GUINESS

Redefining Services

WEEKLY NEWSLETTER

Saturday, 18 April 2009

MARKET WATCH

INDICES THIS WEEK

INDICES	09-Apr-09	17-Apr-09	% Ch.	
BSE SENSEX	10803.86	11023.09	2.03	▲
CNX NIFTY	3342.05	3384.40	1.27	▲
CNX MIDCAP	3687.05	3863.80	4.79	▲
BSE BANKEX	5045.27	5526.33	9.53	▲
BSE PSU	5696.51	5941.49	4.30	▲
BSE AUTO	3294.69	3428.13	4.05	▲
BSE IT	2499.34	2461.60	1.51	▼
BSE METAL	6801.56	6790.76	0.16	▼

MF/FII position this month

MUTUAL FUND*	GROSS PURCHASES	GROSS SALES	NET	
EQUITY	5209.20	4689.30	519.80	(+)
FII ** (Rs. Cr)				
EQUITY	23756.30	20799.70	2956.50	(+)
DEBT	3927.30	3580.30	347.00	(+)
	*(As on 15/04/09)	**(As on 17/04/09)		

World indices this week

INDICES	09-Ap-09	17-Apr-09	% Ch.	
DOW 100	8083.38	8131.33	0.59	▲
NASDAQ	1652.54	1673.07	1.24	▲
FTSE 100	3983.71	4092.80	2.74	▲
HANG SENG	14901.41	15601.27	4.70	▲
NIKKEI	8964.11	8907.58	0.63	▼

www.16anna.com

Contact us:

info@guinessonline.net

Another positive week for the domestic bourses, Key benchmark indices extended their gains for the sixth week in a row led by positive global cues and inflow from foreign funds. However, high volatility was seen during the week. The market gained in 3 out of 4 trading sessions in the week. The BSE Mid-Cap and the BSE Small-Cap indices outperformed the Sensex. Indices began the week with a strong note and the 30-share BSE Sensex surpassed the 11,000-mark with ease. However high volatility later in the week, saw the index slip to a low of 10,719, and then rallied to a high of 11,367 - a swing of 648 points. Finally, the 30 share index, Sensex surged 219.23 points, or 2.03%, to 11,023.09 in the week ended Apr. 17, 2009. On the other hand, the broad based NSE Nifty climbed 42.35 points, or 1, 27%, to 3,384.40 in the same period.

Foreign institutional investors inflow in April 2009 totaled Rs 3,092.20 crore (till 15 April 2009), reversing a marginal Rs 1.10 crore outflow in March 2009. However FIIs are still net sellers to the tune of Rs 3,579.50 crore in calendar year 2009. The BSE Mid-Cap index gained 114.25 points or 3.40% to 3,472.60 and the BSE Small-Cap index advanced 184.01 points or 4.88% to 3,951.56 in the week. Both these indices outperformed the Sensex. State Bank of India, the biggest gainer in the Sensex pack last week, moved up by 14.6%. ICICI Bank ended with a sharp gain of 11%. HDFC Bank, which remained relatively subdued, finished with a modest gain of 2.1%. BHEL moved up by nearly 10%. Sun Pharmaceuticals, HDFC, Tata Motors, Larsen & Toubro and ACC gained 4% - 7%. Mahindra & Mahindra, DLF, Maruti Suzuki, Reliance Communications, Grasim Industries and Hindustan Unilever surged 2% - 4%. Bharti Airtel gained 1.5%. Reliance Infrastructure gained modest ground while ITC and Wipro ended flat. Hindalco went down by 6.7%. Tata Consultancy Services lost 5%. ONGC, Infosys Technologies, Ranbaxy Laboratories, Jaiprakash Associates, Sterlite Industries and Reliance Industries also ended weak. NTPC and Tata Power declined marginally.

On ***Monday*** i.e. 13 April 2009, Indices opened with an upbeat note tracking positive global cues and the barometer index BSE Sensex breached the psychological 11,000 mark. Sustained buying was seen across board. It crossed the 11,000 mark for the first time since Oct. 15, 2008. Finally, it ended on a firm note led by metal, banking, auto and realty stocks. The BSE 30-share Sensex rose 163.36 points or 1.51% to 10,967.22 and the S&P CNX Nifty rose 40.55 points or 1.21% at 3382.60. Mid Cap and Small Cap stocks were also able to gain market support. However, Metal, Pharma and Consumer Durable stocks remained out of favor. Among the 30-components of Sensex, 15 ended in negative terrain and 15 ended in the green.

