



# KARVY BAZAAR BAATEIN

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<b>NSE</b>	
52 Wk H/L	: 5310.85/2539.45
Mcap	: Rs62,02,950 cr.
<b>BSE</b>	
52 Wk H/L	: 17790.33/8047.17

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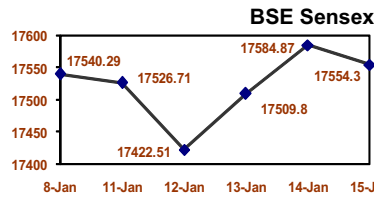
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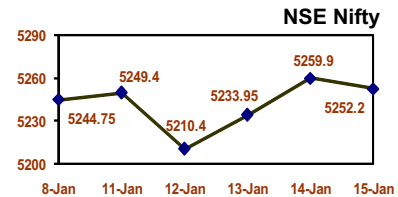
by **S. Gopichand** on behalf of Karvy Stock Broking Limited.

Editor: **S. Gopichand**

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**17554.30**  
↑ 0.08%



**5252.20**  
↑ 0.14%

### Positive take-off in 2010...

Clearly, 2010 has begun on a positive note, with quarterly results of major companies coming in-line or beating market expectations. Axis Bank, HDFC Bank, Indus Ind Bank, IDBI Bank, UCO Bank, Infosys, TCS, Bajaj Auto, Bajaj Hindusthan, Shree Renuka Sugars, Rallis India, and Escorts have registered strong performance for the quarter. Meanwhile, both the Index of Industrial Production (IIP) and inflation (as measured by the Wholesale Price Index) came in marginally better than expectations. While inflation for December came in lower than expected, at 7.31%, the IIP showed a remarkable growth of 11.7% for the period.

Short-term and derivatives traders found the going tough last week as markets moved in a narrow range with low volatility. Long-term investors, on the other hand, should be relieved with the steady pace of the Sensex and Nifty, particularly considering that these benchmarks (and the heavyweights that they represent) are not really cheap. If this pace continues, it would give long-only investors an opportunity to capitalize on the India growth story and build their portfolio over time without fear of the market running away. Meanwhile, in the mid-cap space, stock-picking is the way to go as valuations in these stocks are relatively attractive than the large-cap counterparts. In the near term, we need to watch out for corporate earnings and the extent of policymakers' exit policy and the Budget. Needless to say, economic growth still remains the top priority, and despite the rising inflation and IIP numbers, any delay in credit pick-up can help the government to prolong the stimulus measures further.

Last week, IT stocks witnessed maximum buying interest after Infosys announced better-than-expected results for the third quarter. The company also revised upward its revenue guidance for FY10. The BSE IT Index was up 9% last week. Meanwhile, FIIs pumped in about Rs4,500 crore in the cash market alone last week. This week, IT, cement and shipping stocks are also likely to witness buying on every dip. Realty, energy and telecom stocks are likely to continue to see selling pressure on every rise in the market. Overall, the Nifty is likely to trade in a range of 5100-5300 levels over the week with 5180 levels being a crucial intermediate support.

### KBB weekly recommendations for the week beginning 18<sup>th</sup> Jan.

Scrip	Action	CMP	Entry	Stop Loss	Target	Time Frame
Cipla	Buy	350.20	346-350	338	368-370	5-6 Days
Bharti Shipyard	Buy	343.25	Above 350	340	378-380	5-6 Days
ICICI Bank	Buy	842.45	835-840	820	880-882	5-6 Days
Tata Motors	Buy	797.20	795-798	788	818-820	5-6 Days
Arvind	Buy	40.95	40-41	38	48-50	10-15 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
HCC	Buy	155-158	152.00	169-170	1075	-4,839.21	-2.88%	SLT
Opto Circuits	Buy	234-236	228.00	250-252	-	-	-	NI
Gail	Buy	424-427	418.00	445-446	396	0.00	0.00%	CMP
ABB	Buy	790-795	777.00	828-830	-	-	-	NI
NTPC	Buy	230-232	225.00	248-250	729	910.70	0.54%	CMP

**Total** -3,928.51

Balance on inception (01-Jan-10)	Balance last week (08-Jan-10)	Balance current week (15-Jan-10)	Abs. returns WoW (%)	Abs. returns since Jan 01, 2010(%)
5,00,000	5,04,891	5,00,962	(0.78)	0.19

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

#### Axis Bank

**CMP: 1077.80**

The banking stocks underperformed the broader market in the last one month, given the fear of a CRR and repo rate hike by the RBI to contain increased liquidity and higher inflation. Contrary to the sector performance, Axis Bank outperformed all private banks and staged a significant rally, surpassing 8, 21 and 50-day moving averages around 975 levels. The 14-day RSI has just hit the overbought territory, but the move still appears to be northward in the near term, indicating strengthening of the trend. 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 an immediate resistance around the 1100 levels, beyond which the stock could move up to 1180 and 1200 levels in the short term. Investors are advised to assume long positions in the stock in the range of 1065-1075 levels for an upside target of 1180 and 1200 levels in the short term. All long positions in the stock should be protected with a stop loss below 1040 levels on a closing basis.

#### ACC

**CMP: 980.80**

The cement stocks largely underperformed the broader index, mainly due to the constant price decline last year. In the last couple of months, however, the sector has shown strength as cement prices witnessed a gradual rise. Moreover, anticipation of stronger demand by March 2010 could further push up cement prices. ACC has been one of the leading gainers in recent sessions after bouncing back from its 21-day EMA at 900 levels. The stock has climbed above all its moving average, which is a positive takeaway in the near term. It gave a breakout after consolidating at 930 levels, and has since risen sharply, although the 14-day RSI is hovering in the overbought territory, hinting marginal profit-taking from current levels. However, the stock has a crucial support around 950-930 levels and resistance around 980 levels which will be the critical point of observation. Investors are advised to assume long positions in the stock above 980 levels for a short-term target of 1040 and 1080 levels. All long positions in the stock should be protected with a stop loss below 920 levels on a closing basis.

