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NSE
52 Wk H/L : 5110.50/2252.75
Mcap : Rs53,52,687 cr.
BSE
52 Wk H/L : 17195.61/7697.39

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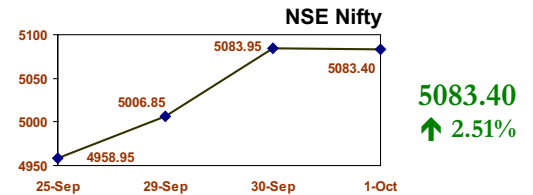
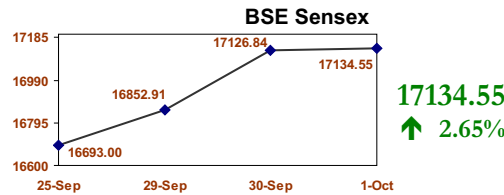
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Emerging economies lead the way...

If the revised forecasts of the International Monetary Fund (IMF) are any indication, then the emerging Asian nations are expected to power global economic growth. The IMF raised its global growth forecast to 3.1% in 2010, driven by China and India, which are expected to grow 9% and 6.4%, respectively. The huge stimulus measures, greater stability in the developed markets, and rising demand from the Asian economies should lead the rebound. Clearly, this news should give investors reason to cheer. In fact, foreign investors have been making a beeline for the Asian markets, with FIIs pumping in about Rs18,000 crore in September alone into the Indian bourses.

Last week, the BSE Sensex closed above 17,000 levels for the first time this year. So far, it has risen more than 100% since the March 2009 lows. However, the retail investor has been unable to participate in this rally. In the initial phase, the run-up was too fast in too short a time, and the investor was still in the throes of investment inertia after last year's market mayhem. Now that confidence has returned, he has become increasingly nervous about the valuations. However, indices continue to remain fairly valued and markets will be driven by second-quarter results expectations in the near term. Moreover, with global interest rates at historic lows, money will continue to flood assets in emerging markets, which can lead to inflationary hiccups in the long term.

With retail investors continue to wait in the wings for that elusive dip, the bulls have been on a roll. The Nifty is perhaps heading towards 5200-5300 levels in the near-term. However, it would be wise to start hedging one's portfolio from these levels. Investors could start by hedging atleast 30% of their portfolios at the current levels and make sure their portfolios are completely hedged by the time the Nifty reaches 5200-5300 levels. This week, the Nifty is likely to trade in a range of 4900-5200 levels as buying is likely to continue in most sectors barring FMCG and metals.

KBB weekly recommendations for the week beginning 05th Oct.

Scrip	Action	CMP	Entry	Stop Loss	Target	Time Frame
LIC HSG Fin	Buy	753.10	735-740	720	800-805	8-10Days
Wipro	Buy	608.05	605-608	594	632-635	5-6 Days
NIIT Ltd	Buy	76.35	Above 77	74	86-87	8-10Days
Ansul Infra	Buy	86.40	85-87	82	98-100	5-6 Days
SRF	Buy	188.20	185-188	177	205-206	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
Dish TV	Buy	43-45	41.00	52-53	3343	-3,343.47	-2.22%	CMP
IDBI	Buy	Above 125	119.00	138-140	1204	60.18	0.04%	CMP
Aurobindo Pharma	Buy	740-745	725.00	778-780	203	7,598.79	5.05%	TA
LITL	Buy	475-480	468.00	508-510	315	47.26	0.03%	CMP
Bank Of India	Buy	400-402	393.00	416-418	375	5,628.03	3.74%	TA
Total						9,990.80		

Balance on inception (26- Jan- 09)	Balance last week (25-Sep-09)	Balance current week (01-Oct-09)	Abs. returns WoW (%)	Abs. returns since Jan 26, 2009(%)
5,00,000	7,52,894	7,62,885	1.33	52.58

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



The power of compounding

Introduction to the “power of compounding”

Many of us have a tendency to postpone our decisions for a later date, particularly when it comes to building our investments or saving for a rainy day. Little do we realize that time plays a crucial role in building our nest egg, and the longer we wait to make that all-important decision, the lesser will be our ability to meet our short-term and long-term financial goals. Time and again, we have seen and heard of families who struggle to get their daughters married off or are unable to provide good education for their children.

The inability to meet a particular financial goal is widely perceived as a function of an individual’s net salary or a household’s net income—lower your take-home salary, lesser will be your chances to build wealth. Clearly, this is a myth—you don’t need to earn big to become a crorepati. The true secret to wealth accumulation and maximization is disciplined long-term investing, and the longer you remain invested, the more you can get your money to work for you through the “power of compounding.” In other words, starting to save at an early age is key to “compounding” your money.

The power of compounding is a tool that “makes your money work for you.” You may be surprised to know that you can actually build a huge nest egg even by investing a small amount, using the power of compounding, if you start investing early and in a disciplined manner.