The stock market remained closed on ***Tuesday***, 14 April 2009, on account of Dr. Ambedkar Jayanti.

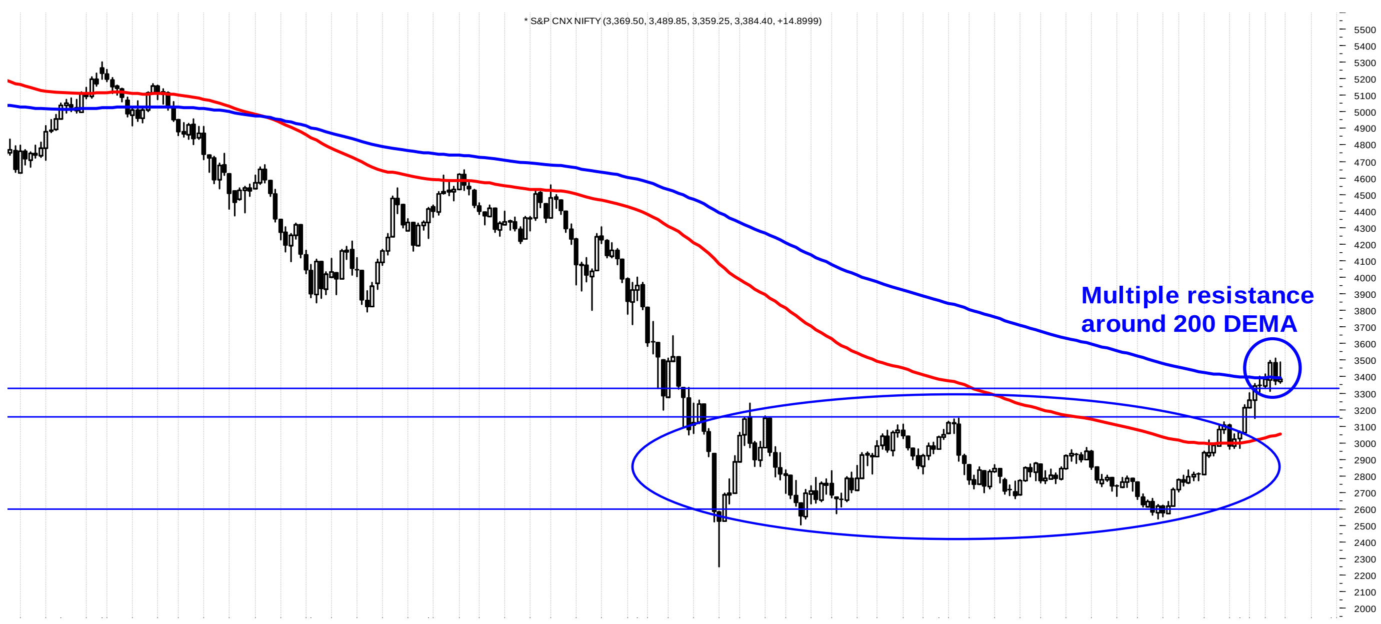
On ***Wednesday***, Indices opened with a negative gap reacting to Infosys numbers. However relentless buying across sectors helped the market maintain its upward march for the eighth straight session. Expectations of a further easing of the monetary policy by the Reserve Bank of India (RBI) triggered a rebound later. The BSE 30-share Sensex jumped 317.51 points or 2.90% to 11,284.73, its highest closing since 14 October 2008. The S&P CNX Nifty rose 101.55 points or 3% at 3484.15, its highest closing since 14 October 2008. Tata Motors, Reliance Capital, DLF, BHEL and Reliance Energy are among the major gainers.

However profit booking halted eight-day rally on ***Thursday***, 16 April 2009 with political uncertainty weighing on the bourses. The benchmark index, Sensex ended on a depressing note by slipping below 11,000 mark on aggressive selling pressure seen across board. From the sectoral front Realty, metal, capital goods, oil & gas and power stocks lost ground, whereas FMCG index was the only gainers. Among the 30-components of Sensex, 24 ended in negative terrain and 6 ended in the green. The BSE 30-share Sensex fell 337.33 points or 2.99% to 10,947.40 and the S&P CNX Nifty was down 114.65 points or 3.29% at 3369.50.