#### Mercator Lines

**CMP: 71**

Shipping stocks saw a strong rally in the previous sessions as the Baltic Dry Index recovered from its low last week. The recent rally in MLL has seen the stock move beyond its short-term 8, 21 and 50-day EMAs, which is a positive sign. The stock has its 8-day EMA placed at 68 levels, which will provide the necessary support in the event of any profit-booking. The 14-day RSI is in the overbought territory, hinting marginal profit-taking from current levels. On the RSI scale, the stock could find support around the 65-67 levels. The immediate support is placed around 68 levels. The stock is consolidating at 69-71 price levels, which will be a good buying opportunity. A sustained move above these levels will lead to further upsides, guiding the stock to test the higher levels of 75 and 78 in the near term. Investors are advised to assume long positions in the stock in the range of 69-71 levels for an upside target of 78 levels. All long positions in the stock should be protected with a stop loss below 65 levels on a closing basis.

- A Kalyan C. Reddy

### Fundamental view

#### Infosys (Rs2,587)

Infosys recorded a 2.8% Q/Q rise in 3QFY10 top-line in rupee terms (0.8% Y/Y de-growth) of Rs57.4 bn. According to International Financial Reporting Standards (IFRS), dollar revenues saw a strong 6.8% Q/Q increase (5.2% Y/Y) of US\$1,232 mn, while in constant currency terms, the company clocked a strong 5.8% Q/Q growth (1.9% Y/Y growth). Infosys comfortably outperformed its guidance in US dollar terms on a reported as well as constant currency basis. In rupee terms too, Infosys comfortably surpassed the top-end of its guidance by nearly 5%. The average realized rupee rate for the quarter came in at Rs46.60 against Rs48.40 in 2QFY10 and Rs49.41 in 3QFY09 (qoq fall of 3.7%, yoy fall of 5.7%).

As was the case in both 1Q and 2QFY10, cross-currency movements proved to be a tailwind this quarter as well, with the appreciation of the euro (3% Q/Q) and the Australian dollar (nearly 10% Q/Q) against the US dollar, positively impacting the reported

dollar numbers by around US\$11 mn. The IT services volumes saw a significant spurt this quarter, aided by the global economic recovery and driven by the company's key segments—the North American geography and the BFSI sector. Pricing improved for the third consecutive quarter, aided partly by cross-currency benefits, with offshore rates rising 0.7% Q/Q (fall of 2.7% Y/Y) and onsite rates increasing 2% Q/Q (3.9% Y/Y). Management alluded to stable pricing going ahead, given that all renegotiations with clients have concluded. However, an era of

price rises may yet take time.

**Margins surge to a multi-year high; higher utilization, pricing up-tick drive resilience:** During 3QFY10, Infosys recorded a strong 89 bps Q/Q expansion in EBITDA margin of 35.5%, a multi-year high. This commendable performance was achieved despite the rupee appreciation witnessed during the quarter, salary hikes announced in October 2009 and higher selling and marketing (S&M) costs. On a Y/Y basis, Infosys registered a 40 bps expansion in margins—coming on a high base, this is even

Infosys Technologies	Y/E March (Rs mn)	FY07	FY08	FY09	FY10E	FY11E	
Reuters/ Bloomberg Code	INFY.BO/ INFO@IN	Net Sales	138,930	166,920	216,930	224,418	265,446
Market Cap. (Rsbn)	1,483	EBITDA	43,910	52,380	71,950	77,312	91,314
Market cap. (US\$m)	32,588	Net Profit	38,560	46,590	59,880	61,588	70,650
Shares Outstanding (mn)	573	EPS (Rs)	67.2	81.2	104.4	107.4	123.2
52-week High/Low (Rs)	2,630 / 1,101	EPS Growth (%)	56.9	20.8	28.5	2.9	14.7
		EBITDA margin (%)	31.6	31.4	33.2	34.5	34.4
		PER (x)	38.5	31.8	24.8	24.1	21.0
<b>Major Share Holders (%)</b>		P/BV (x)	13.2	10.8	8.1	6.6	5.4
Promoter/Majority	16.5	Price/sales (x)	10.7	8.9	6.8	6.6	5.6
FII's	55.4	EV/EBITDA (x)	32.5	27.0	19.3	17.5	14.4
Banks/FIs/MFs	8.1	ROE (%)	42.3	37.2	37.4	30.1	28.1
Public & Others	20.0	ROCE (%)	46.6	42.7	43.1	38.2	36.8

Source: Company & KSBL Research.

### Market pulse

#### Bulk Deals

Company	Wt. Avg. Price (Rs.)	Traded Qty	Acquirer/Seller
<b>Buy</b>			
Ispat Industries	22.96	7999921	Jaypee Capital Serv
Kinetic Motor Co	33.50	151296	Transglobal Secu.
Thinksoft Global	396.50	395229	BP Fintrade
<b>Sell</b>			
Kinetic Motor Co	33.29	108074	AMBIT Securities
MBL Infra	206.85	171450	Genuine Stock Brokers
Store One Retail	34.09	170000	JM Fin. Services

#### Top Gainers (Weekly)

Company	15-Jan	08-Jan	%Change
TCS	791.40	699.80	13.09
Wipro	735.90	668.05	10.16
Infosys	2675.80	2464.20	8.59
ABB /India	856.30	796.00	7.58
ACC	980.80	912.15	7.53
Ambuja Cements	113.25	105.90	6.94
Axis Bank	1077.80	1015.95	6.09
RCom	191.60	180.85	5.94
HCL	369.40	351.75	5.02
Siemens India	655.25	631.00	3.84

#### Top Losers (Weekly)

Company	15-Jan	08-Jan	%Change
HDFC	2521.50	2600.05	-3.02
Sun Pharma	1525.10	1574.95	-3.17
Reliance Infra	1126.05	1164.05	-3.26
Sterlite	874.35	906.35	-3.53
HUL	256.40	265.95	-3.59
ICICI Bank	842.45	873.95	-3.60
Hindalco	166.60	173.30	-3.87
Suzlon	89.10	92.70	-3.88
Jindal Steel & Power	678.70	711.60	-4.62
SBI	2143.35	2286.05	-6.24