Let us take the example of two twin brothers, Sanjay and Vijay. Sanjay began investing at a very early age—he was only 20 year old when he started investing Rs1,000 every month through a systematic investment plan (SIP) in an diversified equity fund. Today, after 15 years, at 35 years of age, Sanjay has stopped making any fresh investments and plans to allow his money to grow for the next 25 years. On the other hand, Vijay has started investing today at the age of 35, making a monthly SIP investment of Rs5,000 in the same equity diversified fund. He plans to continue investing in this fund for the next 25 years until his retirement at 60. Our basic assumption is that the diversified equity fund would show at a CAGR (compounded annual growth rate) of 15%.

If both Sanjay and Vijay are disciplined investors, who do you think will have a larger nest egg 25 years later—Sanjay or Vijay?

Well, the answer is SANJAY!!!

Surprising, isn’t it? By the time the brothers retire, Sanjay would have built a corpus of Rs2,20,06,542 (or Rs2.2 crore) whereas Vijay would have only Rs1,62,17,648 (Rs1.62 crore) in his savings kitty. This is particularly astonishing when you consider the following facts. Sanjay will be able to build a higher corpus despite investing a small sum of Rs1,000 every month, or Rs1,80,000 for 15 years. On the other hand, despite investing five times (Rs5,000 per month) that amount, or Rs15,00,000 for 25 years, Vijay will end up generating a lower corpus. The point we are trying to emphasise here is that the earlier you invest, greater will be the impact of the power of

compounding and higher will be your chances of effective wealth accumulation.

Is a crore good enough?

Clearly, for those who feel becoming a crorepati is an insurmountable task, all it requires is careful financial planning and disciplined investing over the long-term. The more time you have for investing, the greater will be the magic of the power of compounding. For instance, by investing just Rs1,500 (Rs3,000) every month in an equity fund SIP at a CAGR of 15%, you can become a crorepati in 30 (25) years. However, is planning to become a crorepati 25 years later good enough for you?

While one crore may sound like a respectable figure today, its value will erode over time due to the impact of inflation. For instance, assuming 5% inflation over the next 20 years, the value of Rs100 today would erode to just Rs38. In fact, there was a time not too long ago when you could get a cup of tea for 50 paisa; the same now costs Rs5. As a long-term investor, therefore, you have to set your sights higher if you want to build a comfortable nest egg for yourself, say, 25 or 30 years later.

In other words, inflation erodes the value of the rupee over time. Moreover, with advances in the field of technology, many people spend about one-third of their lives today post their retirement. In such a scenario, Sanjay’s retirement nest egg of Rs2.2 crore may just not be good enough to sustain him, particularly if he goes on to live for another 25-30 years after retiring at 60. So the key is to aim higher and invest from an early age, besides enhancing your investment amount on a periodic basis, in line with your salary hikes and change in income profile.

Rate of return	Investment time horizon				
	5 years	10 years	20 years	30 years	40 years
5%	6,78,674	15,46,195	40,72,584	82,00,551	1,49,45,401
10%	7,73,553	20,43,764	75,54,413	2,24,12,908	6,24,76,222
12%	8,16,697	23,00,387	98,92,554	3,49,49,641	11,76,47,725
15%	8,85,745	27,52,171	1,49,72,395	6,92,32,796	31,01,60,548

Impact of compounding

The above table shows an investment of Rs10,000 every month over different time periods and rates of return. At a CAGR of 15% over a 30-year period, you can build a corpus of about Rs7 crore. This is more than four times the nest egg (~Rs1.5 crore) that you would have built if your investment horizon was 20 years. Moreover, if you continue investing for another 10 years (a total of 40 years), you can multiply your corpus to a whopping Rs31 crore. We believe that even if you take a more conservative CAGR estimate of 12% or 10% for equities, you can comfortably beat inflation over the long-term. Clearly, the importance of equities for long-term wealth maximization cannot be understated.

- Amit Chopra and Satyan Nair

Market pulse

Bulk Deals

Company	Wt. Avg. Price (Rs.)	Traded Qty	Acquirer/Seller
Buy			
Everonn Education	426.01	265046	JP Morgan Funds
PVP Ventures	42.50	2700000	Citi Group Global Markets Mauritius
Lakshmi Over	134.6	320000	Swiss Fin. Corp. (Mauritius) Limited
Sell			
Hinduja Global Sols	512	200000	Invest India Mauritius Limited
3i Infotech	80.05	2935000	ICICI Bank Ltd
Ansal Housing	60.01	94000	Merrill Lynch Capital Markets
Sadbhav Engineering	871.00	117000	Gammon India

Top Gainers (Weekly)

Company	01-Oct	25-Sep	%Change
ICICI Bank	926.60	839.00	10.44
Axis Bank	1009.30	914.80	10.33
Wipro	608.05	566.35	7.36
Sun Pharma	1404.35	1308.30	7.34
TCS	629.85	587.40	7.23
RCom	318.50	301.40	5.67
Bharti Airtel	435.10	414.55	4.96
BHEL	2350.80	2242.65	4.82
M&M	890.10	849.90	4.73
Infosys	2336.75	2240.50	4.30

Top Losers (Weekly)

