

KARVY BAZAAR BAATEIN

A Weekly Investment Newsletter From **KARVY**
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NSE	
52 Wk H/L	: 6157.60/4706.45
Mcap	: ₹57,40,644 cr.
BSE	
52 Wk H/L	: 20561.05/15695.43

Managing Editor: Satyan Nair

Editorial Team: Bhuvan Yadav,
Kalyan C Reddy, J K Jain

Production: Vijayendra Kumar Ch,
Raju A

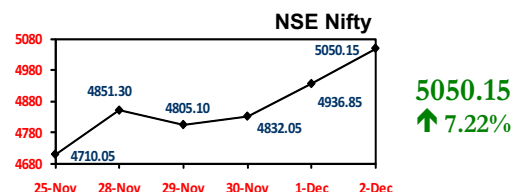
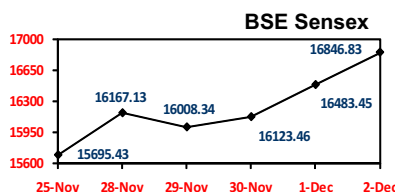
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Aswin Panda ☎:040-44507254

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A positive week

After weeks of sustained decline, the markets saw some smart recovery last week as a spate of positive news, both domestic and global, led to significant short covering on the bourses. Globally, news flow was encouraging from Europe, the US and China.

The markets rallied spectacularly after six central banks, including the ECB and the Federal Reserve, made a concerted move to cut emergency funding costs to European banks in an effort to stem the crisis in the region. In what appears to be a shift towards easing, China lowered its reserve requirement (RRR) for commercial lenders by 50 bps, given the looming global slowdown as the world struggles to find its feet amid the European crisis. Moreover, there was a string of positive news flow from the US last week, including better consumer sentiment on festive retail sales and improved housing market and jobs data. Unemployment came in at a surprising 8.6%, although this can be partially attributed to the departure of Americans from the labour force.

In India, Q2FY12 GDP growth came in at 6.9%, underlying the economic slowdown. With inflation expected to decline sharply for the next few months, markets are hoping the slowdown will prompt the RBI to pause its policy rate hike, and, perhaps, reduce the reserve requirement (CRR) for banks. Accordingly, interest-rate sensitive stocks outperformed last week. Meanwhile, Finance Minister Pranab Mukherjee stated on Friday that he expects the Indian economy to grow more than 7.5% in FY12. However, political consensus is hard to come by these days, causing major policy inertia on investment. Given the backdrop, markets will be monitoring developments in the winter session of Parliament. The European meeting this week will also be closely watched, particularly developments related to the “periphery”, Italy and Spain. That said, the Euro-zone needs a strong, united stand to stamp out the crisis, including a more “growth-friendly” approach to manage the problems in the region.

As an investor, what should you be doing in these markets? We believe these uncertain times are “opportunities” that come your way. A long-term investor should accumulate good mid-cap and large-cap bets. Let not all the gloom and doom around influence you. Go ahead and make those accumulated calls for the long term. This week, markets are likely to trade in the 4,900-5,200 range.

KBB weekly recommendations for the week beginning 05th December.

Scrip	Action	CMP	Entry	Stop Loss	Target	Time Frame
Tata Steel	Buy	419.10	Above 425	412	445-450	5-6 Days
Jubilant Foods	Buy	830.40	828-830	810	855-856	5-6 Days
ICICI Bank	Buy	787.70	780-782	765	828-830	5-6 Days
Tata Motors	Buy	191.90	188-190	185	200-202	5-6 Days
TCS	Buy	1178.00	1170-1172	1150	1223-1225	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
DLF	Buy	202-204	198	213-215	-	-	-	NI
IDEA	Buy	94-95	92	102-104	-	-	-	NI
Kajaria Ceramics	Buy	93-94	91	100-102	3424	23,964.95	7.45%	TA
Fin Tech	Buy	570-573	560	600-603	-	-	-	NI
Bata India	Buy	Above 640	630	660-662	502	-5,522.57	-1.72%	SLT

Total				18,442.38
Balance on inception (01- Jan- 11)	Balance last week (25-Nov-11)	Balance current week (02-Dec-11)	Abs. returns WoW (%)	Abs. returns since Jan 01, 2011(%)
5,00,000	6,43,631	6,62,073	2.87	32.41

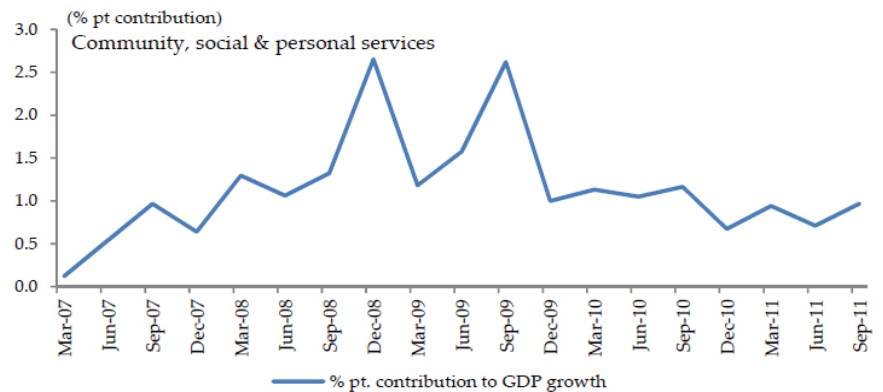
TA - Target achieved; SLT - Stop loss triggered; CMP - Closing price as on last trading day; NI - Not initiated; # No. of Shares; SL - Stop Loss; P/L - Profit/Loss

