



**MARKET WATCH**

**INDICES THIS WEEK**

INDICES	27-Mar-09	02-Apr-09	% Ch.	
BSE SENSEX	10048.49	10348.83	2.99	▲
CNX NIFTY	3108.65	3211.05	3.29	▲
CNX MIDCAP	3385.00	3546.70	4.78	▲
BSE BANKEX	4829.03	4822.39	0.14	▼
BSE PSU	5363.74	5503.80	2.61	▲
BSE AUTO	3067.78	3166.92	3.23	▲
BSE IT	2337.80	2454.72	5.00	▲
BSE METAL	6110.09	6224.19	1.87	▲

**MF/FII position this month**

MUTUAL FUND*	GROSS PURCHASES	GROSS SALES	NET	
EQUITY	359.40	343.30	16.10	(+)
<b>FII ** (Rs. Cr)</b>				
EQUITY	3336.10	3632.70	296.60	(-)
DEBT	356.20	368.60	12.40	(-)
	*(As on 01/04/09)	** (As on 02/04/09)		

**World indices this week**

INDICES	27-Mar-09	03-Apr-09	% Ch.	
DOW 100	7776.18	8017.59	3.10	▲
NASDAQ	1545.20	1621.87	4.96	▲
FTSE 100	3898.90	4029.67	3.35	▲
HANG SENG	14119.50	14545.69	3.02	▲
NIKKEI	8626.97	8749.84	1.42	▲



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Domestic market ended with impressive gains for the third successive week, boosted by positive global cues. Besides a strong global rally, expectations of a further easing of the monetary policy by the Apex bank on the back of falling inflation and a slew of company and sector specific developments like some big order wins and fairly strong sales and shipment figures from auto and cement manufacturers too aided the sentiment. Inflation as measured by the wholesale price index rose 0.31% in the 12 months to 21 March 2009, marginally above the previous week's annual rise of 0.27%, government data showed on 2 April 2009. The annual inflation rate was 7.85% during the corresponding week of the previous year. The market had only four sessions for the week as they remained closed on Friday on account of Ram Navami. The Foreign Institutional Investors bought stocks worth Rs500mn during the week and the Domestic Institutional Investors also purchased stocks worth Rs540mn during the week.

Finally the Sensex ended 3.82% higher and recovered 9.57% from week's low of 9,520.96. The Nifty recovered 8.5% from week's low of 2,962 and ended 3.4% higher. It was a pretty good week for several midcap and smallcap stocks. Mirroring sustained buying in these segments, the BSE Midcap and Smallcap barometers moved up by as much as 6.52% and 6.14% respectively. Major gainers in 30-share index over the week were Ranbaxy (13.54%), DLF (11.36%), Reliance Capital (10.78%) Mahindra & Mahindra (9.03%) and Tata Power (8.32%), Jaiprakash Associates (7.98%), ONGC (7.72%). On the other hand, ICICI Bank (6.36%), Hindustan Unilever (3.75%), Sun Pharmaceuticals (1.26%), BHEL (0.89%) and ITC (0.83%) losers over the week. Among midcap stocks, JSW Steel shot up 30%. Financial Tech was up 20% and Punj Lloyd went up 18%. In the small cap space, Tanla was up 40% and Opto went up 35%. ICSA jumped up 25% and Bartonics gained 23%.

India's Feb exports fell for the fifth month in February. Exports declined 21.7% to US\$11.9bn on a yoy basis. February imports also declined 23.3% to US\$16.8bn, as a result trade deficit is down at US\$4.9bn against US\$6.7bn, government data released on 1 April 2009. Group of 20 most powerful countries (G20) met in London on Thursday, and agreed to pump in USD 1 trillion in the global financial system and on new regulations for banks and credit rating agencies, in order to bring confidence in financial system.