Company	01-Oct	25-Sep	%Change
Grasim	2691.65	2835.75	-8.35
BPCL	556.85	581.30	-7.20
Unitech	105.75	109.50	-6.41
Idea Cellular	73.80	75.95	-5.79
Tata Motors	579.90	593.45	-5.23
HDFC	2702.50	2748.35	-4.11
Power Grid	109.70	111.30	-4.06
NTPC	210.50	213.15	-3.77
Hero Honda	1633.95	1652.30	-3.63
ITC	232.55	235.00	-3.52

FII Invt (Rs.cr)

MF (Rs.cr)

Date	Purchases	Sales	Purchases	Sales
25-Sep-09	5711.20	4389.10	581.20	688.50
29-Sep-09	5440.30	2128.40	700.90	679.70
30-Sep-09	3702.90	2600.40	-	-
Total	14854.40	9117.90	1282.10	1368.20

Corporate Actions

Company	Date	Purpose
Infosys	9-Oct-09	Audited Results / Div
South Indian Bank	11-Oct-09	Unaudited Results
Geojit BNP Paribas Financial Services	12-Oct-09	Unaudited Results
IL&FS Investment Managers	13-Oct-09	Financial Results
HDFC Bank	14-Oct-09	Unaudited Results

(Compiled by Krishnaveni M)

Godawari Power & Ispat (Rs170)

Pellet plant and second iron-ore mine coming on-stream soon: In our recent interaction with the management, we came across some positive developments in Godawari Power & Ispat (GPIL). The progress of GPIL's pellet plant is in line with its plan and the unit is expected to start commercial production by end-October 2009. Moreover, we have been informed that the company is expecting its second iron-ore mine at Boria Tibu, Chhattisgarh, to come on-stream during Q3FY10 against our expectation of Q4FY10. We reiterate our positive stance on the company against the backdrop of these backward integration initiatives.

Pellet plant to accrue benefit by saving raw material costs: A pellet plant converts iron fines (dust form) into granular pellets of the desired shape by compressing the fines (dust form). These pellets are then used as an alternative to sized iron ore lumps. Pellets are produced in uniform size, with a purity of 63-68%, contributing to faster reduction and high metallisation rates. With a pelletisation plant, steel companies can save significant raw material costs. The benefits could be two-fold:

- 1) *Improvement in efficiency; and*
- 2) *Cost-saving from value addition.*

We believe that by using pellets instead of ore lumps, the efficiency of the plant improves, as pellets are a condensed form of iron ore and are of uniform size unlike lumps. The other aspect of saving comes from value addition from the pelletisation process. We believe there would be a saving of Rs1,800-2,000/tonne of iron ore for GPIL through this process. Currently, iron ore fines are available at Rs1,200 per/tonne, and adding a conversion cost of Rs1,000/tonne, we expect the cost of sized pellets for GPIL to be Rs2,200/tonne against the open market iron lumps' rate of Rs3,500-4,000/tonne. Hence, we are optimistic that in future this pellet plant would be an important aspect of backward integration for GPIL and continue to boost margins through savings.

GPIL's 6,00,000-tonne per annum pellet plant, along with the crushing and beneficiation plants, are expected to be operational by end-October 2009. The iron ore mines are expected to generate fines at an average of 30% of the total mined output. Therefore, the fines generated will be converted into pellets for captive use instead of selling it outside. This would help in cost savings and eventually translate into higher margins and profitability.

The company is positive that its second mine at Boria Tibu will come on stream in Q3FY10 against our expectations of Q4FY10. However, we remain unchanged on our assumption related to commencement of the iron ore mine considering the regulatory issues surrounding it.

Merchant power, blessing in the dark: We believe selling power through the merchant route has been a blessing for the company during the downturn and the benefit is still quite attractive. During the course of our recent interaction, we found out that the merchant power rate was hovering in the range of Rs11-13/unit during August and September 2009, mainly due to the delayed monsoon. We believe that merchant power would continue to be a significant contributor to GPIL's bottom-line until steel prices remain subdued. In FY10, we expect the power segment to contribute 40-45% at the EBITDA level while contribution at the net sales level is likely to remain around 12-15%.

Valuation: Since our last update on the stock on August 20, 2009, where we had an Outperformer rating, it has shot up 55% to-date and has bridged the valuation gap with that of its peers—based on which we had reiterated our positive stance on the stock. Currently, GPIL is trading at 1.1x FY09E and 0.9x FY10E BV. On the back of the above-mentioned progress of GPIL, we are revising our target multiple to 1x FY10E BV from 0.7x FY10E BV. Hence, we revise our target price from Rs128/share to Rs183/share. Although we remain positive on the stock, we downgrade our rating from 'Outperformer' to 'Market performer' due to its recent run-up.

Peer comparison	CMP	BV(FY09)	P/BV	Mcap in (Rs bn)
Tata Sponge	251	236	1.1	3.0
Monnet Ispat	360	222	1.6	12.0
Adhunik	97	34	2.9	6.1
Jai balaji	230	75	3.1	7.3
Sarda	184	118	1.6	4.5
GPIL	170	161	1.1	4.8
TATA STEEL	523	300	1.7	263.2

Source: Karvy Research

- Equity Research Desk

Mirae Asset China Advantage Fund

Background

In today's world, if you are a strategist or a decision-maker in almost any enterprise anywhere in the world, you can't ignore the impact being made by China. The widespread belief is that global recovery would be led by emerging markets, spearheaded by China. It is therefore essential that all businesses and investors, whether directly engaged with China or not, have a China strategy.