Last day of week i.e. ***Friday***, 17 April 2009 was a highly volatile day for the domestic Indices with lots of ups and downs. Finally, Key benchmark indices logged decent gains. The BSE 30-share Sensex gained 75.69 points or 0.69% to 11,023.09 and the S&P CNX Nifty rose 14.90 points or 0.44% at 3,384.40. Reality, Bank, IT, Capital Goods, Teck and Power stocks witnessed most of the buying from these baskets. Mid Cap and Small Cap stocks were also able to gain market support. However, Metal, Pharma and Consumer Durable stocks remained out of favor.

GUINESS
Redefining Services

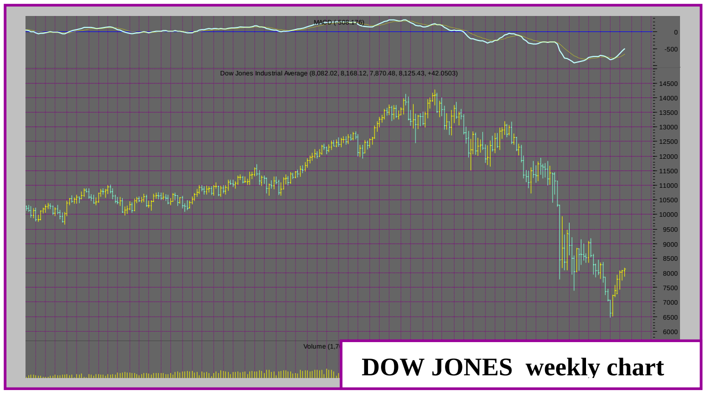
MARKET THIS WEEK



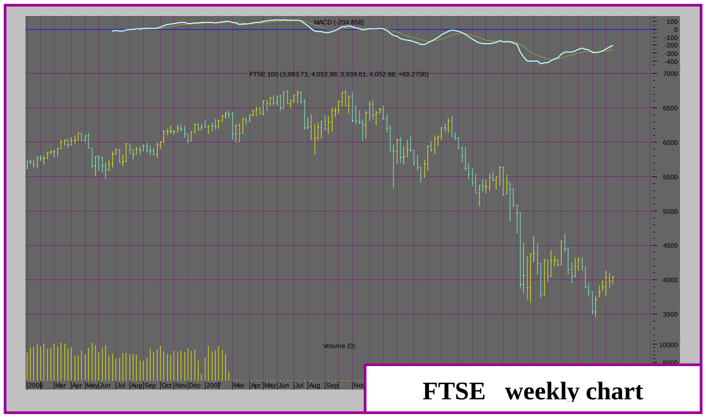
	CLOSING(THIS WEEK)	100 DEMA	200 DEMA	200 DSMA	TURNING POINT	RESISTANCE	SUPPORT
SENSEX	11023	9947	11182	11255	10930	11860	10100
NIFTY	3384	3051	3395	3414	3370	3640	3120
BANK NIFTY	5056	4488	5057	5002	4942	5750	4440
CNX IT	2537	2406	2794	2876	2520	2800	2302
NIFTY JUNIOR	5118	4525	5305	5239	5050	5640	4780
CNX 500	2612	2352	2664	2670	2580	2770	2392

Volatility may rule the markets next week with investor focus likely to be on the March 2009 quarterly earnings and the Reserve bank of India's meeting on 21 April 2009 to review interest rates. With inflation slowing to around 20- year low in the first week of April 2009, the RBI may cut interest rates further to boost slowing economy. The central bank has cut its main short-term lending rate or repo rate by 400 basis points to 5% in five moves since October 2008.
Technically, most of the global markets have now seen an up move of between 25-50% from their 52 week lows and they are now entering into some overbought territory. A running correction of prices, both index wise and stock specific is the need of the hour for most markets. The election process has just begun and as the Poll estimates point to a fractured mandate, it is better to *reduce some of the high leveraged position and have adequate protection against the same*. Also indices are now standing just below the important technical point of 200 DEMA and it will be tough for the indices to cross the same and run ahead in single sided up move, a consolidation near or above the magnitude is always healthy for the markets.

