

**INDICES**

	Today	Prev.	Change
BSE	17985.90	17937.20	48.70
NSE	5400.65	5383	17.65
DJIA	10363.02	10216.27	146.75
NASDAQ	2242.03	2198.36	43.67
FTSE	5258.44	5167.02	61.57
DAX	6191.13	6077.19	113.94
CAC	3637.76	3567.66	70.1

ACTIVITY INDICATORS**Market Breath (BSE)**

Number of Advance	1694
Number of Declines	1188
Unchanged	119
Total Trades	3001

BSE GAINERS (TOP 5)

Company	Today	Prev.	%Change
Industrial Invest	116.25	96.9	19.97
Mindteck India	39.05	32.55	19.97
VAX Housing	15.33	12.78	19.95
Visu Intl	6.74	5.62	19.93
LML	13.91	11.61	19.81

BSE LOSERS (TOP 5)

Company	Today	Prev.	%Change
Bhageria Dye	26.8	29.65	-9.61
Bampsl Sec	1.04	1.15	-9.57
English Indian	87.45	96.6	-9.47
Novagold Petro	4.26	4.7	-9.36
JMDE Pack	0.61	0.67	-8.96

INSTITUTIONAL ACTIVITY**(Rs in Crs)**

	BUY	SELL	NET
FII's (NET)	3132.49	2347.81	784.68
DII's (NET)	1382.81	2033.77	-650.96

CURRENCIES & BOND MARKET

	Today	Prev.
Rs/ US \$	46.765	46.76
Rs/ Euro	59.21	58.66
Euro/US \$	1.267	1.2572

COMMODITIES

	Today	Prev.
Nymex Oil (US\$/bbl)	76.73	75.02
Gold (US\$/oz)	1214.35	1198.25

Market News➤ **Nifty captures 5400...Infy drags IT down**

The Indian markets ended the day with modest gains on Tuesday extending winning streak to fourth day of gains. A late afternoon burst saw the Indian stocks erase most of the day's losses as sustained strength in Real Estate, Consumer Durables, Metals and Oil & Gas offset weakness in IT and Telecom. However, shares of IT major Infosys slipped after the Bangalore-based company's first-quarter results left investors sour. The BSE Sensex ended at 17,985, up 49 points or 0.3% over the previous close. It had earlier been as low as 17,855 and as high as 17,998 after opening at 17,908. The NSE Nifty closed at 5400, up 18 points over the last close. It earlier touched a low of 5,357 and a high of 5,406 after starting the day at 5,370. The broader market did a touch better than their large cap peers with the BSE Small-Cap index and the BSE Mid-Cap index rising 0.7% each.

Outside the frontline indices, the big gainers in the broader market were Jet Airways, Titan Ind, Max India, JP Hydro and Akruti City. On the other hand, losers included MTNL, Mphasis, Glaxo and MMTC. With Infosys results disappointing the markets, the BSE IT index was the worst performer (down 2.7%). FMCG and Pharma indices were the other laggards today while Auto stocks recovered by the close. Power, Banking and Capital Goods stocks also saw decent buying. DLF, Tata Steel, Jaiprakash Associates, HDFC, Tata Motors, RIL, Hindalco, BHEL, SBI, Unitech, Suzlon, Siemens and IDFC were the top gainers in the Sensex and the Nifty. Infosys, Idea, TCS, Bharti Airtel, Wipro and M&M were among the big losers in the Sensex and the Nifty.

➤ **China drags Asian markets lower**

Asian stocks closed mostly down on Tuesday, with China pacing the decline after regulators refuted media reports that they were going to ease the curbs on the property market and hinted that there would be no backtracking from the course of policy tightening in the near future. Alcoa, the largest US aluminum producer, lifted its outlook for global consumption of the metal and posted surprisingly strong quarterly results, sending Asian markets higher initially, but the focus soon turned squarely to volatility in China's stock markets.

The Shanghai Composite Index, which tracks the bigger of China's stock exchanges, lost 40 points, or 1.6%, to end at 2,450. The Shanghai Composite had jumped 3.7% last week, the most this year. The Ministry of Housing and Urban-Rural Development yesterday reiterated that it will maintain curbs on speculative purchases and increase market supply. China may abandon its current property policies. The government will strictly enforce housing policies to prevent speculative real estate investment. China's property prices fell 0.1% in June from the previous month, ending 15 months of gains, statistics bureau data showed yesterday. New lending of 603 Bn yuan (US\$89bn) last month was the least in three months. Australia's S&P/ASX 200 fell 29 points or 0.7% to end at 4380, while South Korea's Kospi Composite finished flat at 1735. Taiwan's Taix shed 0.5% to end at 7597 and ST in Singapore rose 3 points at 2928.