India's first pure China fund

Mirae Asset China Advantage Fund is India's first pure China fund that invests only in Chinese Markets. Chinese Markets include companies listed on mainland (local) stock exchanges (A- & B-shares*) and Hong Kong Stock Exchange (H-shares & red chips*). It does not include Taiwan and Singapore, which form a part of the Greater China markets. This is the first fund of fund that also seeks to take exposure to A-shares through various avenues like ETF units/overseas mutual funds. This should enable the fund to take exposure to Chinese companies with high investment potential that are not listed on the Hong Kong Stock Exchange.

* *A-Shares* - Shares of Chinese companies listed on Shanghai/Shenzhen stock exchanges quoted in Renminbi and having access to domestic investors and foreign investors holding QFII license. *B-Shares* - Shares of Chinese companies listed on Shanghai/Shenzhen stock exchanges, quoted in foreign currencies. *H-Shares* - Shares of companies incorporated in mainland China that are listed and traded on the Hong Kong Stock Exchange. *Red Chips* - Shares of mainland Chinese companies incorporated outside China and listed in Hong Kong. The actual business is based in mainland China and usually controlled by the shareholders in mainland China.

Why should one invest in the new product?

1. China: Poised for exponential growth

In the next 10 years, China is poised to be the second-largest economy in the world: China has been able to clock a GDP growth of 7.9%* in the second quarter of 2009, even as major economies struggle to arrest the slide in their GDP growth rates.

Strong fiscal position with fiscal deficit of just 0.4% of GDP last year:* This places it in a strong position to give further impetus to economic growth through stimulus packages, if required.

Rising investment and consumption: Urban fixed asset investment rose by 35%* Y/Y in June 2009 due to stimulus packages, with Chinese state-owned enterprises investing heavily in infrastructure projects. Private consumption is recovering quickly due to growth in urban income and expenditure due to softening inflation, as food prices have fallen.

Ample liquidity with outstanding bank lending accelerating to 34.4% Y/Y in June 2009:* The increasing bank lending is an important factor in sustaining domestic demand, with total new loans expected to exceed RMB9 trillion, which is more than enough to support economic recovery. *Source: UBS Asian Economic Monitor, July 2009

Strong forex reserves to fuel stimulus: By end-2008, China's forex reserves were US\$1.95 trillion, which is nearly eight times that of India. The huge Chinese forex reserves also provide China the leeway to continue with its large-scale fiscal stimulus package to compensate for any fall in exports. (Source: NFL Cap, July 2009)

Invest in the most promising infrastructure story in the region: The shift towards domestic demand as a driver of future investment provides the need for long-term infrastructure development in China. We expect massive development in roads, rail, domestic ports/airports, with China dominating infrastructure spending in the region.

Invest in the world's largest corporations: An all-time record number of 37 Chinese companies appeared in the 2009 Fortune Global 500 ranking of the world's largest corporations compared to India's 7 companies. Oil giant, Sinopec or China Petroleum & Chemical Corp, made it to the top-10. Sinopec, China's top company, ranked 9th in the list, has revenues of nearly US\$208 billion, which is nearly three times that of India's top-ranked company, Indian Oil.

Strong performance of Chinese equity markets: In the long term, Chinese equity markets have outperformed many of the global equity markets.

Indices performance in INR as on August 31, 2009 (absolute return %)

Indices	3 M	6 M	YTD	1 year	3 year
China Market Indices					
CSI 300 Index*	5.01%	26.48%	56.16%	31.69%	158.42%
MSCI Golden Dragon Index (Greater China Index)*	7.15%	46.43%	41.13%	4.14%	19.37%
MSCI China Index	10.66%	49.80%	39.68%	8.95%	59.86%
MSCI INDIA INDEX	8.49%	83.08%	68.56%	6.61%	32.03%
MSCI BRAZIL INDEX	9.53%	61.39%	72.00%	-9.54%	61.33%
MSCI RUSSIA INDEX	-2.34%	71.98%	58.29%	-34.94%	-42.55%

Source: Bloomberg. Note: CSI 300 Index: 300 A-share stocks listed on the Shanghai or Shenzhen Stock Exchanges; MSCI Golden Dragon Index: Aggregate of the MSCI Hong Kong, the MSCI China Free Index and MSCI Taiwan Indices.

2. Mainland China (A-shares): An untapped opportunity

First fund of funds that also seeks to take exposure to A-shares: Mirae Asset China Advantage Fund also seeks to take exposure to the A-share market through various avenues like ETF units / overseas mutual funds launched by entities having a QFII (Qualified Foreign Institutional Investor) license, focusing on investing in equities and equity-related securities of companies domiciled in or having their area of primary activity in China and Hong Kong. Foreign investors can invest in A-shares (local company stocks) through the scheme of QFIIs only. Currently, only around 60 QFIIs are allowed to invest in the A-share market. Mirae Asset Global Investments Co. Ltd, Korea is one of the QFIIs which can invest in local company stocks listed in the A-share market.

