss

Technical view

BHEL **CMP: 2242.65**

BHEL continued to rise from the lows made during last November, with the stock recovering significantly until the post-election period. However, following this period, the stock largely underperformed the broader index. It has struggled to surpass the 2400 levels, making multiple tops around the zone. In the recent past, the stock has bounced back from the 50-day EMA levels many a time, and this has proved to be a crucial support. The stock has its 50-day EMA placed at 2220 levels, the immediate support for the short-term scenario. The 14-day RSI has breached below the 50 levels and indicates weakness in the stock. However, on the RSI scale, the stock may find support around the 43 levels and stage a bounce-back. A sustained move close to this level may result in fresh buying interest in the stock. It has immediate resistance around 2300 levels beyond which the stock could move up to 2400 levels in the short term. Investors are advised to assume long positions in the stock in the range of 2220-2240 levels for an upside target of 2300 and 2400 in the short-term scenario. All long positions in the stock should be protected with a stop loss below 2180 levels on a closing basis.

Reliance Capital **CMP: 906.35**

Reliance Capital underperformed the broader index in earlier months and moved sideways with a negative bias. However, the stock found support and surged this month but failed to sustain the crucial resistance of 940 levels. The recent declines have moved the stock close to its short-term moving averages on the back of thin volumes. The stock has its 50-day EMA placed at 874 levels which is the immediate support for the short term. The 14-day RSI is close to the support zone of 50 but the move may still remain sideways within this tight range. On the RSI scale, the stock could bounce back from 48-50 levels. It has immediate resistance around 940 levels beyond which the stock could move up to 1050 levels in a short-term period. Investors are advised to assume long positions in the stock in the range of 895-900 levels for an upside target of 940 and 1050 in the short term. All long positions in the stock should be protected with a stop loss below 870 levels on a closing basis.

HDFC **CMP: 2748.35**

HDFC was on a consolidation mode in the last couple of months and remained sideways. The stock recently staged a significant rally and broke past the 2600 levels, witnessing momentum moves. The recent rally has moved the stock beyond all its moving averages. The 14-day RSI has just touched the overbought territory, but the move still appears to be northwards in the near term. On the RSI scale, the stock could move to 80 and 85 levels. A sustained move close to this level would induce profit-taking in the stock. It has immediate resistance around the 2850 levels beyond which the stock could move up to 2920 levels in a short-term period. Investors are advised to assume long positions in the stock in the 2720-2740 range for an upside target of 2850 and 2920 levels in the short-term scenario. All long positions in the stock should be protected with a stop loss below 2670 levels on a closing basis.

- Kalyan C. Reddy

Fundamental view

Maruti Suzuki India (Rs1,658)

We initiate coverage on Maruti Suzuki India (Maruti) with an Underperformer rating, as we believe that the stock is running ahead of our FY11E earnings on valuation parameters. FY10 is expected to be a tremendous year for the company in terms of profitability growth and it is for this reason that the stock is trading well above its historical trading range. However, it would be difficult for Maruti to sustain the current growth momentum, and, therefore, earnings growth is expected to slowdown considerably in FY11E, there by warranting a P/E de-rating from current levels.

Difficult to sustain current growth momentum: On the domestic front, Maruti reported strong volume growth due to the government's stimulus package, new model launches, and improved demand from the rural market. We expect the robust domestic demand growth to continue until 3QFY10. However, we expect domestic demand to slowdown after 3QFY10 due to lack of new model launches, increasing competition, expected rise in borrowing cost and poor monsoon. On the exports front, volumes have risen sharply, primarily due to demand for compact cars in European countries. This, in turn, is due to scrappage schemes, which are expected to exhaust over the next few months. We, therefore, do not view the current volume growth from export activity to sustain in FY11E.

Further improvement in margins unlikely: Maruti reported excellent improvement in EBITDA margins during 1QFY10, at 10.4% (on standalone basis) from a low of 4.6% during 3QFY09. Improvement in margins came from a sharp fall in raw material prices, improvement in product mix, benefits of excise duty reduction and favourable forex movement. Since the lows of March 2009, steel and aluminum prices have increased by around 30% and 45%, respectively. Hence, due to rising raw material prices, we expect margins to peak out by 2QFY10. Furthermore, during FY11, we do not expect a major improvement in product mix; in the past, this was instrumental in protecting the company's margins in a rising input cost scenario. We expect the company to report an EBITDA margin of 9.7% during FY10E. However, we do not anticipate any improvement in margins in FY11E.