World News

➤ **Moody's downgrades Portugal's bond ratings to A1**

Moody's Investor Service on Tuesday downgraded Portugal's bond ratings two notches to A1 from Aa2, but said that the ratings outlook is stable. The Portugal government's financial strength will continue to weaken over the medium term, as evidenced by ongoing deterioration in the country's debt metrics, said Anthony Thomas, senior analyst in Moody's Sovereign Risk Group. Economic growth prospects are likely to remain relatively weak unless recent structural reforms bear fruit over the medium to longer term, he added. Portugal's government is likely to remain relatively highly indebted for the foreseeable future, Thomas said. Moody's noted that a more severe deterioration in the country's debt metrics in the event of higher interest rates or weaker economic growth cannot be completely ruled out. Moody's had placed Portugal's bond ratings on review for possible downgrade on May 5.

Corporate News

➤ **SRL buys Piramal Diagnostics for Rs 600 Crs**

Diagnostic chain Super Religare Laboratories (SRL) has bought out Piramal Healthcare's diagnostic chain Piramal Diagnostics for Rs 600 Crs. The announcement is expected shortly. Piramal will retain one board position in Malvinder Singh promoted SRL. The deal is valued at approximately three times sales. Piramal's value is at around Rs 600 Crs. Piramal Diagnostics operates 124 diagnostic Centres in 85 cities with over 400 sample collection Centres, as per its website. Piramal Healthcare has sold its domestic formulation business to US-based Abbott Laboratories for USD 3.7 Bn last month.

➤ **Cautious Infy sees one-third rev from Europe in long-term**

The Q1 FY11 numbers from India's second largest IT services exporter -- Infosys Technologies -- have come in below street expectations. Infosys' Q1 FY11 net profit declined 7.98% to Rs 1,488 Crs as against Rs 1,617 Crs, quarter-on-quarter basis. Revenues jumped 4.27% to Rs 6,198 Crs from Rs 5,944 Crs. A CNBC-TV18 poll expected net profit and sales at Rs 1,564.5 Crs and at Rs 6,213.9 Crs, respectively.

➤ **RIL eyeing third shale gas deal in North America**

After closing two deals in quick succession for Shale Gas, Reliance Industries (RIL) is in talks for another asset in North America. If concluded, this deal will be bigger than the previous two that RIL closed with Atlas Energy and Pioneer Resources. Reliance had picked up 40% in Atlas Energy's shale asset for USD 1.7 Bn and acquired 45% in Pioneer's Eagleford asset for USD 1.3 Bn. RIL is negotiating for 50% or more stake in this shale asset and talks between the company and the seller is going on for 3 to 4 weeks. In contrast to its previous buys, this acquisition is negotiation-based and not bid-based.

➤ **TVS Motor looking to buy LML's assets**

TVS Motor Company is looking to buy the assets of LML India, a leading scooter manufacturer. TVS is looking to increase its scooter portfolio aggressively. It is eyeing scooter sales of 4.8 lakh units in FY11 due to its newly launched WEGO. The two-wheeler major had sold 3 lakh units of scooters in FY10. If the deal fructifies, it will be the first inorganic acquisition for TVS Motor. LML is a loss making company. Its assets are lying idle and it doesn't sell anything. The scooter manufacturer closed its operations 3-4 years ago after suffering massive losses. It has been making losses for the last five years. Earlier LML used to sell geared scooter brands like Supremo. Analysts say assets are available at cheap valuations. LML has no real business, so the stock is basically trading at the replacement value of its capacity.

TVS Motor, said exports will contribute 25% of total sales over the next 4-5 years. Currently, exports contribute 14-15% of total sales for the two-wheeler major. TVS, will invest Rs 150-180 Crs over the next one year towards capex. The company is also planning to enter Argentina and Mexico with its two-wheelers. It will push its flagship brands Star and Apache and expects to have 18-20% market share in all export markets from the current 10% share. TVS already exports to the SAARC region and Africa. It will set up assembly lines in Bangladesh and Columbia over the next two years. It is also looking at Asia, Africa for three-wheeler exports.

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