#### FII Invt (Rs.cr)

#### MF (Rs.cr)

Date	Purchases	Sales	Purchases	Sales
11-Jan-10	3267.90	3116.40	840.50	785.40
12-Jan-10	7538.60	2793.90	608.10	871.10
13-Jan-10	2893.60	3154.90	581.20	975.40
14-Jan-10	3546.30	3665.10	-	-
<b>Total</b>	<b>17246.40</b>	<b>12730.30</b>	<b>2029.80</b>	<b>2631.90</b>

#### Corporate Actions

Company	Date	Purpose
Supreme Ind	18-Jan-10	INT DIV-Rs.5/- Purpose Revised
Siemens	19-Jan-10	Div-Rs.5/- Per share
Shree Precoated Steels	21-Jan-10	Annual General Meeting
S.E. Investments	21-Jan-10	Int Div-re.1/- Per Share Purpose Revised
Winsome Yarns	21-Jan-10	FV Split Rs.10 To Re.1

(Compiled by Krishnaveni M)

more admirable. Interestingly, the company had reported multi-year high EBITDA margins of 35.1% in 3QFY09. Thus, it is the second time in the past five quarters that Infosys has managed to cross 35% margins, reflecting an outstanding achievement and ability to maintain profitability under all conditions.

**Bottom-line comes in way above guidance, led by out-performance on top-line and margins:** Infosys recorded a 2.7% Q/Q increase in its bottom-line in 3QFY10. Even as bottom-line growth came in lower than growth in EBITDA owing to a higher effective tax rate (22.3% v/s 20.5% in 2QFY10), the software major handsomely outperformed its 3QFY10 EPS guidance by as much as 17.8%. On a Y/Y basis, bottom-line saw a 3.6% decline. The quarter has undoubtedly been a stand-out one for Infosys.

**Upgrades top-line and EPS guidance for FY10 again, EPS guidance raised by over 7% :** Infosys has upgraded its guidance, both in US dollar terms and in Indian rupee terms, on both top-line and EPS for FY10. The company had in October 2009 guided for revenues to hit a range of Rs219.61-220.55 bn and now expects these to range between Rs224.73-225.19 bn, an increase of 2.1% at the upper end of the band. The revised top-line guidance implies a Y/Y growth of 3.6-3.8% against a Y/Y increase of 1.2-1.7% guided for earlier.

More significantly, Infosys has raised the upper end of its EPS guidance by as much as 7.1% and expects EPS for FY10 to range between Rs106.85-107.06 compared to an earlier range of Rs99.6-100. This implies a Y/Y growth of 2.2-2.4% compared with a Y/Y decline of 4.8-4.4% guided for earlier.

**Outlook and valuation:** 3QFY10 reaffirms that the global economy is in revival mode. The quarter gone by saw outstanding volume

growth, which came in at multi-quarter highs, even as pricing stabilized. While Infosys remains cautiously optimistic about the business environment, we believe the software major will continue to outperform its guidance and the tailwinds of strong deal flows are likely to prove beneficial for the company. In fact, in 3QFY10, Infosys won four large outsourcing deals, including one above US\$200 mn, thus giving confidence that the software major will be able to sustain volume growth.

The company has maintained an outstanding performance on the margin front in the face of strong headwinds, and it has not cut down on long-term strategic investments such as training, development and innovation in terms of service delivery such as new engagement models. Even in 3QFY10, with salary hikes, rupee appreciation and higher sales & marketing (S&M) costs, Infosys expanded margins through levers such as higher utilization, pricing and smart cost management. This clearly reflects the strength of Infosys' business model and ability to manage margins amid major headwinds. With a recovery in process, Infosys is now beginning to make more investments in S&M and is also stepping up hiring, both at the entry level and on the lateral front.

However, we believe investors should take note of the recent rupee appreciation. This is likely to negatively impact near-term financial performance, particularly 4QFY10, and in case the domestic currency appreciates further from current levels, this could lead to volatility in stock prices of IT majors, including Infosys, and a correction may be witnessed in the short term. Thus, currency appreciation remains the biggest risk to our positive view on the Indian IT sector.

Owing to the strong out-performance seen in 3QFY10, we upgrade our EPS estimates for FY11 and FY12 by 8% and 7%, respectively. We now expect Infosys to record a 10.6% CAGR in top-line and 8.6% CAGR in bottom-line over FY09-11E.

At Rs2,587, Infosys' stock is trading at 21x FY11E EPS and 19x FY12E EPS. We upgrade the stock to Outperformer from Marketperformer with a target price of Rs3,000 based on a P/E multiple of 22x FY12E EPS.

#### Revised guidance - Upgrades all-round!

(FY10)	Earlier guidance	Revised guidance	% chg*
<b>Indian GAAP</b>			
Revenues (Rs bn)	219.61-220.55	224.73-225.19	2.1
EPS (Rs)	99.60-100	106.85-107.06	7.1
<b>IFRS</b>			
Revenues (US\$ mn)	4,600-4,620	4,750-4,760	3.0
Basic EPADS (US\$)	2.09-2.10	2.26	7.6

Source: Company; \* % change of the upper end of the revised guidance over the upper end of the earlier guidance

## FUNDAMENTALS

### Bajaj Auto (Rs1,695)

Bajaj Auto (BAL) reported revenues of Rs32,956 mn for 3QFY10, in line with our estimate of Rs33,265 mn. On Y/Y basis, the strong volume growth of 64% resulted in an equally impressive 56.7% growth in revenues. On Q/Q basis, too, the revenue growth of 14.1% was notable. BAL's volumes picked up after its re-entry into the sub-125cc motorcycle segment, and further boosted by recovery in the 3W segment and the export market.