Q2FY12 GDP growth disappoints

Key highlights

- ◆ The Q3CY11 GDP growth (Q2FY12) slowed down further to a nine-quarter low of 6.9% Y/Y.
- ◆ More ominously, economic activity showed sequential weakness in Q3, with growth running at 7.0% Q/Q, sa, at annualized rates, sharply decelerating from year-ago sequential gains.
- ◆ While agriculture growth expectedly moderated to 3.2%, the industry offered a predictably disappointing bag.
- ◆ Environmental and regulatory issues led to continued dismal performance (de-growth of 2.9%) in mining and quarrying activities.
- ◆ The sequential decline in manufacturing is likely to become more acute with manufacturing exports slowdown and the consequential decrease in manufacturing production.
- ◆ Services growth continued to be buoyant on the back of trade, transport, finance and other services, with community services showing rising government spending for the quarter.
- ◆ The next quarter is likely to bear the same headwinds in terms of sequential deceleration.
- ◆ We expect the RBI to continue with its neutral stance, despite the recent 50-bps RRR cut by China's PBoC.

Government spending pepped up a little this quarter



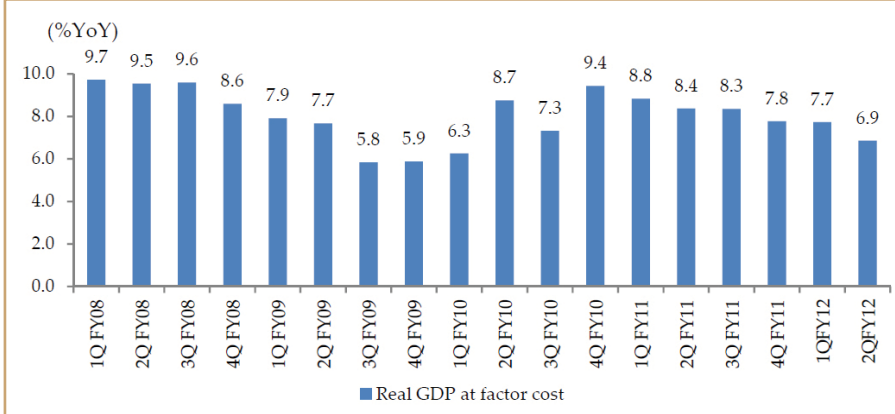
Source: CEIC, Karvy Institutional Research

No respite for rest of the year

The next quarter is likely to continue facing the beat of a slowdown in terms of Q/Q deceleration, primarily due to:

- ◆ Impact of monetary tightening getting more prominent on private urban consumption;
- ◆ Government consumption and activity to taper off from last year's high as part of considerable fiscal consolidation, even allowing for some fiscal slippages from subsidies later in the year;
- ◆ Pace of exports likely to moderate to a large extent due to global demand slowdown, before rebounding early next year;

GDP slows down to a nine quarter low



Source: CEIC, Karvy Institutional Research

Real GDP-Production side breakdown

%YoY	Jul-Sep 10	Oct-Dec 10	Jan-Mar 11	Apr-Jun 11	Jul-Sep 11
Overall	8.4	8.3	7.8	7.7	6.9
Agriculture and allied	5.4	9.9	7.5	3.9	3.2
Industry	7.1	7.1	6.1	5.1	3.2
Mining	8.0	6.9	1.7	1.8	-2.9
Manufacturing	7.8	6.0	5.5	7.2	2.7
Electricity	2.8	6.4	7.8	7.9	9.8
Construction	6.7	9.7	8.2	1.2	4.3
Services	9.6	8.4	8.7	10.0	9.3
Trade, transport, & comms.	10.2	8.6	9.3	12.8	9.9
Financial & business services	10.0	10.8	9.0	9.1	10.5
Community, social & personal services	7.9	5.1	7.0	5.6	6.6
GDP at current prices	18.7	19.0	17.2	16.7	16.0

Source: CEIC, Karvy Institutional Research

- ◆ Further delay in investment cycle rebound, to be pushed further 2-3 quarters, and that too muted than initially envisaged.

RBI likely to remain neutral

Global uncertainty has increased and fears of a global downturn have escalated since the last policy meet. Moreover, signs of sharp slowdown have begun to surface in India, probably more prominent than what the monetary authorities had envisaged. Although the RBI has conspicuously indicated a pause in policy action on grounds of cooling inflation by year-end to 7%, the base effect could well be fleeting. Also, if the sequential gain in monthly momentum continues, as seen in October inflation, it would not be surprising to see inflation rebound to 8%+ levels. This would further complicate the plethora of policy conundrums faced by the central bank.

The domestic demand story in India has moderated sharply but not really collapsed. That said, the structural inflationary concerns and slippages in fiscal targets could lead to further inflationary pressures. Therefore, we do not expect a change in RBI's "wait-and-watch" stance that could lead to a rate cut earlier than May-June 2012. Meanwhile, global headwinds continue to weigh on our expectations.

Prefer regulated players in the power space

We continue to like regulated players amid concerns on coal supply and weak financial health of state electricity boards (SEBs). The Indian utilities have underperformed the BSE Sensex by 35% YTD, while the IPPs in our coverage universe have corrected by an average of 20-60%. We believe the market has become increasingly cautious due to risks related to fuel issues, weak financials of the SEBs, higher fuel costs and lower plant load factor (PLF). We have analyzed the implications of lower coal availability from Coal India (CIL), relevance of key issues, and their impact on our coverage universe in this report.