Trading for the week began on a dismal note with key benchmark indices tumbling nearly 5% on **Monday**. As the day progressed, the index plunged further due to weak global cues, The Nifty slipped below the 3000 mark while the Sensex closed below the 9600 level. It tumbled over 450 points at close on intense selling seen across the board led by banking, realty, metal and IT stocks, which were worst hit. Finally the Sensex lost 480 points to close at 9,568 and the Nifty was down 130 points at 2,978.

Positive global cues and buying by domestic institutional investors on last day of financial year to boost net asset values helped indices log gains on **Tuesday**, 31 March 2009. Capital goods, healthcare, realty and auto stocks were on the upmove. The Nifty tested the 3050 level during the day while the Sensex touched the 9800 level. Finally, the Sensex surged by 140.36 points 9,708.50 and the Nifty surged by over 42.80 points at 3,020.95.

Higher US index futures, firm global markets and build-up of fresh positions by traders for the new accounting year 2009-10 boosted market on **Wednesday**, 1 April 2009. The Sensex gained 193.49 points, or 1.99%, to 9,901.99 and the S&P CNX Nifty rose 39.40 points or 1.3% to 3,060.35.

Market extended gains for the third day on **Thursday**, 2 April 2009 mirroring firm global equities, buying by foreign funds and hopes of interest rate cuts by the Reserve Bank of India after inflation hovered near record low. Sensex crossed the psychological 10,000 mark and Nifty index closed above the 3,200 mark. The Sensex jumped 446.84 points, or 4.51%, to 10,348.83 and the S&P CNX Nifty surged 150.70 points or 4.92% to 3,211.05.

Markets remain closed on **Friday**, 3 April 2009, on account of Ram Navmi.



**MARKET THIS WEEK**



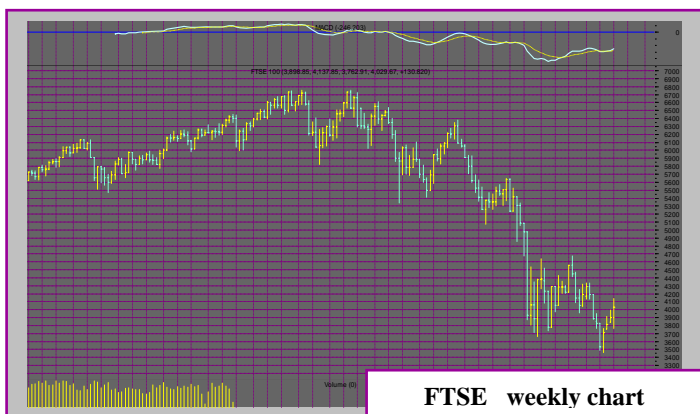
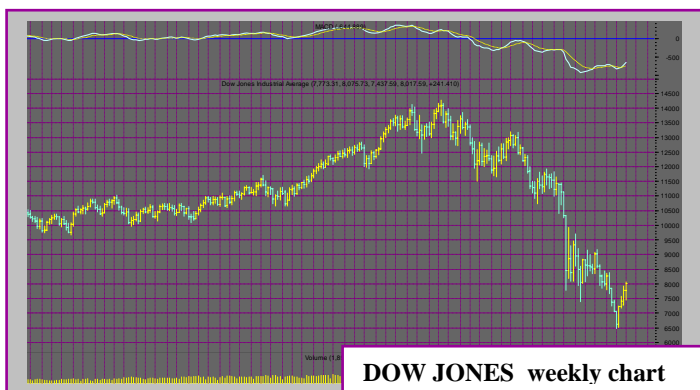
	CLOSING(THIS WEEK)	100 DEMA	200 DEMA	200 DSMA	TURNING POINT	RESISTANCE	SUPPORT
SENSEX	10349	9803	11201	11407	9950	10940	9500
NIFTY	3211	3004	3397	3455	3120	3370	2945
BANK NIFTY	4426	4444	5075	5046	4300	5000	4020
CNX IT	2494	2388	2813	2939	2410	2810	2280
NIFTY JUNIOR	4579	4457	5333	5325	4465	5000	4210
CNX 500	2429	2318	2670	2707	2380	2600	2260