Maruti Suzuki - Consolidated		Y/E March (Rs Mn)	FY07	FY08	FY09	FY10E	FY11E
Reuters/Bloomberg code	MRTI.BO/MSIL IN	Net Sales	147,884	181,041	206,638	280,593	308,465
Market cap. (Rsbn)	479	EBITDA	19,316	22,485	13,716	27,355	29,966
Market cap. (US$mn)	9,580	Reported Net Profit	15,883	17,899	12,274	22,463	24,470
Shares outstanding (mn)	289	EPS (Rs)	55.0	62.0	42.5	77.8	84.7
52-week High/Low (Rs)	1,688/433	CEPS (Rs)	64.5	81.8	67.3	107.7	120.7
		EPS growth (%)	30.3	12.7	(31.4)	83.0	8.9
		EBITDA Margin (%)	13.1	12.4	6.6	9.7	9.7
		PER (x)	30.2	26.8	39.0	21.3	19.6
		EV/EBITDA (x)	22.7	19.4	31.9	15.8	13.8
Major shareholders(%)		Price/Sales (x)	3.2	2.6	2.3	1.7	1.6
Promoter/Majority	54.2	Price/BV (x)	6.8	5.6	5.0	4.0	3.4
FIIs	20.7	Dividend Yield (%)	0.3	0.3	0.2	0.2	0.2
Banks/FI's/MFs	18.6	RoCE (%)	33.7	27.4	17.5	26.3	23.7
Others and Public	6.5	RoE (%)	25.3	20.7	13.5	21.0	18.8

Source: Company and Karvy Estimates

Market pulse

Bulk Deals			
Company	Wt. Avg. Price (Rs.)	Traded Qty	Acquirer/Seller
Buy			
Orchid Chemicals	168.55	450000	Apoorva Realtors & Finvest Pvt
AIA Engineering	276.00	3703889	Genesis Indian Investment
GLAXOSMI CON	1149.96	300000	Arisaig India Fund
Sell			
FILMCIT Medi	0.99	2000000	Wellness Commun-cation (P) Ltd
KIR Oil Eng	111.75	2291000	Kirloskar Systems
Globus Spirits	103.53	742607	India Max Invesment Fund

Top Gainers (Weekly)			
Company	25-Sep	18-Sep	%Change
Ranbaxy	409.75	360.30	13.72
Sun Pharma	1308.30	1196.60	9.33
HDFC	2748.35	2536.75	8.34
BPCL	581.30	543.70	6.92
HDFC Bank	1608.55	1524.45	5.52
ITC	235.00	226.90	3.57
Power Grid	111.30	107.85	3.20
Cipla	267.20	259.05	3.15
PNB	788.30	765.35	3.00
NTPC	213.15	207.65	2.65

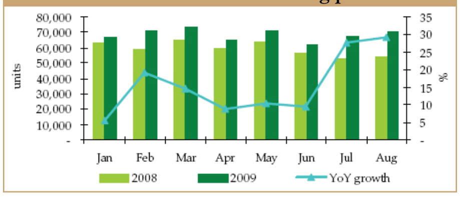
Top Losers (Weekly)			
Company	25-Sep	18-Sep	%Change
Hindalco Industries	126.70	138.25	-8.35
Suzlon Energy	92.10	99.25	-7.20
Bharti Airtel	414.55	442.95	-6.41
Jindal Steel & Power	597.25	633.95	-5.79
Infosys	2240.50	2364.25	-5.23
SAIL	169.20	176.45	-4.11
M&M	849.90	885.90	-4.06
Tata Steel	498.35	517.85	-3.77
RPower	166.00	172.25	-3.63
NALCO	345.85	358.45	-3.52

	FII Invt (Rs.cr)		MF (Rs.cr)	
Date	Purchases	Sales	Purchases	Sales
18-Sep-09	6074.90	3411.70	710.40	1165.80
22-Sep-09	4504.50	2634.70	507.00	758.80
23-Sep-09	3208.40	1704.90	886.30	776.70
24-Sep-09	4311.20	2478.50		
25-Sep-09	5711.20	4389.10		
Total	**23810.20**	**14618.90**	**2103.70**	**2701.30**

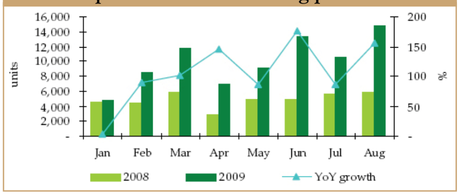
Corporate Actions		
Company	Date	Purpose
Amar Remedies	30-sep-09	Audited Results
Shree Renuka Sugars	30-sep-09	Interim Dividend / Record Date
Prism Cement	6-oct-09	Unaudited Results
Infosys Technologies	9-oct-09	Audited Results

(Compiled by Krishnaveni M)

MSIL - Domestic sales volume during past 7 months



MSIL - Export Sales volume during past 7 months



Adverse forex fluctuation can have severe impact on earnings: Maruti's overall forex exposure (primarily towards yen) due to imports is 27% of its revenues, of which direct imports constitute 11% and indirect imports constitute 16%. For FY10E, the company has taken a cross currency hedge (yen v/s euro) equivalent to 50% of the amount of direct imports, thereby implying that imports amounting to ~21% of the revenues remain un-hedged. For FY10E, Maruti is expected to export to the tune of ~Rs36 bn, of which around 45% is hedged (equivalent to 50% of the company's direct imports). It benefits on depreciation of yen and appreciation of the euro vis-à-vis the rupee. We believe Maruti's un-hedged positions to be substantial and any adverse forex movement can have a severe impact on earnings.