Major concerns in the power sector

CIL's lower production and decreased output estimate: In Q2FY12, the coal production has been impacted by heavy showers in Orissa and strikes in Singareni Collieries (SCCL) due to the Telangana issue in Andhra Pradesh. CIL's lower production and decreased output estimate have raised concerns over incremental coal supplies, which are insufficient to run plants based on coal linkages. This poses a challenge to the very viability of projects based on domestic coal. Moreover, the concerns remain over logistics issues coupled with boiler inability to take over 20% blended coal.

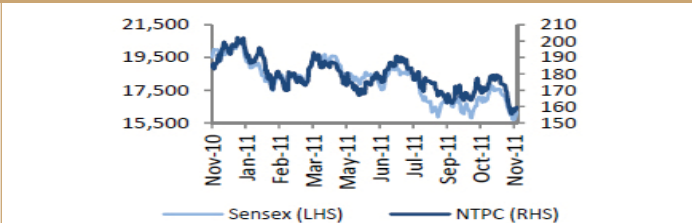
Valuation summary

Company	Rating	CMP (₹)	TP (₹)	MCap (₹ bn)	RoE (%)*			P/BV (x)			P/E (x)		
					FY11	FY12E	FY13E	FY11	FY12E	FY13E	FY11	FY12E	FY13E
Adani Power	HOLD	72	81	156	8.5	22.5	22.0	2.5	2.0	1.7	30.6	9.8	8.3
CESC	BUY	262	381	34	10.3	11.1	12.3	1.0	0.7	0.6	11.0	8.4	6.2
JSW Energy	HOLD	42	45	65	15.4	3.3	11.2	1.2	1.1	1.0	7.8	30.3	9.2
NTPC	BUY	160	219	1294	19.6	20.2	20.3	1.9	1.8	1.5	17.5	15.8	13.3
TATA Power	BUY	94	135	218	13.6	16.2	16.5	1.6	1.3	1.2	10.6	8.4	7.4

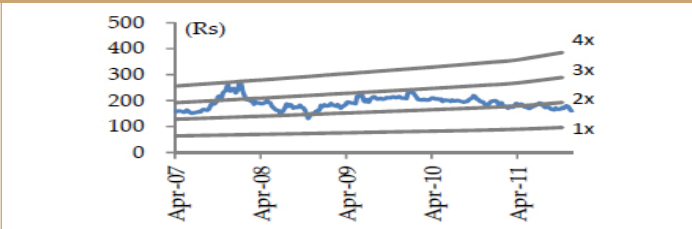
Source: Karvy Institutional Research

NTPC

Relative performance



1 year forward P/BV



Source: Capitaline, Karvy Institutional Research

Profit & loss statement

(₹ mn)	FY2009	FY2010	FY2011	FY2012E	FY2013E
Net revenues	419,921	463,905	548,740	582,985	682,629
Raw material	271,107	294,628	353,738	369,797	427,506
Staff	24,631	24,124	27,897	29,232	32,366
Other operating expenses	18,438	21,049	44,000	26,644	29,491
Operating other income	1,163	2,282	2,510	2,761	2,623
Operating expenses	314,176	339,801	425,635	425,674	489,363
EBIDTA	106,908	126,386	125,616	160,073	195,890
EBIDTA margin (%)	25	27	23	27	29
Other income	44,246	32,286	41,228	20,709	19,545
Interest	19,962	18,089	21,491	26,515	36,123
Depreciation	23,645	26,501	24,857	31,372	41,517
Profit before tax	107,547	114,082	120,496	122,895	137,794
Provision for tax	25,535	26,800	29,470	29,621	26,961
Reported net profit	82,012	87,282	91,026	93,273	110,833
Net margin (%)	20	19	17	16	16
Extra-Ordinary Inc/(Exp)	12,870	6,006	-11,446	0	0
Adjusted net profit	69,142	81,276	79,579	93,273	110,832
% growth	-8	18	-2	17	19
EPS (₹)	9.9	10.6	10.8	11.3	13.4

Source: Company, Karvy Institutional Research

Market pulse

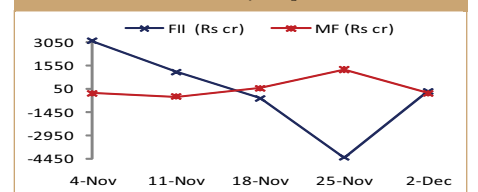
Nifty Top-5 (Weekly)

Company	02-Dec	25-Nov	% Change
Hindalco	135.40	113.50	19.30
Tata Steel	419.10	374.95	11.77
Tata Motors	191.90	171.85	11.67
SBI	1886.85	1690.60	11.61
RCom	77.35	69.50	11.29

Nifty Bottom-5 (Weekly)

Company	02-Dec	25-Nov	% Change
Ranbaxy	442.30	441.20	0.25
ABB	618.75	612.20	1.07
Idea	96.95	95.70	1.31
Hero MotoCorp	2080.95	2036.20	2.20
L&T	1310.30	1265.95	3.50