A market with a strong track record over the medium- to long-term: The local stock market (A-share) has a strong track record over the medium to long term as seen in the performance of mainland Chinese indices which have outperformed both Greater China and H-share indices.

Indices performance in INR as on August 31, 2009 (absolute return %)

Indices	3 M	6 M	YTD	1 year	3 year
Mainland China Market Indices					
CSI 300 Index*	5.01%	26.48%	56.16%	31.69%	158.42%
SHCOMP Index*	3.74%	22.52%	46.94%	23.83%	96.56%
Greater China Market Index					
MSCI Golden Dragon Index*	7.15%	46.43%	41.13%	4.14%	19.37%
Other China Market Indices					
H-Share Index (HSCEI)*	12.16%	56.18%	43.42%	8.23%	72.61%
MSCI China Index	10.66%	49.80%	39.68%	8.95%	59.86%
MSCI India Index	8.49%	83.08%	68.56%	6.61%	32.03%

Source: Bloomberg. *Note: CSI 300 Index: 300 A-share stocks listed on the Shanghai or Shenzhen Stock Exchanges; SHCOMP Index: A-share & B-share stocks listed on the Shanghai Stock Exchange; CSI 100 Index: 100 A-share stocks listed on the Shanghai or Shenzhen Stock Exchanges; MSCI Golden Dragon Index: Aggregate of the MSCI Hong Kong, the MSCI China Free Index and MSCI Taiwan Indices; HSCEI Index: Chinese companies (H-Shares) listed on Hong Kong Stock Exchange and included in the Hang Seng Mainland Composite Index.

New fund offer

Exposure to niche sectors/companies: The local Chinese market provides exposure to niche sectors / companies which include Chinese wine, traditional Chinese medicine, securities, agriculture, hydro power, animal vaccine, machinery parts, etc.

3. Why one should consider investing in China?

Portfolio diversification: The price correlation with respect to global markets is low. Hence, exposure to mainland Chinese stocks can help investors in terms of portfolio diversification.

Correlation: 2005-09

Index	Brazil	Russia	India	Hong Kong	USA	UK
CSI300	0.12	0.12	0.16	0.35	0.01	0.05
SHCOMP	0.12	0.13	0.16	0.35	0	0.06
HSCEI	0.39	0.44	0.52	0.85	0.15	0.34

Source: Bloomberg, Jul 2009

Portfolio optimization: Portfolio exposure to Chinese markets facilitates optimization of risk-adjusted returns.

Index Weighting		Portfolio characteristics		
MSCI China Index	BSE Sensex	Annualized volatility	Annualized return	Risk adjusted return
0%	100%	27.20%	12.46%	0.46
10%	90%	26.02%	12.47%	0.48
20%	80%	25.17%	12.37%	0.49
30%	70%	24.68%	12.15%	0.49
40%	60%	24.59%	11.83%	0.48
50%	50%	24.90%	11.39%	0.46
60%	40%	25.58%	10.85%	0.42
70%	30%	26.62%	10.21%	0.38
80%	20%	27.97%	9.46%	0.34
90%	10%	29.58%	8.60%	0.29
100%	0%	31.43%	7.65%	0.24

Source: Bloomberg, Note: The calculations are determined based on weekly returns data from 01/01/2000 to 14/08/2009. The past performance may or may not be sustained in the future.

4. Fund features

Investment objective: The investment objective of the scheme is to generate long-term capital appreciation by investing predominantly in units of Mirae Asset China Sector Leader Equity Fund and/or units of other mutual fund schemes, or units of exchange-traded schemes that focus on investing in equities and equity-related

securities of companies domiciled in or having their area of primary activity in China and Hong Kong. The scheme may also invest a certain portion of its corpus in debt and money market securities and/or units of debt/liquid schemes of domestic mutual funds to meet liquidity requirements from time to time. The scheme does not guarantee or assure any returns.

Mirae Asset China Sector Leader Equity Fund Performance: The fund performance in INR as on August 31, 2009 (absolute returns %)

Fund	1 M	3 M	6 M	YTD	Inception
Mirae Asset China Sector Leader Equity Fund (SICAV Fund)	-5.27%	11.61%	54.41%	46.61%	11.18%
Benchmark					
MSCI China	-5.51%	10.66%	49.80%	39.68%	13.41%

Source: Bloomberg. Past performance may or may not be sustained in the future. SICAV Fund Size as on August 31, 2009 was US\$13.24 million.

Asset Allocation:

Fund Performance in INR as on 31st Aug, 2009 (Absolute returns %)

Instruments	Indicative allocations (% of total assets)	
	Min	Max
Units of Mirae Asset China Sector Leader Equity Fund and/or units of other mutual fund schemes, units of ETFs investing in equities and equity related securities of companies domiciled in or having their area of primary activity in China and Hong Kong*	80	100
Money market instruments/debt securities Instruments** and/or units of debt/liquid schemes of Domestic Mutual Funds.	0	20

*Equity and equity-related instruments include convertible debentures, equity warrants, convertible preference shares, equity derivatives, etc.