Valuation: Maruti is currently trading at a P/E of 21.3x FY10E EPS of Rs77.8 and 19.6x FY11E EPS of Rs84.7, which is above the long-term historical average P/E of 13.8x. Since FY06, Maruti's average P/E has been slightly higher at 14.7x in relation to earnings growth of 12.3% from FY07-FY10E. We believe the company is trading at expensive valuations due to strong earnings growth of 83% expected in FY10E. However, we expect Maruti to report moderate earnings growth of 8.9% in FY11E. We are assigning a P/E multiple of 16x to the stock which is a slight premium to the historical average due to improvement in export sales. We believe our P/E multiple of 16x captures Maruti's leadership position, strong distribution network and healthy balance sheet. The company's valuation looks stretched at current levels, and, therefore, we initiate coverage on the stock with an Underperformer rating and a price target of Rs1,355.

Banking sector update

On September 22, 2009, the World Bank approved loans worth US$2.0 bn (Rs96 bn) to domestic state-owned banks to meet the credit demand of rural, SMEs and infrastructure sectors. The World Bank's loan to PSU banks would be routed through the Finance Ministry. According to some bankers with whom we had a discussion, the loan amount would be allocated among nine mid- or small-sized PSU banks in accordance with their requirements. The list of nine banks is expected to be as follows—Andhra Bank, Bank of Maharashtra, Central Bank of India, Dena Bank, Indian Overseas Bank, Oriental Bank of Commerce, Syndicate Bank, UCO Bank, and Vijaya Bank.

Recently, the Ministry had asked for future projections from each of the state-owned banks. On discussion with some of the banks, we believe that capital to PSU banks would be provided by the World Bank, routed through the Ministry in the form of perpetual non-cumulative preference shares (PNCPS). Interest charges on loans to the central government would be compensated by dividend on preference shares from banks, although the dividend is non-cumulative.

There could be various reasons for the Ministry to approach the World Bank for loans: (1) containing the fiscal deficit by obtaining loans from the bank and passing on the same to PSU banks; (2) insisting PSU banks to support the central government's borrowings going forward; (3) aiding PSU banks which are burdened by huge NPAs and restructured assets; and (4) fulfilling genuine credit demand of rural, SSI and SME sectors.

If the banks receive PNCPS capital from the government, then (1) banks' Tier-I capital would move up sharply depending on the amount of capital each bank receives and the banks would have greater headroom for Tier-II capital as well; (2) banks' businesses would grow at a higher clip; and (3) banks' balance sheets would relatively be in a better position to take care of higher NPAs and provisioning in case of increased slippages from restructured assets.

This development is certainly a positive and favorable for the state-owned banks. Considering the limited amount of information available currently, we await for great clarity in this regard to potentially re-rate the banks under our coverage.

- Equity Research Desk

Need for development of Indian Capital Markets

-by Dr. V. Shunmugam, *Chief Economist, MCX*

The High Level Committee on Estimation of Savings and Investment, under the chairmanship of Dr. C. Rangarajan, in its report submitted to the government on March 16, made several recommendations to improve the methodologies for estimation of saving and investment aggregates for the Indian economy. While the Committee suggested improving surveys and designing / modifying databases while addressing areas such as treatment of currency holdings, treatment of commercial and co-op. bank deposits, treatment of deposits with NBFCs, treatment of life insurance funds, and treatment of shares, bonds, debentures and mutual fund units, it is necessary to look at how the savings are put to productive use and the capital needs of our industry and the services sector are met with cost-effectively.

In this context, it is pertinent to take a fresh look at where exactly our capital market stands today in terms of outreach, product innovations, technology, and so on. Economists and policymakers often blame the Indian financial markets for, so far, providing access only to those who are aware of the markets and are able to physically access them. There has been little effort made towards augmenting outreach and achieving 'financial inclusion'— one of the primary objectives of the new government.