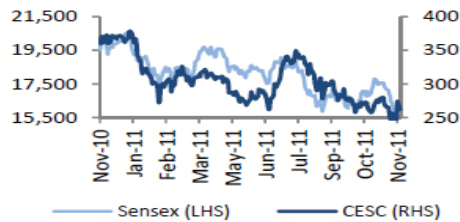
FII vs MF: Weekly net purchases



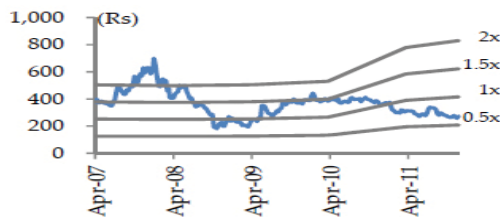
POWER SECTOR REVIEW

CESC

Relative performance



1 year forward P/BV



Source: Capitaline, Karvy Institutional Research

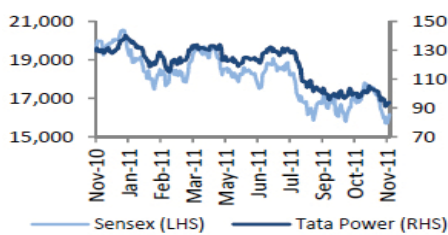
Profit & loss statement

(₹ mn)	FY2009	FY2010	FY2011	FY2012E	FY2013E
Net revenues	41,083	42,662	49,420	58,757	65,885
Raw material	13,959	17,399	20,930	26,627	31,462
Staff	5,183	5,450	5,640	6,810	7,540
Other operating expenses	12,705	11,536	8,660	10,846	11,385
Other expenditure	6,986	3,969	6,670	6,511	6,837
Operating expenses	38,833	38,354	41,900	50,795	57,224
EBIDTA	2,250	4,308	7,520	7,963	8,661
EBIDTA margin (%)	5.5	10.1	15.2	13.6	13.1
Other income	2,202	2,558	2,140	2,791	3,363
Interest	2,088	2,614	2,990	2,571	2,339
Depreciation	2,158	2,514	3,160	3,364	3,614
Profit before tax	206	1,739	3,510	4,818	6,072
Provision for tax	-557	175	530	880	763
Effective tax rate (%)	-270	10	15	18	13
Reported	763	1,564	2,980	3,938	5,309
Share in associate profit (net)	-	-	10	10	10
Extra-Ordinary Inc/(exp)	-	-	-210	-	-
Adjusted net profit	763	1,563	2,780	3,948	5,318
EPS (₹)	6.1	12.4	23.7	31.4	42.3

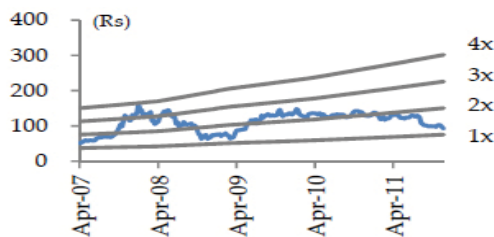
Source: Company, Karvy Institutional Research

Tata Power

Relative performance



1 year forward P/BV



Source: Capitaline, Karvy Institutional Research

Profit & loss statement

(₹ mn)	FY2009	FY2010	FY2011	FY2012E	FY2013E
Net revenues	180,570	189,303	193,482	255,235	321,893
Raw material	98,274	92,342	96,784	136,368	174,999
Staff	6,437	9,095	10,095	11,811	14,291
Other operating expenses	45,032	50,061	44,090	55,623	66,688
Operating expenses	149,743	151,497	140,874	191,991	241,687
EBIDTA	30,828	37,806	44,349	63,244	80,205
% growth	54	23	17	43	27
EBIDTA margin (%)	17.1	20	22.9	24.8	24.9
Other income	8,490	6,446	5,872	4,867	3,642
Interest	8,129	7,818	8,102	14,728	17,416
Depreciation	6,565	8,777	9,802	12,812	18,850
Profit before tax	22,809	27,509	32,317	40,571	47,582
Provision for tax	11,637	6,271	9,756	12,171	15,464
Effective tax rate (%)	47.3	22.7	30.2	30	32.5
Reported net profit	12,987	21,386	22,561	28,399	32,118
% growth	10	65	5	26	13
Net margin (%)	5.7	10.3	10.6	10.2	9.1
Share in sssociate profit (net)	275.7	616.6	0	0	0
Adjusted net profit	10,372	19,520	20,596	25,926	29,320
% growth	28	88	6	26	13
EPS (₹)	5.5	8.3	8.7	10.9	12.4

Source: Company, Karvy Institutional Research

- Karvy Equity Research

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Fundcard: Taurus Tax Shield(G)

Fund objective: To provide long term capital appreciation over the life of the scheme through investment pre-dominantly in equity shares, besides tax benefits.

AMC name: Taurus AMC

Website: www.taurusmutualfund.com

Financial details

AUM as on October 31, 2011	66.71
NAV as on November 28, 2011	30.82
Min investment (₹)	500.00
NAV (52-wk high) {December 02, 2010}	39.21
NAV (52-wk low) {November 23, 2011}	30.05

Investment information

Scheme	Open-ended
Launch date	March 31, 1996
Fund manager	Sadanand Shetty
Benchmark	BSE-200
Entry load (%)	NA
Exit load (%)	NA

Fund structure

Total stocks	44
Total sectors	31
P/E ratio	21.45
P/B ratio	7.74
Avg. mkt cap (₹) (October, 2011)	1,03,686.05

Source: ACE MF

Scheme performance as on Nov 28, 2011

Period	Return	B'mark	Rank
3 months	-0.84	0.16	27/(47)
6 months	-10.64	-12.93	28/(47)
1 year	-16.97	-17.88	28/(47)
3 years	27.19	22.80	9/(38)
5 years	12.18	3.75	2/(27)
Since inception	7.45	11.74	NA

Top-10 companies

Name	(%)	
ITC	7.5	↑
Cash & cash equivalent	7.5	↑
Reliance Industries	6.7	↓
Infosys	6.3	↑
HDFC	5.7	↑
Bharti Airtel	4.8	↓
L&T	4.2	↑
TCS	4.2	↑
ICICI Bank Ltd.	3.8	↓
HUL	2.9	↑

↑ ↓ ⇌ Indicates an increase or decrease or no change in holding since last portfolio. ⚡ indicates new holding since last portfolio.

