



PF / MFW / 23052011 / 702

May 23, 2011

The week in retrospect - EQUITY

❖ Highlights

- ❖ Indian equity markets ended in red.
- ❖ Food Inflation came down to 7.47% for the week ended May 7, 2011 from 7.7% in the previous week.
- ❖ Global markets ended in red.

Indian markets ended in red. Negative global cues, rising interest rates, high fuel prices and sharp fall in SBI's last quarter earnings affected the markets negatively. However better results from L&T, Tata Power and falling commodity prices improved the sentiments of the investors towards the end of the week. Sensex fell by 1.11%, BSE 100 fell by 1.28%, BSE 500 fell by 1.45%, BSE Midcap fell by 2.12%, BSE IT went up by 0.4%, BSE Bankex fell by 3.43%, Nifty fell by 1.05%, CNX 100 fell by 1.15%, CNX 500 fell by 1.31%, CNX Midcap fell by 2.01%, CNX IT went up by 0.09%, and Bank Nifty fell by 3.24%.

World markets ended in red. Euro-zone debt worries, poor economic data from USA and arrest of IMF chief Dominique Strauss-Kahn contributed to the fall in global markets. S&P cut Italy's rating outlook to negative from stable. Arrest of IMF chief Dominique Strauss-Kahn further complicated the matters for Euro-zone as it will further delay putting in place a proposed rescue package for Greece. DAX fell by 1.84%, DOW fell by 0.66%, FTSE 100 fell by 0.38%, HangSeng fell by 0.33%, NASDAQ fell by 0.89%, NIKKIE fell by 0.43%, S&P 500 fell by 0.34%.

Outlook

From valuation point of view markets appear to be attractive at current levels. However global cues, actions of FII's and Crude prices will guide the market direction this week also.



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Key Data to Watch

India:

Thursday: Food Inflation.

USA:

Tuesday: New Home Sales.

Thursday: GDP Second estimate, GDP deflator Second estimate.

Thursday: Initial Claims.

The week in retrospect – DEBT

- ❖ WPI Inflation for the month of April came at 8.66%. It was 9.04% for March month.
- ❖ RBI announced the sale of the security 7.59% GS 2016 for a notified amount of Rs.4,000 Cr, 8.08% GS 2022 for Rs.5,000 Cr and 8.26% GS 2027 for Rs.3,000 Cr via uniform price auctions.
- ❖ India's credit growth as on May 6th was noted at 22.5% and deposit growth at 17.1%.
- ❖ RBI set the cut-off price for the security 7.59% GS 2016 at Rs.96.46, for 8.08% GS 2022 at Rs.97.05 and for 8.26% GS 2027 at Rs.96.71.



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Key Statistics

Indian Indices

Index	Last Week Closing	Current Week Closing	% Change
SENSEX	18531.28	18326.09	-1.11%
BSE - 100	9681.11	9557.05	-1.28%
BSE 500	7205.83	7101.35	-1.45%
BSE Midcap	6902.58	6756.41	-2.12%
BSE IT	6039.60	6063.77	0.40%
BSE Bankex	12590.17	12158.61	-3.43%
S&P CNX Nifty	5544.75	5486.35	-1.05%
CNX 100	5465.45	5402.45	-1.15%
S&P CNX 500	4470.35	4411.90	-1.31%
CNX Midcap	8034.90	7873.15	-2.01%
CNX IT Index	6609.55	6615.40	0.09%
Bank Nifty	11020.95	10664.10	-3.24%

International Indices

Index	Last Week Closing	Current Week Closing	% Change
DAX	7403.31	7266.82	-1.84%
DOW	12595.75	12512.04	-0.66%
FTSE 100	5925.87	5948.50	0.38%
HANG SENG	23276.27	23199.39	-0.33%
NASDAQ Composite	2828.47	2803.32	-0.89%
NIKKEI	9648.77	9607.08	-0.43%
S&P 500	1337.77	1333.27	-0.34%

Mutual Fund Weekly

(A Weekly Report on Mutual Funds)



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FII Activity

	Previous week total purchases (Crores)	Previous week total sales (Crores)	Previous week net purchases (Crores)	Current week total purchases (Crores)	Current week total sales (Crores)	Current week net purchases (Crores)
Equity	10001.00	10640.10	-639.20	10702.90	14918.50	-4215.70
Debt	4340.90	3078.90	1262.20	5048.80	4322.50	726.40

MF Activity

Equity	1269.80	1093.90	175.80	1545.90	2355.80	-809.90
Debt	6259.10	8075.80	-1816.70	7087.50	7026.80	60.80

Key Indicators

Currency Market	Previous	Current
INR - USD	44.91	44.93
INR - EURO	64.03	64.34
10 Years G-SEC Yield	8.27 (%)	8.35 (%)
Crude (\$ per barrel)	99.65	98.90
Gold (₹ per 10 grams)	21918	22167

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