BAL reported EBITDA of Rs7,235 mn for 3QFY10 against Rs3,058mn reported in 3QFY09. EBITDA was higher than our

Bajaj Auto	Y/E March (Rs Mn)	FY07	FY08	FY09	FY10E	FY11E	
Reuters/ Bloomberg code	BAJA.BO/ BJAUT IN	Net Sales	98,771	89,757	88,435	120,718	137,707
Market cap. (Rsbn)	245	EBITDA	17,759	12,294	12,385	24,301	26,476
Market cap. (US\$m)	5,331	Reported Net Profit	12,371	7,558	6,545	15,099	18,117
Shares outstanding (mn)	145	Adjusted Net Profit	12,702	8,240	7,777	16,318	18,117
52-week High/Low (Rs)	1800/411	Adjusted EPS (Rs)	125.5	56.9	53.8	112.8	125.2
		EPS growth (%)	13.0	-54.6	-5.6	109.8	11.0
<b>Major shareholders (%)</b>		EBITDA Margin (%)	18.0	13.7	14.0	20.1	19.2
Promoter	49.6	PER (x)	13.9	32.4	37.5	16.2	13.5
FII's	16.5	EV/EBITDA (x)	7.2	20.0	20.1	9.9	8.7
Banks/FPs/MFs	7.7	Price/Sales (x)	1.7	2.7	2.8	2.0	1.8
Others and Public	26.3	Price/BV (x)	3.1	15.4	14.5	8.1	5.4
		Dividend Yield (%)	2.4	1.2	1.3	1.2	1.2
		RoCE (%)	26.3	41.3	35.4	59.6	50.1
		RoE (%)	24.7	51.9	47.5	69.0	48.0

Source: Company & KSBL Research.

Rs mn	3QFY09	2QFY10	3QFY10	YoY %	QoQ %
Volumes (units)	493,748	686,727	809,218	63.9	17.8
Revenues	21,031	28,875	32,956	56.7	14.1
Cost	17,973	22,510	25,720	43.1	14.3
EBITDA	3,058	6,365	7,235	136.6	13.7
EBITDA Margin (%)	14.5	22	22	-	-
Other Income	379	217	351	-7.3	61.7
Interest	90	-	0	-100	-
Depreciation	319	336	357	11.9	6.3
Extraordinary income/(exps)	-630	-458	-458	-27.3	0
Profit before Tax	2,398	5,788	6,772	182.4	17
Tax	755	1,760	2,020	167.5	14.8
Tax rate (%)	31.5	30.4	29.8	-	-
Reported Net Profit	1,643	4,028	4,752	189.3	18
Adjusted Net Profit	2,075	4,347	5,073	144.5	16.7

estimate of Rs6,734 mn due to lower employee cost and other expenditure reported during the quarter. On Q/Q basis, employee cost was lower by 13% and other expenditure was lower by 4% even though volumes grew by 18%. Accordingly, despite increase in raw material cost, the company was able to maintain margins of 22% on a sequential basis, and higher than our expectation of 20.2%.

Net profit for 3QFY10 stood at Rs4,752 mn, which was better than our estimates of Rs4,323mn, primarily due to better-than-expected EBITDA margin. Moving ahead, we believe that BAL's Y/Y volume growth would continue to remain strong over the next 12 months due to robust demand for Discover100, the low-base effect, new launches and recovery in the 3W and export markets. We continue to maintain our Outperformer rating on the stock with a price target of Rs2,000.

### Bajaj Hindustan (Rs233)

For 1QFY10 (standalone), Bajaj Hindustan (BHL) reported a revenue growth of 71% Y/Y (Q/Q increase of 48.2%), to Rs6.15 bn, mainly due to increase in free-sale sugar realization by ~85%, to ~Rs32 per kg. However, the sugar sales volume declined 30% Y/Y, to 0.18 MMT, as management sold lower quantity in view of better realization in the coming quarters. The revenue from the sugar segment rose 69% Y/Y, to Rs6.02 bn. The revenue from the distillery division increased 23.1% Y/Y, to Rs153 mn, and co-generation rose 28% Y/Y to Rs424 mn. The revenue was 22.6% lower than our estimates of Rs7.95 bn, mainly due to ~20% lower sugar sales volume. Management expects free-sale sugar realization of ~Rs43 and above in the coming quarters.

Operating margins increased from 9.5% in Q1FY09 to 32.7% in Q1FY10 due to better sugar realization. The margins were higher than our estimates of 22.8%, mainly due to lower raw material cost than expected. The raw material cost, as percentage of sales, declined from 67.4% in Q1FY09 to 52.6% in Q1FY10 compared to expectations of 66%. Operating profit rose from Rs340 mn in Q1FY09 to Rs2,014 mn in Q1FY10. Other income increased from Rs22.9 mn in

Q1FY09 to Rs168 mn in Q1FY10. Interest cost decreased marginally by 6.2% Y/Y to Rs456 mn. However, on Q/Q basis, interest cost rose 75%, mainly due to increase in working capital on account of cane crushing during the quarter. BHL reported a profit of Rs861 mn in Q1FY10 compared to a loss of Rs286 mn in Q1FY09. The profit was 6.8% higher than our estimates of Rs804.9 mn. The extraordinary item during the quarter includes a loss of Rs9.6 mn due to foreign exchange fluctuation on foreign loan.

For FY10 estimates, we have revised cane cost upward by 12%, to Rs240 per 100 kg, considering an increase in sugar prices and shortage of sugarcane. We have changed our

average sugar realization estimates upward by 9.3%, to Rs34.34 per kg, considering levy (20% of cane production) realization of ~Rs17.5 per kg. We have maintained our sugar sales volume estimates at 1.24 MMT. We have revised revenue estimates by 9.3%, to Rs46.5 bn, and expect BHL to report a profit of Rs3.88 bn (previously Rs3.47 bn) in FY10. Our earnings per share (EPS) estimate for FY10 is revised upward by 11.7% from Rs19.6 to Rs21.9. We maintain our valuation per share based on average of 2x BV (Rs292) and 11x FY10E earnings (Rs241). We have revised our valuation from Rs252 to Rs267 per share and maintain our Marketperformer rating on the stock.