5-year history

Financial year	2010-2011*	2009-2010	2008-2009	2007-2008	2006-2007
NAV as on Mar 31 (Rs)	35.70	31.64	16.52	24.05	15.80
Net assets as on Mar 31 (Rs cr.)	64	44	13	12	NA
Returns (%)	11.91	88.90	-31.25	58.02	-18.18
CNX Nifty returns (%)	10.27	71.52	-36.26	30.30	10.03
Category rank	9/(47)	17/(47)	13/(46)	1/(39)	37/(37)

* For 2010 - 2011 values and returns are as of March 31, 2011

SIP details: Invested ₹5,000 every month

Period	Total invest (₹)	Scheme (₹)	Benchmark
1 year	60,000	57,907	57,365
3 years	1,80,000	2,16,112	2,07,327
5 years	3,00,000	4,01,392	3,50,513
10 years	6,00,000	13,05,649	14,28,724

Top-10 sector-wise holdings

Name	(%)	
Bank - private	11.7	↓
IT - software	10.5	↑
Refineries	7.9	↓
Cigarettes/tobacco	7.5	↑
Other	7.5	↑
Telecom - provider	6.4	↓
Finance - housing	5.7	↑
Household & personals	4.5	↑
Telecomm - service provide	4.3	↑
Engg. - construction	4.2	↑

Volatility measures

Fama	-0.05
Beta	0.85
Std dev	1.28
Sharpe	-0.09

Fundcard: Canara Robeco Equity Tax Saver(G)

Fund objective: To generate capital appreciation from a diversified portfolio of equity and equity related instruments. The scheme will predominantly invest in small and midcap equity and equity related instruments.

AMC name: Canara Robeco AMC

Website: www.canararobeco.com

Financial details

AUM as on October 31, 2011	302.14
NAV as on November 28, 2011	23.71
Min investment (₹)	500.00
NAV (52-wk high) {January 03, 2011}	27.28
NAV (52-wk low) {November 23, 2011}	22.97

Investment information

Scheme	Open-ended
Launch date	February 02, 2009
Fund manager	Soumendra Nath Lahiri
Benchmark	BSE-100
Entry load (%)	NA
Exit load (%)	NA

Fund structure

Total stocks	52
Total sectors	30
P/E ratio	20.48
P/B ratio	5.36
Avg. mkt cap (₹) (October, 2011)	73,182.06

Source: ACE MF

Scheme performance as on Nov 28, 2011

Period	Return	B'mark	Rank
3 months	-0.88	0.94	28/(47)
6 months	-8.08	-15.48	7/(47)
1 year	-17.53	-28.34	7/(47)
3 years	NA	NA	NA
5 years	NA	NA	NA
Since inception	33.86	23.56	NA

Top-10 companies

Name	(%)	
CBLO	7.8	↓
HDFC Bank	5.9	↑
Bharti Airtel	5.7	↓
Reliance Industries	4.6	↑
Infosys	4.2	↓
ITC	3.5	↑
HUL	2.6	↑
HDFC	2.5	↑
State Bank Of India	2.4	↑
Oil India	2.3	↓

↑ ↓ ⇌ Indicates an increase or decrease or no change in holding since last portfolio. ⚡ indicates new holding since last portfolio.

5-year history

Financial year	2010-2011*	2009-2010	2008-2009	2007-2008	2006-2007
NAV as on Mar 31 (Rs)	25.83	23.33	10.84	-	-
Net assets as on Mar 31 (Rs cr.)	244	155	28	-	-
Returns (%)	10.29	113.45	4.03	-	-
CNX Nifty returns (%)	10.27	71.52	-36.26	30.30	10.03
Category rank	16/(46)	3/(47)	10/(46)	-	-

* For 2010 - 2011 values and returns are as of March 31, 2011

SIP details: Invested ₹5,000 every month

Period	Total invest (₹)	Scheme (₹)	Benchmark
1 year	60,000	59,038	57,846
3 years	NA	NA	NA
5 years	NA	NA	NA
10 years	NA	NA	NA

Top-10 sector-wise holdings

Name	(%)	
Bank - private	9.6	↑
Pharma & drugs	8.5	↑
Other	7.4	↓
Refineries	6.6	↓
Bank - public	6.4	↑
IT - software	6.4	↓
Telecomm - provider	5.7	↓
Cem. & cons. materials	4.8	↓
Household & personals	4.8	↑
Engg. & construction	3.7	↓

Volatility measures

Fama	-0.03
Beta	0.64
Std dev	1.28
Sharpe	-0.08

Scheme performance

Equity Diversified

Scheme Name	NAV (Rs)	1 Year	2 Year	3 Year
SBI Magnum Emerging Busi (G)	42.14	-1.4	16.6	46.8
ICICI Pru Discovery Fund (G)	42.63	-17.1	4.8	42.2
DSP-BR Micro Cap Fund - RP (G)	13.82	-21.1	11.5	39.6
IDFC Premier Equity - A (G)	30.31	-14.0	9.1	38.1
Religare Mid Cap Fund (G)	13.31	-14.7	8.5	38.0
Reliance Equity Oppor - RP (G)	32.30	-15.3	8.9	37.7
Religare Mid N SmallCap (G)	13.23	-15.8	12.4	37.7
SBI Magnum Global Fund (G)	51.67	-12.0	5.6	37.5
HDFC MidCap Opportunities (G)	14.50	-13.6	10.5	37.2
Can Robeco Emerg-Equities (G)	19.97	-16.8	7.1	37.1
ING Dividend Yield (G)	21.31	-14.8	7.4	36.9
Mirae (I) Opportunities-RP (G)	14.87	-14.7	3.7	36.8
DSP-BR Small & Mid Cap -RP (G)	15.43	-19.6	5.0	36.8
UTI Master Value Fund (G)	46.58	-18.5	5.3	36.4
Tata Dividend Yield Fund (G)	31.01	-10.7	9.0	35.7
IDFC Sterling Equity Fund - G	16.33	-17.3	5.3	34.7
Quantum Long-Term Equity (G)	20.13	-15.5	5.9	34.6
Tata Contra Fund (G)	16.21	-13.4	3.4	34.2
Sundaram Select Small Cap (G)	11.83	-18.5	3.0	34.2
Tata Ethical Fund (G)	60.51	-13.0	4.4	34.0
Sundaram Select Midcap -RP (G)	135.19	-18.0	1.8	34.0
Principal Emerging Bluechip(G)	23.76	-31.3	-6.5	34.0
HDFC Equity Fund (G)	235.85	-22.5	1.8	33.9
HDFC Core & Satellite Fund (G)	34.24	-21.9	1.7	33.1
UTI Opportunities Fund (G)	26.26	-8.4	5.4	32.6