The performance of our capital market continues to remain lacklustre despite the introduction of online trading to make it accessible to all. The benefit arising from the electronification of the market appears to have remained confined to a few. In fact, by leveraging the fruits of reforms and major developments in ICT, with implications such as a much wider spread and reduced costs, the capital market should have ideally attracted a very large portion of India's household savings. However, the reality on the ground proved to be quite the opposite—investments in securities nearly halved to 5.1% of the total household savings in FY06 from 9.2% in FY94 due to lack of focus and a lackadaisical approach on the part of markets.

No wonder trading patterns of both the NSE and BSE indicate high concentration in big cities, implying widening economic disparity between the urban and the rural populations. In FY08, a whopping 83% of the NSE's cash segment volume came from only three metros—Mumbai, Delhi, and Kolkata; it was 69% in FY02. Similarly, around 80% of the BSE's cash segment volume came from these cities during the same period; it was marginally higher at 86.16% in FY02. Such concentration, especially in A-Class cities, not only defeats the government's goal of increasing 'financial inclusion' but also raises serious questions about the competency of our capital markets as a sector vis-à-vis several other sectors of the Indian economy which have registered phenomenal growth in customer base owing to technological advances and internet connectivity in terms of reaching out to the unreached.

According to the Central Statistical Organization, the share of gross domestic savings in the GDP rose to 34.8% in FY07 from 26.4% in FY03. Also, over the years, the household savings pattern has seen a shift in favor of financial savings. According to the Rangarajan Committee report, household financial savings as a proportion to the total household savings rose to around 47% in the last five years ending FY07. Again, although the M3 / GDP ratio rose to 70.2% in 2006 from 43% in 1990, clearly indicating financial deepening, investments in the Indian equity market (shares, debentures, etc) fell to 3.9% during FY04-FY07 from 8.4% in FY91. Thus, while the spread of the financial sector, particularly bank branches, post office savings, among others, succeeded in mobilizing the increased household financial savings, the capital market continued to show slack in leveraging this opportunity. Measures undertaken to develop the capital market, post-reforms, were expected to divert savings from the traditional financial instruments to capital market instruments, and shares and debentures were expected to get a boost from the reforms. However, that was not to be even as savings rates rose in India.

The data drawn from MAX New York Life and NCAER Survey 2007 and NSDL and CDSL show that as much as 66% of the Indian households own accounts in financial institutions such as banks, post offices and registered societies, while a mere 7% own demat accounts—the only indicator of capital market investments. If we filter the number of duplication and other activities that these accounts could cater to, the precise number of demat holders would be much lower. What this means is that the Indian capital markets have only managed to scratch the surface, with the vast majority still left untapped. There have not been serious efforts to explore the vast potential of rural India and Class-III towns, which constitute the Indian heartland, and to work towards inclusive growth, on one hand, and render a more efficient process of price discovery, on the other.

Besides, there are many more startling numbers / facts that draw up a rather rickety picture of our capital market, indicating that it is actually far less vibrant and efficient than it should have been by now. By end-FY04, the average Indian household was left with an annual surplus of Rs16,139 for savings and investments. If even one-fifth of that amount was diverted into the capital market, it could have translated into a whopping Rs66,460 crore in comparison to that year's actual investment of only Rs8,841 crore and FII net investments of Rs45,881 crore. Obviously, product innovation and instruments befitting the ever-changing market dynamics and participants' preference that could make things happen were simply missing.

Furthermore, although our national disposable incomes (13.3% CAGR) and household savings (15% CAGR) grew robustly from FY91 to FY06, the securities market failed to capitalize on this rise. Contrary to general expectations that the sharp increment in incomes / savings would translate into a surge in investments, investments in shares and debentures actually declined from 8% (of household savings) to 5%, while public preference for fixed deposits went up.

To sum up, it is high time that Indian capital markets receive the much-overdue next-level of reforms that would encourage healthy competition and facilitate the larger goal of 'financial inclusion'.

Commodities review

Precious metals review

Bullion: Bullion prices remained highly volatile last week. Prices moved higher in the initial part of the week due to speculative buying ahead of the FOMC meet and the G-20 Summit. The FOMC decided to keep the benchmark interest rate unchanged at 0.25%. The G-20 nations' meet is still in progress and there is speculation that it may call for gains in other currencies to reduce global trade imbalances. These two events led to gain in currency markets, resulting in price decline in other asset classes. Gold prices fell sharply post the FOMC announcement, ending its five-week rally, as the dollar index recovered after a three-week fall. The December-contract COMEX gold futures registered a weekly high of US$1,020-1,050 per troy ounce after a firm opening at US$1,007 level. At the time of writing this report, gold was trading at US$996 per troy ounce. Profit booking supported by gain in the dollar index resulted in price decline in the latter half of the week.

We expect gold prices to remain volatile this week as we monitor the conclusion of the G-20 Summit and the resultant impact on the dollar index. Increased speculative buying on COMEX may also raise concerns regarding liquidation of those positions. Hence, gold prices can witness some correction. However, it might rise later to trade in four-digit figures.