** Debt instruments include securitized debt up to 20% of the corpus.

Minimum investment: Rs5,000/- (multiples of Re1/- thereafter)

Plans / Options: The scheme shall have a regular plan with dividend and growth options

Additional purchase: Rs1,000/- (multiples of Re. 1/- thereafter)

Benchmark index: MSCI China Index (in INR terms)

Load structure: Entry load - NIL;

Exit load - 1% up to 90 days from the date of allotment, 0.5% up to 180 days from the date of allotment;

SIP/STP/SWP—1% up to 365 days from the date of allotment.

(contributed by Pradeep Kumar S.)

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Mutual fund performance

Equity diversified

Scheme name	NAV	1 Year	2 Year	3 Year
IDFC Premier Equity - A (G)	23.84	40.90	20.50	109.90
Reliance RSF - Equity (G)	25.68	43.00	29.10	80.50
Sahara Infrastructure-VPO (G)	17.15	52.50	12.20	75.20
Tata Equity P/E Fund (G)	39.77	44.00	10.00	75.10
Baroda Pioneer Growth (G)	48.20	46.80	19.60	73.70
ICICI Pru Infrastructure (G)	28.01	25.10	7.00	72.90
Sahara Growth Fund (G)	76.56	37.90	19.30	72.40
DSP-BR Top 100 Equity - RP (G)	86.71	35.90	14.10	71.80
Sundaram S.M.I.L.E Fund -RP (G)	29.33	52.30	16.80	71.50
HDFC Top 200 Fund (G)	171.77	42.90	21.60	71.40

ELSS

Scheme name	NAV	1 Year	2 Year	3 Year
Can Robeco Eqty TaxSaver (G)	20.78	59.00	19.40	85.00
Taurus Tax Shield (G)	30.59	46.10	21.70	84.50
Sundaram Tax Saver (G)	41.10	40.90	15.60	72.20
Sahara Taxgain (G)	31.73	51.60	20.90	65.40
Fidelity Tax Advantage (G)	17.11	36.10	5.70	54.60
Principal Personal Tax Saver	85.23	23.60	-12.70	49.30
SBI Magnum Tax Gain (G)	54.13	32.40	-3.90	42.80
Franklin India Tax Shield (G)	164.50	29.40	1.40	39.50
HDFC Tax Saver (G)	183.30	36.70	4.40	39.10
Tata Tax Advantage Fund-1(G)	13.23	28.90	2.10	34.50

Equity (FMCG)

Scheme name	NAV	1 Year	2 Year	3 Year
SBI Magnum FMCG Fund	18.31	32.90	19.00	26.50
Franklin FMCG Fund (G)	44.33	24.10	14.90	25.10
ICICI Pru FMCG Fund (G)	46.78	23.10	-0.10	20.40

Equity (Speciality)

Scheme name	NAV	1 Year	2 Year	3 Year
Birla Sun Life Basic Industries (G)	88.61	36.00	-5.20	39.60
Birla Sun Life Buy India (G)	33.83	38.50	8.90	35.40
Reliance Diver. Power - RP (G)	74.58	44.80	30.80	151.10
Reliance Media & Entertain (G)	24.72	22.90	-21.20	27.10
Tata Life Sc & Tech Fund (G)	59.50	66.50	19.60	42.90
UTI Energy Fund (G)	10.62	26.10	-15.40	5.00
UTI Services Industries (G)	51.05	29.90	-15.40	23.60
UTI Transport & Logistics (G)	21.16	66.10	18.30	9.90

Equity (Tech)

Scheme name	NAV	1 Year	2 Year	3 Year
DSP-BR Technology.Com -RP (G)	28.57	37.00	-5.60	58.20
Birla SL New Millennium (G)	18.05	26.80	-13.80	11.60
ICICI Pru Tech. Fund (G)	12.38	31.80	-18.10	11.20
Franklin Infotech Fund (G)	47.70	46.50	3.60	6.00
SBI Magnum IT Fund	17.38	20.50	-23.30	-4.20

Equity (Banking)

Scheme name	NAV	1 Year	2 Year	3 Year
Sahara Bkg & Fin. Services (G)	23.00	128.20	--	--
Sundaram Fin-Serv. Opp.-RP (G)	15.39	55.10	--	--
Reliance Banking Fund (G)	72.99	53.10	32.00	109.00
UTI Banking Sector (G)	32.53	51.20	14.80	82.10
ICICI Pru Bkg & Fin Serv-RP(G)	14.07	43.70	--	--
Religare Banking Fund -RP (G)	14.91	36.50	--	--

Equity (Pharma)

Scheme name	NAV	1 Year	2 Year	3 Year
Reliance Pharma Fund (G)	35.93	59.70	39.70	85.30
Franklin Pharma Fund (G)	40.41	43.40	44.10	47.90
UTI Pharma & Health (G)	26.78	18.70	19.30	26.60
SBI Magnum Pharma Fund (G)	32.71	21.20	-4.70	-5.20

Source: moneycontrol.com; Note: All NAV as of September 30, 2009, all returns are expressed in percentage terms.