Bajaj Hindustan (Consolidated)	Y/E September (Rs Mn)	FY06	FY07	FY08	FY09	FY10E	
Reuters/ Bloomberg Code	BJHN.BO/ BJH@IN	Revenues	14,829	17,805	20,701	20,260	46,584
Market Cap (Rs mn)	41125	Op Profit	3,108	1,905	2,940	4,214	10,214
Market Cap (US\$ mn)	847.9	Net Profit	1,837	-1,160	-301	-82	3,881
Shares Outstanding (mn)	175	EPS (Rs)	12.2	-8.2	-2.1	-0.5	21.9
52-week High/Low (Rs)	243/38	EPS Growth (%)	0.9	-167.3	-74	-74.3	-4,110
		Operating Margin (%)	21.0	10.7	14.2	20.8	21.9
<b>Major Shareholders (%)</b>		PER (x)	19.3	NA	NA	-429.4	10.7
Promoters	37.1	EV/EBITDA (x)	14.3	30.6	28.0	17.6	6.2
FII's	17	Price/Sales (x)	2.8	2.3	2.0	2.0	0.9
Banks/MFs	11.8	Dividend yield (%)	0.3	0.3	0.3	0.3	0.4
Others	15.4	RoCE (%)	6.9	0.6	0.2	1.2	11.2
Public	18.8	ROE (%)	10.2	-6.9	-2.0	-0.5	15.0

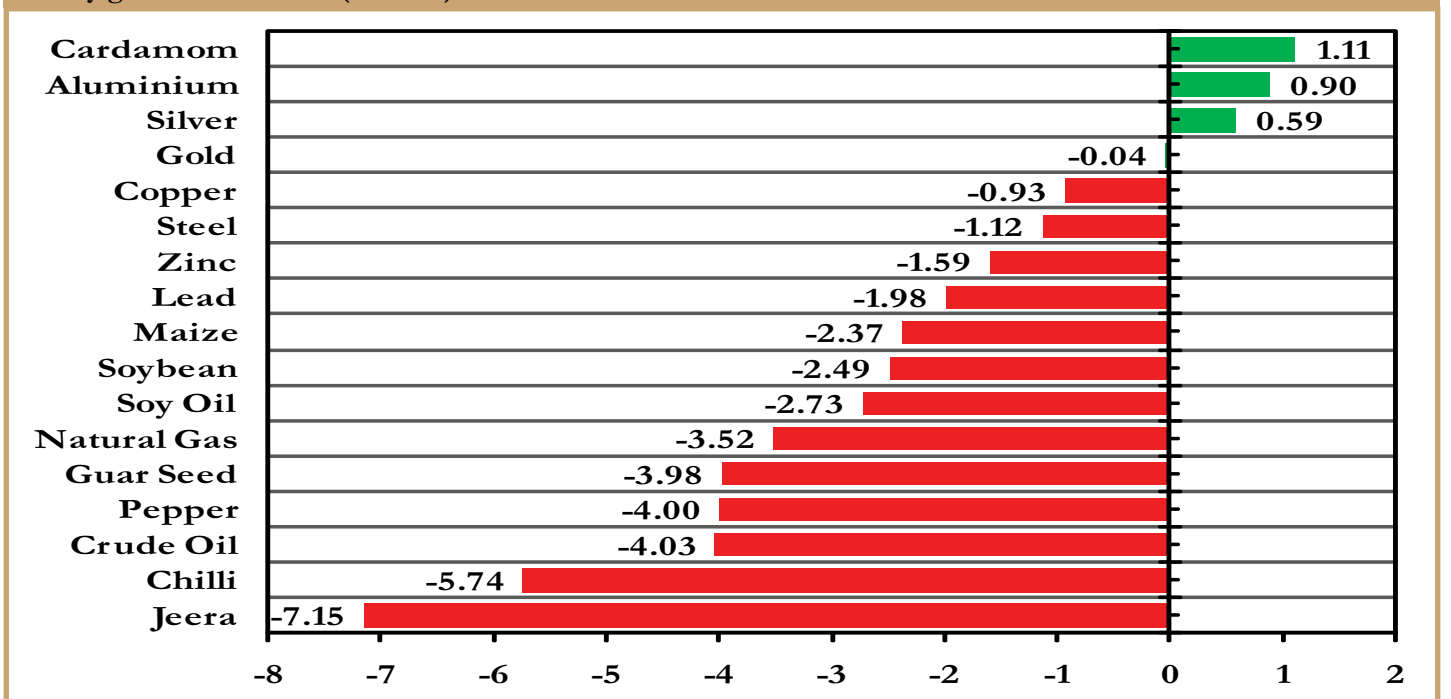
Source: Company & KSBL Research

## COMMODITIES STATISTICS

### Weekly commodity price trends

	01/14/2010	01/08/2010	Change (%)	52-week high	Change from 52-week high (%)	52-week low	Change from 52-week low (%)
Comex Gold (\$/oz)	1143.00	1138.90	0.36	1227.50	-6.88	801.50	42.61
Comex Silver (\$/oz)	18.66	18.47	1.00	19.49	-4.26	10.32	80.77
Nymex Crude Oil (\$/bbl)	79.39	82.75	-4.06	83.95	-5.43	32.70	142.78
Nymex Natural Gas (\$/mmbtu)	5.59	5.75	-2.80	6.11	-8.51	2.41	131.96
LME Copper 3 Month (\$/t)	7490.00	7461.00	0.39	7796.00	-3.93	3055.00	145.17
LME Nickel 3 Month (\$/t)	18300.00	17900.00	2.23	21325.00	-14.19	9250.00	97.84
LME Zinc 3 Month (\$/t)	2503.00	2521.00	-0.71	2736.00	-8.52	1070.00	133.93
LME Lead 3 Month (\$/t)	2507.00	2532.00	-0.99	2690.00	-6.80	980.00	155.82
LME Aluminium 3 Month (\$/t)	2335.00	2284.00	2.23	2394.00	-2.46	1279.00	82.56

### Weekly gainers and losers (M/M%)



Source: bloomberg.com

(Compiled by Veeresh Hiremath)