The countdown for the year end numbers season will begin this week and the same along with the outlook for the next financial year will be the key market driver post the current market recovery. Though the bad news on the numbers front was more or less discounted by the market participants prior to the current rally, at the moment things are even for both Bulls and Bears to move the markets in either direction. Markets are now firmly trading above the psychological benchmarks of 10000 / 3000 and are now poised to take out the October (six month) highs. Both the indices are now inching towards the 200 Day EMAs although so many resistances are there before that particular point. Any move beyond the same will activate buying by people who are sitting on the fence. US markets also gained significantly this week on the back of better than expected economic data (data was better than the feared slowdown). US markets had the best monthly gain since October of 2002. Tech heavy Nasdaq turned positive for calendar 2009. CBOE VIX index has now broken below both the 200 Day EMA and 40 marks on weekly closing basis for the first time in many months. This could be the lead indicator for the markets going forward to extend the current recovery points for some more time.

Other global markets like China, Taiwan and S Korea had their best weekly closing in six months and most of the indices are now near / above their respective 200 Day EMAs. European markets also rallied significantly from their recent lows on the back of worldwide equity rally.



**WORLD MARKET**



**US:**

Wall Street finished their fourth up week with a gain of more than 3 percent, scoring their longest winning streak since October, 2007 as Federal Reserve Chairman Ben S. Bernanke said programs to unfreeze credit markets are working and Research In Motion Ltd.'s forecasts boosted technology shares. The Dow Jones industrial average clawed higher to end above 8,000 for the first time in nearly two months, and logged an impressive fourth straight week of gains. The market could still recover even if unemployment remains high. The G20 ministers devised plans to give more than \$US1 trillion to the International Monetary Fund and other institutions and create stricter rules for hedge funds. G20 ministers also agreed to crack down on tax havens, boost world trade, clean up the financial sector with tougher regulations and introduce new rules on pay and bonuses for corporate bosses. Traders have been emboldened in recent weeks by better-than-expected readings on key economic factors like housing, banking and manufacturing. For the week The Dow Jones Industrial Average increased 241 points, or 3.1 percent, to 8,017.59. The S&P 500 rose 26 points, or 3.3 percent, to 842. The Nasdaq rose 76 points, or 5 percent to 1621.

Crude price has risen 13 cents this week, for a seventh consecutive gain and to settle at \$52.51 a barrel on the New York Mercantile Exchange.

**ASIA:**

Most of the Asian markets rose for the fourth consecutive week, the longest rally in 18 months, as Group of 20 leaders agreed on measures to fight the global recession. Investors welcomed actions by world leaders, and revamped US accounting rules that could ease financial pressure on banks. Asia's economic slump deepened in March as Japanese business confidence plunged to a record low, Chinese manufacturing shrank and South Korean exports fell for a fifth month. Japan's recession deepened as the unemployment rate surged to a three-year high, wages fell and job openings plunged at the fastest pace in three decades. The jobless rate rose to 4.4 percent last month from 4.1 percent in January. For the week Hong Kong's Hang Seng Index rose 3 percent, erasing its decline for the year. Japan's Nikkei 225 Stock Average added 1.4 percent, South Korea's Kospi Index added 3.7 percent, Australia's S&P/ASX 200 Index 1.7 percent and China's Shanghai Composite Index posted a 1.9 percent increase.

**EUROPE:**

European stocks rose for a fourth week, the longest winning streak in 1 1/2 years, after world leaders increased aid for economies and speculation grew that the recession and the banking crisis are subsiding. Europe's inflation rate slowed to 0.6 percent from 1.2 percent in February, more than economists expected as the economic slump intensified across the region and manufacturing industry contracted more than estimated in March as a deepening economic slump prompted companies to cut output and costs. The European Central Bank lowered its main refinancing rate on April 2 by 25 basis points to 1.25 percent. National benchmark indexes climbed in all 18 western European markets this week except Iceland. The U.K.'s FTSE 100 rose 3.4 percent. Germany's DAX added 4.3 percent and France's CAC 40 advanced 4.2 percent.



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