Base metals review

Base metals prices turned negative last week as the fall in crude oil prices by 7.9% and gains in dollar index by 0.4% resulted in widespread selling pressure. The accumulation of inventories in both LME and SHFE, concerns regarding lower imports by China and a host of important data releases had a negative impact on the market. Aluminum prices fell by 4.07% despite fall in inventory by 20,075 tonnes while copper prices tanked by 3.48% and zinc by -2.51%. However, lead and nickel lost marginally by 0.64% and 0.29%, respectively. China's imports of refined copper fell to 2,19,731 tonnes in August from 2,92,226 tonnes in July. Nickel imports by China fell 52.5% to 22,703 tonnes in August versus July's 47,754 tonnes. Meanwhile, union workers at Chile's Spence copper mine, owned by BHP Billiton, threatened to strike in early October if the wage offer fell short of expectations—a 5.5% wage hike for a two-year collective contract and annual bonuses tied to copper prices. The FOMC policy meeting left the benchmark interest rate unchanged at 0.25%, with the Fed maintaining that it will keep interest rates low for an extended period. Furthermore, the central bank noted that economic conditions have improved in recent weeks. Recently, prices fell sharply as the US Existing Home Sales fell by 2.7% in August to 5.10 million, which is lower than the expected level of 5.35 million.

This week, data releases include the US GDP, personal income and spending, unemployment rate and the ISM Manufacturing. We expect metals to remain quite volatile as it is the last week of the month and the quarter, and the dollar index is expected to gain. Overall, we expect bullion prices to remain sideways with a negative bias.

Energy review

Crude oil: Crude oil futures on the NYMEX traded on a negative note at the beginning of last week as the refinery intake in the US was expected to fall due to maintenance. Moreover, gains in the dollar index and falling equity markets kept the prices down. However, prices recovered later following the improved growth forecast by the Asian Development Bank. The DOE reported an unexpected increase in the stockpile of oil, gasoline and distillate inventories by 2.86 million barrels, 5.41 million barrels and 2.96 million barrels, respectively.

During the week, refineries operated at 85.6% capacity, down 1.4% from the penultimate week. Stockpiles of distillates are at the highest level since January 1983. In addition, statements from the Fed saying that it would cut down the size of its programs to bolster credit markets also pushed prices lower. The dollar index declined during the week by 0.4%. The crude oil prices made a weekly low of US$65.6 per barrel from a high of US$72.2 per barrel and headed for a weekly decline of 7.9%, the biggest decline since July 10, 2009.

This week, prices are expected to trade lower as there is no visible seasonal demand in the near future. However, the prospects for the economy look good this week and should support prices. On the other hand, low prices will encourage traders to go long, as it occurred during the previous week High inventories of oil and petroleum products will continue to remain a cause for concern this week.

- Commodities Research Desk

Mutual fund performance

Equity diversified

Scheme name	NAV	1 Year	2 Year	3 Year
IDFC Premier Equity - A (G)	23.27	32.40	19.50	109.60
Reliance RSF - Equity (G)	25.18	33.90	30.50	83.00
Sahara Infrastructure-VPO (G)	16.93	45.50	13.10	75.40
ICICI Pru Infrastructure (G)	27.51	17.80	7.40	74.70
Tata Equity P/E Fund (G)	38.54	34.90	10.90	74.60
Baroda Pioneer Growth (G)	47.32	38.20	21.90	73.00
DSP-BR Equity Fund - RP (D)	50.61	32.70	12.60	72.70
Sahara Growth Fund (G)	75.10	31.80	20.80	72.10
DSP-BR Top 100 Equity - RP (G)	84.84	30.60	15.30	70.50
Sundaram S.M.I.L.E Fund -RP (G)	28.74	44.10	20.00	70.80

ELSS

Scheme name	NAV	1 Year	2 Year	3 Year
Taurus Tax Shield (G)	29.95	36.10	24.50	88.20
Can Robeco Eqty TaxSaver (G)	20.18	50.30	18.70	84.20
Sundaram Tax Saver (G)	40.48	36.90	18.30	73.90
Sahara Taxgain (G)	30.99	43.00	21.80	65.20
Fidelity Tax Advantage (G)	16.70	29.50	5.90	53.30
Principal Personal Tax Saver	83.88	16.10	-11.60	53.30
SBI Magnum Tax Gain (G)	53.35	26.30	-2.60	44.70
Franklin India Tax Shield (G)	161.38	24.60	2.00	39.00
HDFC Tax Saver (G)	177.98	29.60	3.20	38.10
Tata Tax Advantage Fund-1(G)	13.05	24.70	4.00	34.50