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### Mutual fund performance

#### Equity Diversified

Scheme Name	NAV (Rs)	3 Mths	1 Year	3 Yrs	5 Yrs
Principal Emerging Bluechip(G)	29.13	13.26	166.51	-	-
ICICI Pru Discovery-Inst -1(G)	18.72	15.63	156.09	16.51	-
ICICI Pru Discovery(G)	42.45	15.29	152.68	15.01	28.52
JM Mid Cap(G)	27.57	10.56	146.86	5.65	18.15
Sundaram BNPP Select Small Cap(G)	12.61	13.92	146.80	-	-
Sundaram BNPP S.M.I.L.L.E(G)	33.32	9.19	145.66	19.92	-
Principal Pnb LT Equity-3Y-II(G)	11.06	13.32	144.15	-	-
Tata Life Science & Tech(G)	65.01	10.83	143.74	9.26	24.14
JM Emerging Leaders(G)	8.75	11.26	143.23	-6.89	-
UTI Transportation & Logistics(G)	24.01	11.73	142.28	6.02	-

#### Balanced Funds

Scheme Name	NAV (Rs)	3 Mths	1 Year	3 Yrs	5 Yrs
HDFC Prudence(G)	178.71	8.21	95.16	15.47	26.28
Kotak Dynamic Asset Alloc(G)	13.98	3.56	90.12	-	-
Reliance Reg Savings-Balanced(G)	19.68	6.38	85.10	19.20	-
Tata Balanced(G)	76.53	8.34	84.98	15.03	23.33
HDFC Balanced(G)	46.18	10.33	79.83	12.42	19.20
Principal Child Benefit-Career Builder	86.35	7.79	78.70	14.83	24.47
Birla SL '95(G)	274.61	4.73	76.85	15.79	22.83
Sundaram BNPP Balanced(G)	46.27	6.33	76.23	11.82	18.86
SBI Magnum NRI Inv-FlexiAsset(G)	28.18	4.13	73.51	6.27	20.72
Canara Robeco Balance(G)	54.64	7.47	71.99	13.24	24.32

#### Income Funds

Scheme Name	NAV (Rs)	3 Mths	1 Year	3 Yrs	5 Yrs
ICICI Pru Income Opp-Reg(G)	12.75	1.85	17.68	-	-
Templeton India ST Income-Inst(G)	1460.50	2.48	11.47	10.48	-
Templeton India ST Income(G)	1821.68	2.44	11.35	10.37	8.66
Sundaram BNPP Bond Saver-Inst(G)	29.59	11.00	10.89	-	-
Fortis Flexi Debt-Reg(G)	15.75	1.83	10.68	11.39	9.31
ICICI Pru Income Opp-Inst(G)	11.07	1.85	10.49	-	-
Escorts Income Bond(G)	25.33	2.60	10.38	7.70	10.96
UTI ST Income(G)	15.57	2.32	9.40	-	-
HDFC High Interest-STP(G)	18.16	2.33	9.23	10.52	8.65
Principal Income-STP-Inst(G)	15.99	1.61	9.04	8.84	7.88

#### Liquid Funds

Scheme Name	NAV (Rs)	3 Mths	1 Year	3 Yrs	5 Yrs
LICMF FRF-STP(G)	14.97	1.32	47.42	8.34	7.62
Templeton FRF Income-LT-SIP(G)	12.47	1.38	7.35	-	-
Escorts Liquid Plan(G)	13.70	1.16	7.18	8.44	-
Templeton FRF Income-LT-Inst(G)	13.83	1.29	7.05	8.42	-
Templeton FRF Income-LT(G)	16.69	1.20	6.61	7.94	7.05
Sahara Liquid-Variable Pricing(G)	1664.41	1.16	6.52	7.92	-
Sahara Liquid-Fixed Pricing(G)	1651.63	1.14	6.43	7.74	6.98
JM Money Mgr-Super(G)	12.78	1.29	6.36	7.72	-
Fortis Money Plus-Inst(G)	13.76	1.21	6.35	8.25	-
DWS Cash Oppor-Inst(G)	11.68	1.22	6.34	-	-

#### ELSS

Scheme Name	NAV (Rs)	3 Mths	1 Year	3 Yrs	5 Yrs
ICICI Pru Tax Plan(G)	124.35	14.23	123.97	9.13	24.64
Birla SL Tax Relief '96(G)	11.03	6.06	114.59	-	-
DBS Chola Tax Saver(G)	15.46	5.17	111.49	3.28	-
ING Tax Savings(G)	26.73	9.68	111.30	-1.23	17.88
HDFC TaxSaver(G)	203.74	10.64	110.69	11.03	27.84
Taurus Tax Shield(G)	32.98	5.43	109.40	22.05	19.92
Sahara Tax Gain(G)	33.55	4.69	100.72	16.33	26.55
DSPBR Tax Saver(G)	15.54	7.82	99.08	-	-
SBI TAX Advantage-I(G)	12.08	9.52	96.74	-	-
HDFC Long Term Adv(G)	118.25	6.19	96.69	7.93	21.09

#### MIP

Scheme Name	NAV (Rs)	3 Mths	1 Year	3 Yrs	5 Yrs
HDFC MIP-LTP(G)	20.91	3.48	33.03	12.36	13.74
Reliance MIP(G)	20.06	4.06	24.75	13.01	13.96
Birla SL MIP II-Wealth 25(G)	16.83	2.95	24.72	7.66	9.44
ICICI Pru Child Care Plan-Study Plan	26.17	4.45	24.30	9.84	12.02
UTI MIS Adv(G)	19.12	3.57	23.58	10.67	12.37
HDFC Multiple Yield(G)	16.23	3.58	23.51	10.07	9.32
ICICI Pru Income Multiplier(G)	18.01	1.97	23.17	7.53	11.29
HDFC Multiple Yield 2005(G)	14.78	4.32	22.67	10.25	-
Principal MIP-MIP Plus(G)	18.00	2.59	22.44	12.19	11.17
DSPBR Savings Mgr-Agg(G)	18.41	3.68	22.22	10.09	11.27