(Compiled by Amit Chopra)

MUTUAL FUNDS

Balanced

Scheme name	NAV	1 Year	2 Year	3 Year
Principal Child Benefit - CBP	79.25	25.40	10.20	68.80
Reliance RSF - Balanced (G)	18.16	49.00	27.90	62.70
Birla Sun Life 95 Fund (G)	258.47	48.60	14.30	58.90
DSP-BR Balanced Fund (G)	55.82	30.90	15.30	59.00
HDFC Prudence Fund (G)	161.18	40.60	17.50	56.60
Tata Balanced Fund (G)	69.05	36.70	9.20	55.80
Sundaram Balanced - RP (G)	42.84	29.80	7.00	44.60
SBI Magnum Balanced Fund (G)	45.92	32.80	5.80	44.00
FT India Balanced Fund (G)	42.83	25.10	4.90	43.70
Can Robeco Balance (G)	51.28	37.10	11.20	41.20

MIP

Scheme name	NAV	1 Year	2 Year	3 Year
Reliance MIP (G)	19.07	31.40	33.80	43.40
HDFC MIP - LTP (G)	20.04	27.30	24.10	41.20
Birla SL MIP II-Wealth 25 (G)	16.19	24.70	10.00	24.00
UTI MIS - Advantage Plan (G)	18.40	22.10	20.30	36.90
Birla SL Monthly Income-A (G)	32.88	21.10	18.40	34.50
HSBC MIP - Savings Plan (G)	17.60	20.50	18.90	38.80
Principal MIP - MIP Plus (G)	17.53	19.10	23.80	41.90
ICICI Pru MIP (G)	23.51	18.30	17.00	28.30
FT India MIP (G)	25.76	14.80	13.00	28.80
Tata MIP Plus Fund (G)	14.42	14.30	11.50	24.40

Debt (Long-term)

Scheme name	NAV	1 Year	2 Year	3 Year
Birla Sun Life GSec - LTF (G)	25.25	22.60	23.80	30.40
DSP-BR Govt. Securities (G)	31.19	21.60	30.30	36.30
JM G-Sec Fund (RP) (G)	29.18	20.70	35.50	40.10
ICICI Pru Income (G)	29.49	20.60	30.60	39.10
ICICI Pru Gilt (TP) (G)	23.74	18.40	26.50	34.40
Kotak Gilt-Inv PF & Trust (G)	30.70	17.60	24.70	29.30
Templeton (I) G-Sec - LTP (G)	22.49	17.40	32.70	39.10
Escorts Gilt Fund (G)	19.89	17.30	31.30	36.30
Birla SL Income Plus -B RP (G)	41.18	16.80	25.70	37.70
DWS Premier Bond - RP (G)	15.00	16.80	20.50	25.20

Debt (Short-term)

Scheme name	NAV	3 mth	6 mth	1 Year
ICICI Pru Income Opp. - RP (G)	12.62	0.90	10.10	25.20
Can Robeco Income (G)	19.14	0.50	5.60	19.10
ING Gilt - Regular (G)	15.64	-0.50	4.80	18.30
Fortis Flexi Debt Fund -RP (G)	15.53	0.80	7.90	17.30
Kotak Bond (Regular) (G)	25.48	-0.30	4.20	17.00
IDFC Dynamic Bond - RP A (G)	18.02	-0.60	3.90	16.00
JM Short Term Plan (G)	17.52	1.00	3.10	15.20
ICICI Pru Short Term Plan (G)	18.55	0.90	3.90	14.90
HDFC Short Term Plan (G)	17.41	1.10	4.20	14.10
Sahara Income Fund (G)	17.24	1.90	4.40	14.00

Source: moneycontrol.com; Note: All NAV as of September 30, 2009, all returns are expressed in percentage terms.

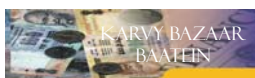
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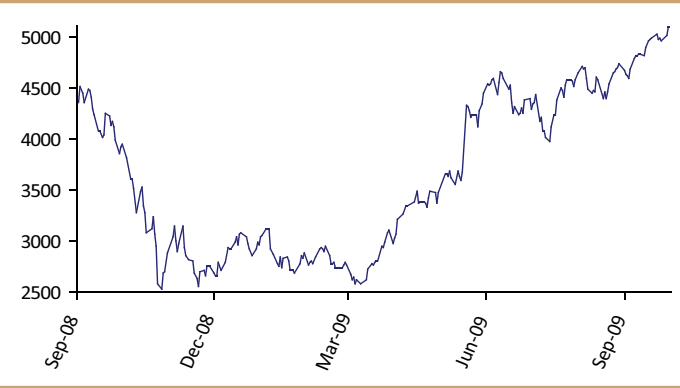
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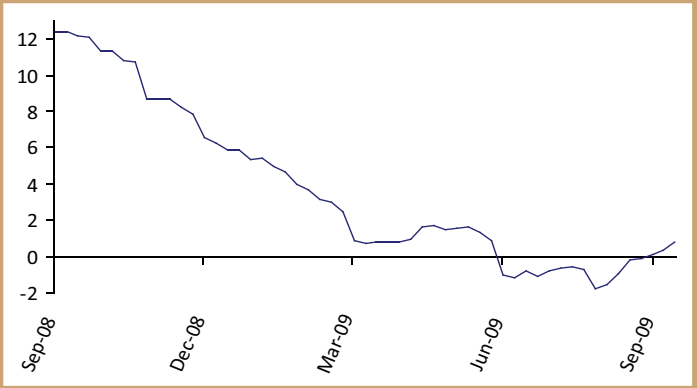