Equity FMCG

Scheme Name	NAV (Rs)	1 Year	2 Year	3 Year
SBI Magnum FMCG Fund	33.04	12.0	26.3	41.5
ICICI Pru FMCG Fund (G)	76.70	16.9	21.1	36.8

Equity Tech

Scheme Name	NAV (Rs)	1 Year	2 Year	3 Year
ICICI Pru Tech. Fund (G)	16.55	-12.6	13.0	38.8
SBI Magnum IT Fund	21.16	-8.8	5.7	34.9
Franklin Infotech Fund (G)	60.05	-9.2	9.0	33.6
DSP-BR Technology.Com -RP (G)	28.35	-15.6	-0.9	25.2
Birla SL New Millennium (G)	17.42	-16.9	-0.7	21.0

Balanced

Scheme Name	NAV (Rs)	1 Year	2 Year	3 Year
Edelweiss Absolute Return Fund (G)	11.21	-3.4	5.6	--
HDFC Childrens Gift (Inv)	42.02	-2.5	14.7	33.0
HDFC Prudence Fund (G)	195.60	-12.3	6.8	32.1
HDFC Balanced Fund (G)	53.57	-6.1	11.1	31.1
Reliance RSF - Balanced (G)	20.11	-16.1	3.2	28.1
Birla Sun Life 95 Fund (G)	291.65	-9.8	4.6	27.2
Tata Balanced Fund (G)	78.63	-9.4	3.3	26.4
Can Robeco Balance (G)	58.20	-6.7	5.9	25.5
ICICI Pru CCP - Gift Plan	49.02	-20.7	1.8	25.5
ICICI Pru Balanced Fund (G)	45.06	-5.1	7.1	23.7

ELSS

Scheme Name	NAV (Rs)	1 Year	2 Year	3 Year
ICICI Pru Tax Plan (G)	124.09	-16.5	3.4	35.5
Can Robeco Eqty TaxSaver (G)	23.82	-12.5	5.7	34.4
HDFC Tax Saver (G)	204.07	-18.9	2.6	32.2
ING Tax Saving (G)	26.67	-17.1	3.7	31.1
Religare Tax Plan (G)	16.02	-14.9	4.8	30.1
Fidelity Tax Advantage (G)	19.73	-16.5	4.6	30.0
HDFC Long Term Advantage (G)	121.25	-19.2	3.5	29.7
Franklin India Tax Shield (G)	197.12	-10.0	6.3	28.8
Taurus Tax Shield (G)	31.21	-20.4	--	28.2
Sahara Taxgain (G)	33.25	-17.9	1.6	27.6

Equity Banking

Scheme Name	NAV (Rs)	1 Year	2 Year	3 Year
Sahara Bkg & Fin. Services (G)	24.99	-27.7	1.6	33.9
Reliance Banking Fund (G)	83.41	-29.4	3.0	32.8
UTI Banking Sector (G)	34.68	-29.4	0.7	29.8
Religare Banking Fund -RP (G)	16.52	-28.0	1.1	29.3
ICICI Pru Bkg & Fin Serv-RP(G)	14.88	-27.7	-0.9	28.5
Sundaram Fin-Serv. Opp.-RP (G)	16.09	-29.6	-0.4	24.6

Equity Pharma

Scheme Name	NAV (Rs)	1 Year	2 Year	3 Year
Reliance Pharma Fund (G)	52.76	-7.9	13.1	44.1
SBI Magnum Pharma Fund (G)	44.35	-4.4	13.2	35.9
UTI Pharma & Health (G)	39.17	-7.0	14.5	30.6

Equity Miscellaneous

Scheme Name	NAV (Rs)	1 Year	2 Year	3 Year
UTI Transport & Logistics (G)	25.50	-15.8	6.8	40.6
Tata Life Sc & Tech Fund (G)	63.29	-12.8	2.0	34.4
Birla Sun Life Buy India (G)	37.24	-19.4	2.4	29.6
Reliance Media & Entertain (G)	25.76	-17.7	2.0	24.7
UTI Services Industries (G)	50.15	-20.7	-2.9	23.4
Birla SL Basic Industries (G)	87.69	-23.3	-1.2	20.1
Sundaram Energy Oppor. (G)	7.11	-18.4	-8.9	18.0
UTI Energy Fund (G)	9.01	-21.6	-9.2	15.7
Reliance Diver. Power - RP (G)	51.29	-38.2	-18.2	12.0
JM Basic Fund (G)	11.08	-34.8	-22.1	10.3