#### Gilt

Scheme Name	NAV (Rs)	3 Mths	1 Year	3 Yrs	5 Yrs
Birla SL Govt Sec-LT(G)	25.71	1.75	20.13	9.15	7.19
ING Gilt(G)	15.64	-0.42	18.32	9.41	7.16
ICICI Pru Gilt-Treasury(G)	24.15	1.69	4.06	10.71	8.43
ING Gilt-PF-Dynamic(G)	14.97	1.66	3.63	9.17	7.07
ING Gilt-PF-Dyna(Gr Auto Income)	14.97	1.66	3.63	9.17	7.07
Birla SL Gilt Plus-Liquid(G)	20.72	0.75	3.36	4.84	5.15
Sundaram BNPP Gilt-Reg(G)	14.89	1.45	3.18	3.76	3.81
Templeton India G-Sec-Treasury(G)	16.24	0.98	3.14	5.53	5.35
Kotak Gilt-Savings(G)	21.10	0.96	2.94	5.47	5.36
Birla SL Govt Sec-ST(G)	18.00	0.90	2.70	4.41	4.71

#### Floating Rate Funds

Scheme Name	NAV (Rs)	3 Mths	1 Year	3 Yrs	5 Yrs
HDFC FRF-LT(G)	15.68	1.73	8.14	8.64	7.48
Birla SL FRF-LT(G)	15.57	2.02	8.13	8.70	7.51
Sundaram BNPP Flexible-ST-Inst(G)	14.42	1.45	8.04	8.48	7.54
ICICI Pru LT FRF-B(G)	14.46	1.77	7.45	8.03	7.28
Escorts FRF(G)	13.26	1.39	7.01	8.11	-
Sundaram BNPP Flexible-FIP-Inst(G)	16.17	1.61	6.83	7.32	10.03
ICICI Pru LT FRF-C(G)	10.73	2.02	6.82	-	-
ICICI Pru LT FRF-A(G)	14.11	1.58	6.70	7.50	6.78
Sundaram BNPP Flexible-ST-Reg(G)	13.91	1.39	6.45	7.56	6.77
Sundaram BNPP Flexible-FIP-Reg(G)	13.71	1.54	6.42	7.10	6.46

Source: moneycontrol.com; Note: All NAV as of January 14, 2010, all returns are expressed in percentage terms.

(Compiled by Pradeep Kumar S.)

## MUTUAL FUNDS

### Average Assets Under Management for the month - December 2009

(Rs. in crore)

Sr. No.	Name of the Asset Management Company	Average Assets Under Management for the month	Sr. No.	Name of the Asset Management Company	Average Assets Under Management for the month
<b>A BANK SPONSORED</b>			<b>(ii) FOREIGN</b>		
<b>(i) JOINT VENTURES - PREDOMINANTLY INDIAN</b>			<b>(iii) JOINT VENTURES - PREDOMINANTLY INDIAN</b>		
1	Canara Robeco Asset Management Co. Ltd.	8,517	1	Birla Sun Life Asset Management Co. Ltd.	68,066
2	SBI Funds Management Private Ltd.	37,900	2	DSP BlackRock Investment Managers Private Ltd.	20,183
<b>TOTAL ..... A (i)</b>		<b>46,417</b>	3	HDFC Asset Management Co. Ltd.	97,184
<b>(ii) JOINT VENTURES - PREDOMINANTLY FOREIGN</b>			4	ICICI Prudential Asset Management Co. Ltd.	82,432
1	Baroda Pioneer Asset Management Company Limited	2,984	5	Sundaram BNP Paribas Asset Management Company Ltd.	13,076
<b>TOTAL ..... A (ii)</b>		<b>2,984</b>	<b>TOTAL ..... C (ii)</b>		<b>50,966</b>
<b>(iii) OTHERS</b>			<b>(iv) JOINT VENTURES - PREDOMINANTLY FOREIGN</b>		
1	UTI Asset Management Company Ltd	78,203	1	Bharti AXA Investment Managers Private Limited	634
<b>TOTAL ..... A (iii)</b>		<b>78,203</b>	2	HSBC Asset Management (India) Private Ltd.	7,020
<b>TOTAL ..... A (i+ii+iii)</b>		<b>127,604</b>	3	ING Investment Management (India) Private Ltd.	1,517
<b>B INSTITUTIONS</b>			4	JPMorgan Asset Management (India) Private Ltd.	4,252
1	LIC Mutual Fund Asset Management Co. Ltd.	51,502	5	Morgan Stanley Investment Management Private Ltd.	2,299
<b>TOTAL ..... B</b>		<b>51,502</b>	6	Principal Pnb Asset Management Co. Private Ltd	8,148
<b>C PRIVATE SECTOR</b>			7	Shinsei Asset Management (India) Pvt. Ltd.	448
<b>(i) INDIAN</b>			<b>TOTAL ..... C (iv)</b>		<b>24,318</b>
1	Axis Asset Management Company Ltd.	2,569	<b>TOTAL ..... C (i+ii+iii+iv)</b>		<b>615,380</b>
2	Benchmark Asset Management Co. Private Ltd.	2,008	<b>A+B+C</b>		<b>794,486</b>
3	DBS Cholamandalam Asset Management Ltd.	2,901			
4	Deutsche Asset Management (India) Private Ltd.	13,613			
5	Edelweiss Asset Management Limited	130			
6	Escorts Asset Management Ltd.	210			
7	IDFC Asset Management Company Private Limited	25,361			
8	J.M. Financial Asset Management Private Ltd.	8,853			
9	Kotak Mahindra Asset Management Co. Ltd.	41,402			
10	Quantum Asset Management Co. Private Ltd.	85			
11	Reliance Capital Asset Management Ltd.	119,982			
12	Religare Asset Management Company Private Limited	15,865			
13	Sahara Asset Management Co. Private Ltd.	499			
14	Tata Asset Management Ltd.	23,779			
15	Taurus Asset Management Co. Ltd.	1,898			
<b>TOTAL ..... C (i)</b>		<b>259,155</b>			

Source: amfiindia.com

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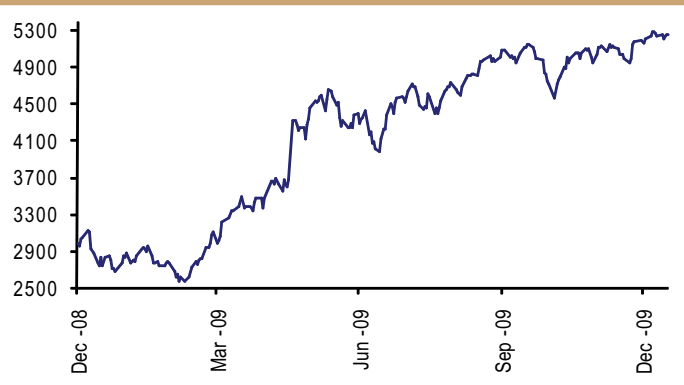