WORLD MARKET


DOW JONES weekly chart


NIKKEI weekly chart


FTSE weekly chart

US:

Wall Street rally for the 6th straight week as fears about a devastating first-quarter earnings period diminish slightly and investors find increasing hope that the US economy may be stabilizing. A mixture of downbeat data and investor caution tilted indices to the downside in the first half of the week, with the DJIA testing back below 8000 on Tuesday and Wednesday. Fear of deflation lurked after the US March CPI figure posted its first y/y decline since August 1955. Lower than expected housing starts data midweek dampened hopes for any signs of improvement in the key housing sector. Financial sector earnings reports were vital to the week's action. JPMorgan Chase rule the day on Thursday. Stocks made small gains on Friday after better-than-expected data on consumer sentiment and solid earnings from Citigroup and General Electric. For the week, the Dow is up 48 points, or 0.6 percent, giving the average six straight up weeks. That's the longest streak since it rose for seven straight weeks in the period ended May 18, 2007. The S&P 500 index posted a gain for the week of 1.5 percent. The Nasdaq is up 1.2 percent for the week and 6 percent for the year.
Light, sweet crude added 35 cents to settle at $50.33 a barrel on the New York Mercantile Exchange. Crude Oil has dropped 3.5 percent this week.

ASIA:

Asian stocks climbed for a sixth week, the longest streak of gains in more than two years, on increasing confidence the worst of the global recession is over. Chinese economic growth figures came in below some investors' expectations, dampening optimism over a global economic recovery. China's annual GDP growth slowed to 6.1 percent in the first quarter, from 6.8 percent in the final three months of last year, below expectations for growth of 6.3 percent. Japan's consumer sentiment climbed to 28.9 from 26.7 in February to a five-month high in March, a sign that the recession in the world's second-largest economy is abating. For the week Japan's Nikkei 225 Stock Average lost 0.6 percent. South Korea's Kospi index dropped 0.5 percent as brokerages cut recommendations on financial companies. Hang seng index surge 4.7 percent, Shanghai Composite index soar 6.5 percent and Taiwan index lost 0.45 percent.

EUROPE:

European stocks advanced, capping their sixth straight week of gains, after companies from Toshiba Corp. to Citigroup Inc. reported results that beat estimates. Europe's Dow Jones Stoxx 600 Index climbed 1.6 percent to 196.96, extending the longest stretch of weekly gains since January 2006. The measure has rebounded 25 percent since March 9 as the biggest U.S. lenders said they made money at the beginning of 2009 and the American government announced plans to purchase toxic assets from banks. Banks in Europe rallied on hopes that the worst was over for the sector. The FTSE 100 Index rose 39.82, or 1 percent, to 4,092.80, extending the advance this week to 2.7 percent, Germany's DAX Index climbed 4.1 percent and France's CAC 40 added 3.9 percent.

GUINESS

Redefining Services

SERVICES

We offer the following Services

- EQUITY TRADING
- DERIVATIVE TRADING
- COMMODITY TRADING
- DEMAT SERVICES
- MUTUAL FUND
- IPOS
- EQUITY RESEARCH
- PORTFOLIO MANAGEMENT SERVICES
- ONLINE TRADING
- AND LOTS MORE...

Disclaimer

This Document has been prepared by the Research Team of Guiness securities Ltd. and it is only meant for the use of the recipients only. & It is strictly restricted for circulation without prior permission. Every care has been taken while preparing this document, however as the information contained herein is obtained from sources believed to be reliable hence we do not represent it, as accurate and it should not be relied upon as such.

We do not take any responsibility for our research recommendation. Investors are advised to use their own judgment while taking any investment decision.

Registered Office: Shop no. 5, Rizvi Nagar, S.V. Road, Milan Subway, Santacruz (West) Mumbai- 400 054. (w.e.f. 1st April 2009)
Corporate Office: Guiness House. 18, Deshapriya Road, Kolkata-700 026. Ph: 91 3001-5555. Fax: 91 33 3001 5566.
Email: research@guinessonline.net Website: www.16anna.com