Balanced

Scheme name	NAV	1 Year	2 Year	3 Year
Principal Child Benefit - CBP	78.18	18.20	11.00	70.90
Reliance RSF - Balanced (G)	17.90	42.00	29.00	61.60
Birla Sun Life 95 Fund (G)	254.44	42.20	14.90	59.00
DSP-BR Balanced Fund (G)	54.89	26.50	15.90	57.70
HDFC Prudence Fund (G)	158.24	34.60	18.20	56.40
Tata Balanced Fund (G)	67.65	30.50	9.10	54.50
SBI Magnum Balanced Fund (G)	45.29	27.10	6.80	44.40
Sundaram Balanced - RP (G)	42.18	24.20	7.40	44.20
FT India Balanced Fund (G)	42.25	21.20	4.80	43.50
Can Robeco Balance (G)	50.10	31.10	10.70	39.50

MIP

Scheme name	NAV	1 Year	2 Year	3 Year
Reliance MIP (G)	19.09	31.40	34.90	44.50
HDFC MIP - LTP (G)	19.97	25.80	24.90	41.70
Birla SL MIP II-Wealth 25 (G)	16.18	22.60	10.70	24.60
UTI MIS - Advantage Plan (G)	18.27	20.50	20.10	36.90
HSBC MIP - Savings Plan (G)	17.60	20.00	20.20	39.10
Principal MIP - MIP Plus (G)	17.49	18.00	24.80	42.60
ICICI Pru MIP (G)	23.54	17.60	17.70	28.90
Birla SL MIP II-Savings 5 (G)	16.09	14.60	31.80	42.60
FT India MIP (G)	25.62	13.70	13.00	28.70
Tata MIP Plus Fund (G)	14.42	13.30	12.00	24.80

Debt (long-term)

Scheme name	NAV	1 year	2 year	3 year
ICICI Pru Gilt Inv Plan - PF	18.24	31.00	48.00	59.40
Birla Sun Life GSec - LTF (G)	25.24	22.70	24.20	30.50
DSP-BR Govt. Securities (G)	31.34	22.10	31.00	37.20
JM G-Sec Fund (RP) (G)	29.25	21.90	36.00	40.70
Templeton (I) G-Sec - LTP (G)	22.61	18.40	33.40	40.20
Escorts Gilt Fund (G)	19.94	17.70	31.70	37.00
Birla SL Income Plus -B RP (G)	41.22	17.30	26.10	38.10
Reliance Income Fund (G)	30.26	17.20	25.20	33.20
IDFC GSec - PF- RP A (G)	14.67	17.00	27.20	35.40
DWS Premier Bond - RP (G)	15.04	17.00	21.10	26.00

Debt (short-term)

Scheme name	NAV	3 mnts	6 mnts	1 year
ICICI Pru Income Opp. - RP (G)	12.67	2.10	9.20	25.90
Can Robeco Income (G)	19.15	1.20	5.60	19.10
ING Gilt - Regular (G)	15.64	-0.50	4.80	18.30
Fortis Flexi Debt Fund -RP (G)	15.56	1.30	6.90	17.70
Kotak Bond (Regular) (G)	25.56	0.40	4.10	17.20
JM Short Term Plan (G)	17.51	1.20	3.20	15.50
IDFC GSec -Inv Plan -RP A (G)	17.45	-0.10	3.20	14.60
Fidelity Flexi Gilt Fund (G)	11.66	0.20	1.80	14.40
HSBC Flexi Debt Fund - RP (G)	12.20	1.20	4.60	14.20
HDFC Short Term Plan (G)	17.37	1.20	4.00	14.10

Source: moneycontrol.com; Note: All NAV as of September 24, 2009, all returns are expressed in percentage terms. *(Compiled by Amit Chopra)*

Average Assets Under Management for August 2009

(Rs. in crore)

Sr. No.	Name of the asset management company	Average assets under management for the month
A	BANK SPONSORED	
(I)	JOINT VENTURES - PREDOMINANTLY INDIAN	
1	Canara Robeco Asset Management Co. Ltd.	7,892
2	SBI Funds Management Private Ltd.	34,056
	TOTAL .... A (I)	41,948
(ii)	JOINT VENTURES - PREDOMINANTLY FOREIGN	
1	Baroda Pioneer Asset Management Co. Limited	5,414
	TOTAL .... A (II)	5,414
(iii)	OTHERS	
1	UTI Asset Management Company Ltd	73,926
	TOTAL .... A (III)	73,926
	TOTAL .... A (I+II+III)	121,288
B	INSTITUTIONS	
1	LIC Mutual Fund Asset Management Co. Ltd.	42,646
	TOTAL .... B	42,646
C	PRIVATE SECTOR	
(i)	INDIAN	
1	Benchmark Asset Management Co. Private Ltd.	1,213
2	DBS Cholamandalam Asset Management Ltd.	2,893
3	Deutsche Asset Management (India) Pvt. Ltd.	14,624
4	Edelweiss Asset Management Limited	96
5	Escorts Asset Management Ltd.	203
6	IDFC Asset Management Company Pvt Ltd.	24,856
7	J.M. Financial Asset Management Private Ltd.	8,709
8	Kotak Mahindra Asset Management Co. Ltd.	36,934
9	Quantum Asset Management Co. Private Ltd.	70
10	Reliance Capital Asset Management Ltd.	117,314
11	Religare Asset Management Co. Pvt. Ltd.	14,744
12	Sahara Asset Management Co. Private Ltd.	218
13	Tata Asset Management Ltd.	20,490
14	Taurus Asset Management Co. Ltd.	799
	TOTAL .... C (I)	243,163