MIP

Scheme Name	NAV (Rs)	1 Year	2 Year	3 Year
Templeton (I) Low Duration (G)	11.20	9.8	--	--
Birla SL MIP II-Savings 5 (G)	18.40	6.8	6.2	8.4
Taurus MIP Advantage Fund (G)	10.90	5.6	--	--
BNP Paribas MIP (G)	15.10	5.0	3.3	5.8
Can Robeco MIP (G)	30.38	4.2	6.8	14.2
Birla SL Monthly Income (G)	37.56	3.7	5.7	12.6
SBI Magnum MIP - Floater (G)	13.76	3.7	7.0	7.9
JM Monthly Income Plan (G)	15.73	3.6	4.2	5.8
Birla Sun Life MIP (G)	27.18	3.2	5.4	11.6
FT India MIP (G)	28.50	3.2	4.7	10.5

Source: moneycontrol.com; Note: All returns are annualized and expressed in percentage; all NAVs as of December 01, 2011.

(Compiled by Karvy Personal Finance Desk)

Recommendations

Mphasis (Sell)

CMP: ₹315.25

Mphasis is in a medium-term downtrend, ignoring all sorts of recovery since August. Prior to that, the stock was trading sideways from lack of buying, with the counter seeing continuous build-up of short positions on every rise. Thereafter, a breakaway gap, formed on August 5, 2011, ignited the downtrend. The rising volumes backed by declining prices clearly indicate the prevailing weakness in the stock. The stock has constantly failed to cross the 50-day EMA levels; given that it is currently around these levels, there is an excellent shorting opportunity. On the weekly charts, the counter is trading in a downward-sloping channel, which is a bearish signal. Moreover, recent sell signals from technical indicators are likely to benefit participants. Hence, we recommend selling the stock below 310 levels, or else around the highs of 332-335 levels, for downside targets of 290 and 280 levels in the short to medium term. All short positions in the stock should be held with a stop loss above 350 levels on a closing basis.

Orchid Chemicals (Buy) CMP: ₹167.20

Orchid Chemicals witnessed a sharp pull-back on the back of rising volumes, gaining more than 11% last week. The stock has formed a "rounding bottom" on supports of 142-144 levels, and that has helped the counter to regain confidence among participants. In addition, a "morning star" formation reflects value-buying around lower levels, and this is likely to provide further momentum. However, the stock has a marginal obstacle at 170 levels in the form of the 50-day EMA; above that, fresh steam is likely to push up the counter to test higher levels of 190 and 194 levels in the short term. Moreover, a simultaneous buy from the 14-week RSI and weekly MACD will add fuel to the uptrend. That said, the daily Stochastic has touched the oversold territory; this can initiate some selling, which, in turn, should be utilized as a fresh buying opportunity. Investors can accumulate long positions at current levels and average the same, if available, in the range of 158-160 levels for a near-term target of 190 and 195 levels. All long positions in the stock should be held with a stop loss at 146 levels on a closing basis.

IndusInd Bank (Buy) CMP: ₹274.80

IndusInd Bank displayed strong response, rising 8.18% in last week's market rally. In the last three months, the stock has been trading in an upward-sloping channel with active participation, and a recent bounce from the lower band makes it a good buy. On Friday, it witnessed a decent pull-back from the day's lows and surged beyond all its moving averages. However, it has marginal resistance at 290 levels, and any breakout above that level could take the stock beyond 300 levels. Meanwhile, the counter saw some positive crossovers among short- and medium-term moving averages, indicating further increase in prices. Moreover, a fresh buy trigger from the 14-week RSI can help the stock gain further momentum. The Stochastic line has also given a positive signal. Hence, we advise investors to assume long positions if it sustains above 270 levels, or else close to 260 levels, for higher targets of 290-300 levels. All long positions in the stock should be held with a stop loss at 248 levels on a closing basis.

- Devendra Gaur

Disclaimer : The information and views presented in this report are prepared by Karvy Stock Broking Limited. The information contained herein is based on our analysis and upon sources that we consider reliable. We, however, do not vouch for the accuracy or the completeness thereof. This material is for personal information and we are not responsible for any loss incurred based upon it. The investments discussed or recommended in this report may not be suitable for all investors. Investors must make their own investment decisions based on their specific investment objectives and financial position and using such independent advice, as they believe necessary. While acting upon any information or analysis mentioned in this report, investors may please note that neither Karvy nor Karvy Stock Broking nor any person connected with any associate companies of Karvy accepts any liability arising from the use of this information and views mentioned in this document. The author, directors and other employees of Karvy and its affiliates may hold long or short positions in the above mentioned companies from time to time. Every employee of Karvy and its associate companies is required to disclose his/her individual stock holdings and details of trades, if any, that they undertake. The team rendering corporate analysis and investment recommendations are restricted in purchasing/selling of shares or other securities till such a time this recommendation has either been displayed or has been forwarded to clients of Karvy. All employees are further restricted to place orders only through Karvy Stock Broking Ltd. This report is intended for a restricted audience and we are not soliciting any action based on it. Neither the information nor any opinion expressed herein constitutes an offer or an invitation to make an offer, to buy or sell any securities, or any options, futures or other derivatives related to such securities.