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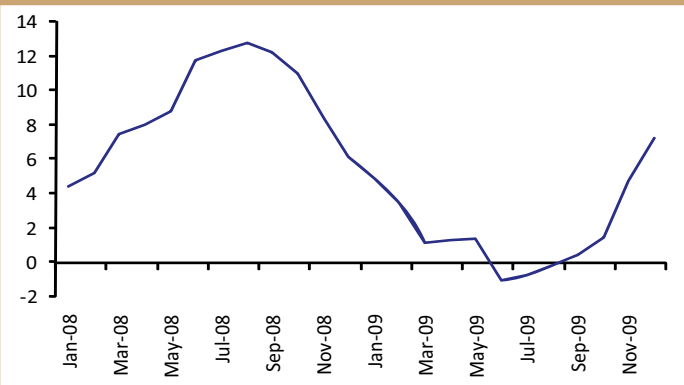


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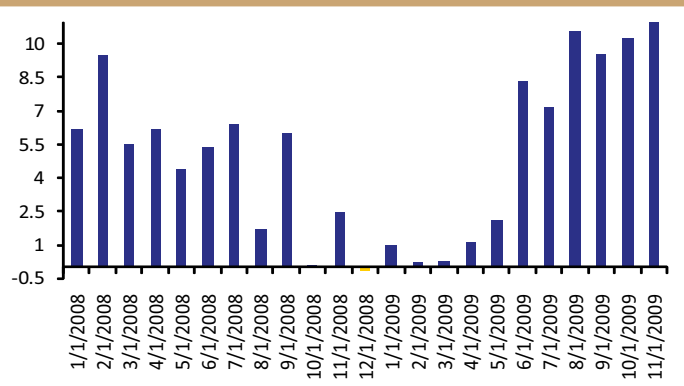
**Nifty movement**



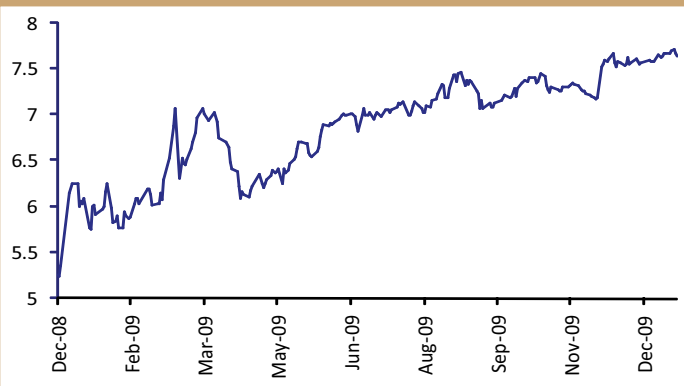
**Inflation (%)**



**Index of Industrial Production (%)**



**10-year bond yield (%)**



**Global indices: Weekly performance**

	Close (Jan 14)	Close (Jan 08)	Weekly (%)	6M (%)	12M (%)	PE Ratio
<b>GLOBAL INDICES</b>						
MSCI World Index	1207.98	1198.26	0.81	24.25	41.56	34.81
MSCI Asia Pacific Ex Japan	427.24	427.43	-0.04	31.15	88.44	30.91
<b>ASIA (closing as on Jan 15)</b>						
Hang Seng	21654.16	22296.75	-2.88	18.60	63.51	22.63
STI	2908.42	2922.76	-0.49	21.72	70.68	26.04
S. Korea	1701.80	1695.26	0.39	19.77	53.13	22.63
Nikkei 225	10982.10	10798.32	1.70	18.48	36.88	-
<b>AMERICA</b>						
Dow Jones	10710.55	10618.19	0.87	24.31	30.42	16.56
S&P 500	1148.46	1144.98	0.30	23.14	36.12	24.89
NASDAQ	2316.74	2317.17	-0.02	24.36	53.24	44.19
Brazil Bovespa	69801.42	70262.70	-0.66	36.07	78.29	21.65
<b>EUROPE</b>						
FTSE-100	5498.20	5534.24	-0.65	27.06	34.01	63.43
DAX 30	5988.88	6037.61	-0.81	21.30	37.85	60.48
CAC 40	4015.77	4045.14	-0.73	27.18	34.62	17.03

Source: Bloomberg

**Domestic indices: Weekly performance**

	Close (Jan 15)	Close (Jan 08)	Weekly (%)	6M (%)	12M (%)	PE Ratio
Sensex	17554.30	17540.29	0.08	23.16	94.04	26.37
Nifty	5252.20	5244.75	0.14	24.06	91.92	26.05
BSE 500	7005.27	6957.32	0.69	29.48	108.83	24.54
BSE Auto	7442.79	7396.26	0.63	57.39	194.57	56.30
BSE Bankex	9921.23	10151.51	-2.27	27.61	101.70	14.74
BSE Capital Goods	14249.32	14285.55	-0.25	24.18	118.93	36.37
BSE Consumer Durables	3911.06	3915.00	-0.10	38.43	116.82	13.04
BSE FMCG	2797.89	2849.39	-1.81	15.29	43.08	30.80
BSE Healthcare	5167.10	5135.55	0.61	41.22	82.70	41.92
BSE IT	5402.00	4955.74	9.00	60.84	149.78	24.39
BSE Oil & Gas	10727.18	10717.63	0.09	19.42	90.00	20.05
BSE Metal	17951.80	18090.71	-0.77	65.36	271.75	-
BSE Realty	4081.68	4073.61	0.20	26.21	131.12	21.91
BSE PSU	9931.09	9726.67	2.10	26.48	101.83	19.23
BSE Power	3240.70	3252.34	-0.36	16.37	91.23	33.10
BSE Tech	3397.99	3183.40	6.74	31.31	91.96	22.29

(Compiled by Amit Chopra)

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