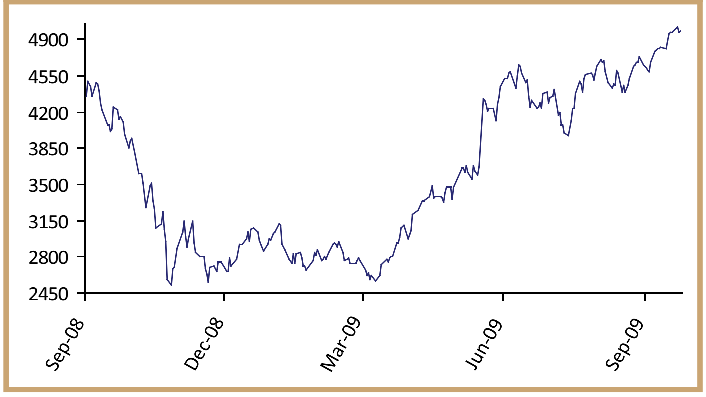
Sr. No.	Name of the asset management company	Average assets under management for the month
(ii)	FOREIGN	
1	AIG Global Asset Management Co (Ind) Private Ltd.	1,888
2	FIL Fund Management Private Ltd.	9,416
3	Fortis Investment Management (India) Pvt. Ltd.	10,145
4	Franklin Templeton Asset Management (Ind) Pvt Ltd.	28,867
5	Mirae Asset Global Investments (India) Private Ltd.	252
	TOTAL .... C (II)	50,568
(iii)	JOINT VENTURES - PREDOMINANTLY INDIAN	
1	Birla Sun Life Asset Management Co. Ltd.	62,867
2	DSP Blackrock Investment Managers Ltd.	17,142
3	HDFC Asset Management Co. Ltd.	93,874
4	ICICI Prudential Asset Management Co. Ltd.	77,967
5	Sundaram BNP Paribas Asset Management Co Ltd.	14,023
6	TOTAL .... C (III)	265,873
(iv)	JOINT VENTURES - PREDOMINANTLY FOREIGN	
1	Bharti Axa Investment Managers Private Limited	283
2	HSBC Asset Management (India) Private Ltd.	8,405
3	ING Investment Management (India) Private Ltd.	2,200
4	JP Morgan Asset Management (India) Private Ltd.	3,629
5	Morgan Stanley Investment Management Private Ltd.	2,237
6	Principal PNB Asset Management Co.private Ltd	9,451
7	Shinsei Asset Management (India) Pvt. Ltd.	173
	TOTAL .... C (IV)	26,378
	TOTAL .... C (I+II+III+IV)	585,982
	A+B+C	749,916

Source: amfiindia.com

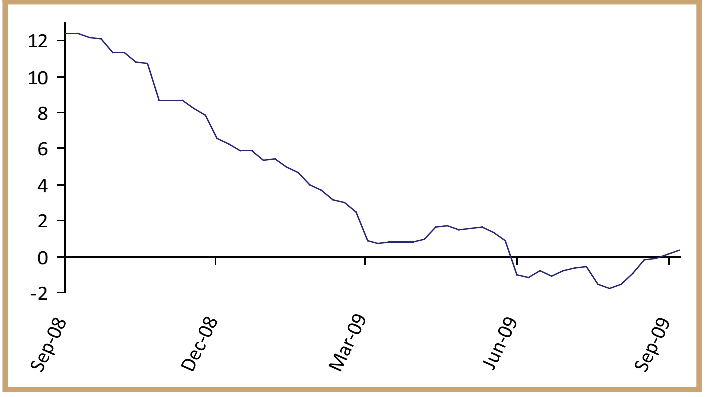
RNI Regn. No.APENG/2007/20423 Registered: L II/RNP/H-HD-1089/2008-10