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Key Data

Domestic indices: Weekly performance

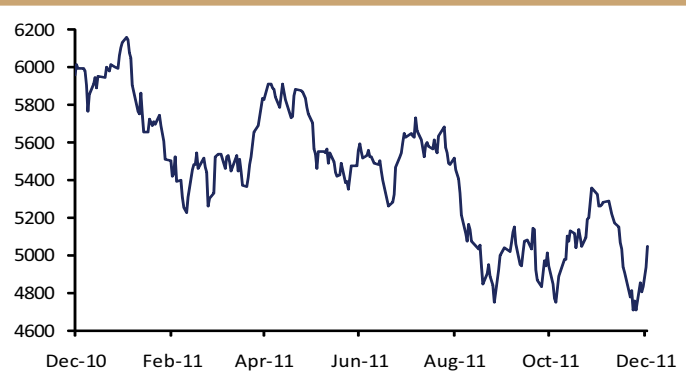
	Close (Dec 02)	Close (Nov 25)	Weekly (%)	6M (%)	12M (%)	P/E Ratio
Sensex	16846.83	15695.43	7.34	-8.91	-15.74	15.43
Nifty	5050.15	4710.05	7.22	-9.01	-15.99	14.87
BSE 500	6357.37	6008.93	5.80	-12.00	-19.88	14.20
BSE Auto	8819.88	8362.86	5.46	-0.18	-14.05	11.55
BSE Bankex	10550.45	9768.70	8.00	-14.77	-25.67	12.42
BSE Capital Goods	9933.46	9533.52	4.20	-24.74	-35.70	16.71
BSE Consumer Durables	5883.24	5777.90	1.82	-9.96	-11.22	15.82
BSE FMCG	4111.20	3899.57	5.43	5.03	14.48	31.05
BSE Healthcare	6124.78	5932.02	3.25	-3.81	-8.82	24.50
BSE IT	5726.93	5403.55	5.98	-4.71	-7.48	20.33
BSE Oil & Gas	8410.57	7899.64	6.47	-12.35	-18.82	11.26
BSE Metal	10913.57	9874.97	10.52	-28.40	-33.43	7.55
BSE Realty	1656.91	1579.30	4.91	-22.73	-46.27	13.40
BSE PSU	7077.47	6692.29	5.76	-17.73	-26.61	10.78
BSE Power	2011.99	1894.01	6.23	-21.35	-31.53	16.76
BSE Teck	3469.61	3286.11	5.58	-4.65	-7.75	24.23

Global indices: Weekly performance

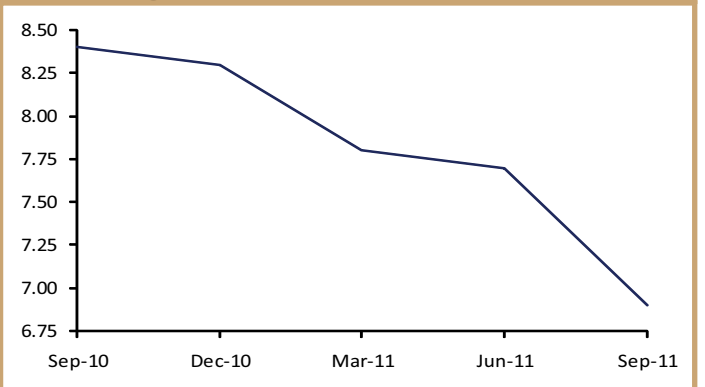
	Close (Dec 02)	Close (Nov 25)	Weekly (%)	6M (%)	12M (%)	P/E Ratio
GLOBAL INDICES						
MSCI World Index	1184.46	1097.81	7.89	-10.63	-4.28	12.62
MSCI Asia Pacific Ex Japan	409.12	374.67	9.19	-15.84	-11.58	11.44
ASIA						
Hang Seng	19040.39	17689.48	7.64	-18.12	-18.80	8.54
Singapore Straits Times (STI)	2773.36	2643.93	4.90	-12.25	-13.28	7.92
S. Korea	1916.04	1776.40	7.86	-9.37	-1.75	18.86
Nikkei 225	8643.75	8160.01	5.93	-9.54	-15.00	16.78
AMERICA						
Dow Jones	12054.42	11231.78	7.32	-1.58	6.09	12.45
S&P 500	1250.39	1158.67	7.92	-4.76	2.36	13.16
NASDAQ	2639.07	2441.51	8.09	-4.84	2.32	22.72
Brazil Bovespa	58100.58	54894.49	5.84	-9.53	-16.43	9.51
EUROPE						
FTSE-100	5545.07	5164.65	7.37	-5.18	-3.86	10.01
DAX 30	6076.24	5492.87	10.62	-14.11	-12.67	9.94
CAC 40	3161.99	2856.97	10.68	-18.71	-15.61	9.23

Note: The closing for the US and Europe is as of 10.15 pm IST on Friday.

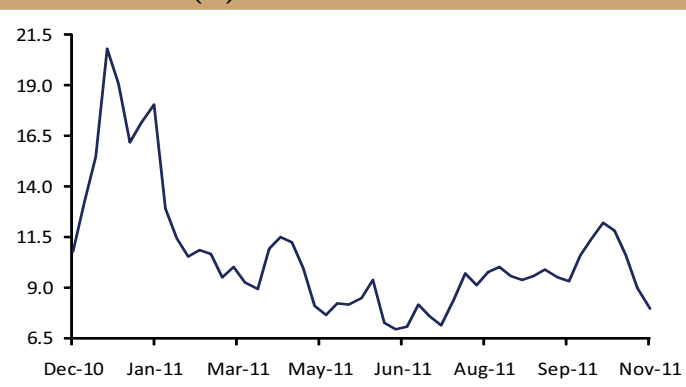
Nifty movement



Real GDP growth (%)



Food inflation (%)



NYMEX crude (US\$/bbl)



Source: Bloomberg

(Compiled by Karvy Personal Finance Desk)

Head Office:

Satyan Nair, Managing Editor, Karvy Stock Broking Ltd.,
529, Road No.10, Banjara Hills, Hyderabad - 500 034.
Ph: 040-44507254.

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