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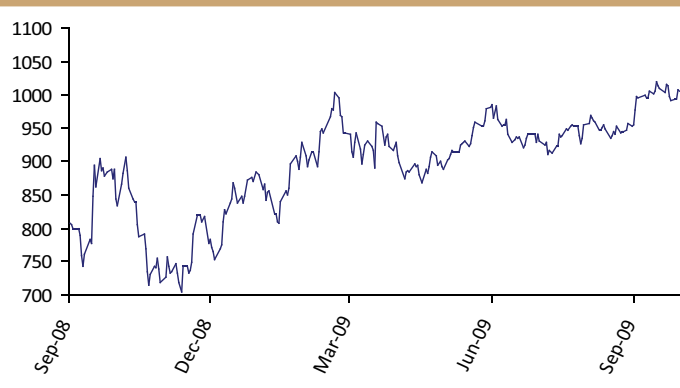
Nifty movement



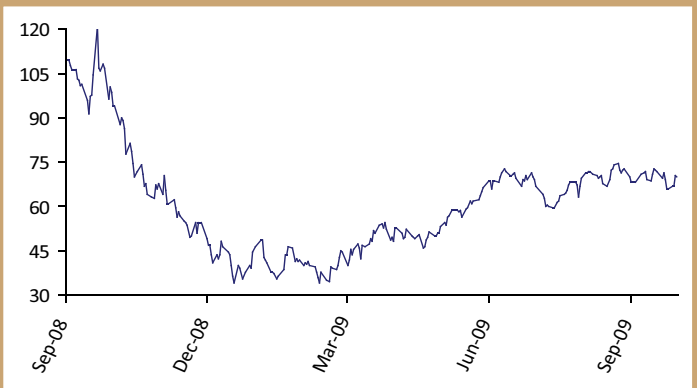
Inflation is at 0.83%



Gold (US\$/oz)



Crude Oil (US\$/INR)



Global indices: Weekly performance

	Close (Oct 01)	Close (Sep 25)	Weekly (%)	6M (%)	12M (%)	PE Ratio
ASIA						
Hang Seng	20955.25	21024.40	-0.33	55.00	16.31	22.41
STI	2657.44	2662.82	-0.20	56.11	12.66	20.56
S. Korea	1644.63	1691.48	-2.77	33.35	14.24	35.70
Nikkei 225	9978.64	10265.98	-2.80	19.48	-12.22	-
AMERICA (closing as on Sep 30)						
Dow Jones	9712.28	9665.19	0.49	25.13	-10.33	13.96
S&P 500	1057.08	1044.38	1.22	30.33	-8.96	19.92
NASDAQ	2122.42	2090.92	1.51	36.79	2.56	34.12
Brazil Bovespa	61517.89	60355.73	1.93	46.55	23.53	21.36
EUROPE (closing as on Sep 30)						
FTSE-100	5133.90	5082.20	1.02	28.90	2.80	88.03
DAX 30	5675.16	5581.41	1.68	36.81	-2.66	45.52
CAC 40	3795.41	3739.14	1.50	32.76	-7.02	14.59

Source: Bloomberg

Domestic indices: Weekly performance

	Close (Oct 01)	Close (Sep 25)	Weekly (%)	6M (%)	12M (%)	PE Ratio
Sensex	17134.55	16693.00	2.65	73.04	31.24	20.48
Nifty	5083.40	4958.95	2.51	66.11	28.67	20.67
BSE 500	6556.29	6418.96	2.14	82.87	32.35	20.64
BSE Auto	6603.19	6525.56	1.19	114.27	79.06	46.32
BSE Bankex	9931.79	9434.49	5.27	115.81	48.50	15.77
BSE Capital Goods	13730.74	13477.32	1.88	112.44	29.62	34.03
BSE Consumer Durables	3475.98	3469.43	0.19	108.92	15.27	11.67
BSE FMCG	2592.49	2579.73	0.49	27.55	18.33	27.94
BSE Healthcare	4347.21	4309.79	0.87	54.68	17.15	37.50
BSE IT	4611.23	4413.46	4.48	95.55	43.30	21.83
BSE Oil & Gas	10387.67	10240.15	1.44	43.16	16.20	17.01
BSE Metal	14202.60	13952.93	1.79	143.82	56.91	15.18
BSE Realty	4507.64	4474.93	0.73	173.97	31.53	21.04
BSE PSU	8932.12	8793.88	1.57	69.51	41.43	17.37
BSE Power	3063.15	3028.35	1.15	64.99	34.07	31.48
BSE Tech	3308.11	3176.97	4.13	76.19	26.64	21.82

(Compiled by Amit Chopra)

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