Market Data

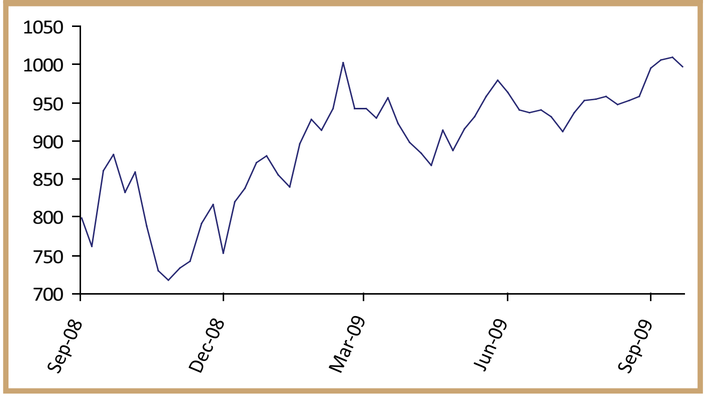
Nifty movement



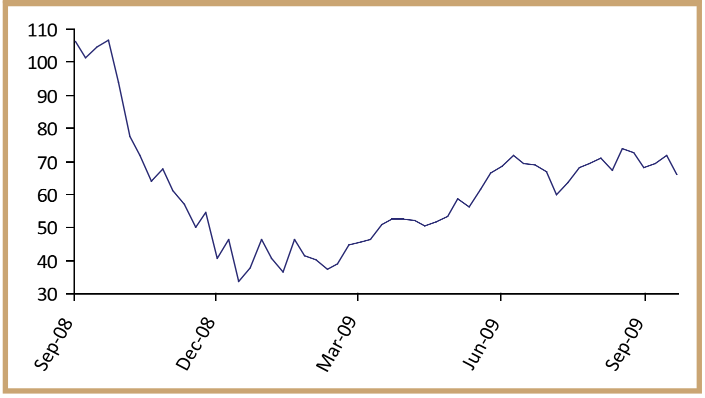
Inflation is at 0.37%



Gold (US$/oz)



Crude Oil (US$/INR)



Global indices: Weekly performance

	Close (Sep 25)	Close (Sep 18)	Weekly (%)	6M (%)	12M (%)	PE Ratio
ASIA						
Hang Seng	21024.40	21623.45	-2.77	54.34	11.04	22.49
STI	2662.82	2647.91	0.56	57.41	8.94	20.61
S. Korea	1691.48	1699.71	-0.48	37.63	12.64	36.65
Nikkei 225	10265.98	10370.54	-1.01	21.06	-14.50	-
AMERICA (closing as on Sep 24)						
Dow Jones	9707.44	9820.20	-1.15	25.26	-11.93	13.95
S&P 500	1050.78	1068.30	-1.64	29.11	-13.10	19.81
NASDAQ	2107.61	2132.86	-1.18	37.85	-3.61	33.75
Brazil Bovespa	60046.28	60703.01	-1.08	43.65	15.86	20.85
EUROPE (closing as on Sep 24)						
DAX 30	5605.21	5703.83	-1.73	32.94	-9.05	45.22
CAC 40	3758.36	3827.84	-1.82	30.03	-10.99	14.58

Source: Bloomberg

Domestic indices: Weekly performance

	Close (Sep 25)	Close (Sep 18)	Weekly (%)	6M (%)	12M (%)	PE Ratio
Sensex	16693.00	16741.30	-0.29	72.66	23.22	19.95
Nifty	4958.95	4976.05	-0.34	66.17	20.64	20.18
BSE 500	6418.96	6416.69	0.04	85.18	24.04	20.37
BSE Auto	6525.56	6603.10	-1.17	124.02	69.38	45.78
BSE Bankex	9434.49	9324.10	1.18	107.24	37.46	14.98
BSE Capital Goods	13477.32	13594.11	-0.86	121.12	19.72	33.40
BSE Consumer Durables	3469.43	3481.73	-0.35	124.12	11.40	11.65
BSE FMCG	2579.73	2535.59	1.74	30.76	18.98	27.80
BSE Healthcare	4309.79	4023.54	7.11	63.19	12.66	44.63
BSE IT	4413.46	4555.92	-3.13	93.06	31.81	20.89
BSE Oil & Gas	10240.15	10126.25	1.12	45.85	9.36	17.64
BSE Metal	13952.93	14514.59	-3.87	148.95	39.85	14.92
BSE Realty	4474.93	4473.21	0.04	164.53	16.53	20.88
BSE PSU	8793.88	8742.90	0.58	70.92	34.55	16.70
BSE Power	3028.35	3046.28	-0.59	67.28	24.52	29.66
BSE Teck	3176.97	3278.59	-3.10	75.25	17.45	20.96

(Compiled by Amit Chopra)

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