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ARIHANT's VALUE Plus

Monthly Newsletter (For private circulation only) Issue: January, 2015

NEW YEAR: 2015

ARI - Movers & Shakers

INDIAN INDICES

Indices	Dec-14	MONTHLY Change%	YEARLY Change%
SENSEX	27499.42	-4.16	29.89
S&P CNX NIFTY	8282.70	-3.56	31.39
BANK NIFTY	18736.65	1.21	64.57
CNX MIDCAP	12583.85	1.57	55.91
S&P CNX 500	6773.65	-2.09	37.82
CNX IT	11216.30	-5.73	17.84
CNX REALTY	203.10	-7.18	10.02
CNX INFRA	3039.85	-6.46	22.71

(Source: BSE & NSE)

BSE-SECTORAL INDICES

Indices	Dec-14	MONTHLY Change%	YEARLY Change%
AUTO	18630.84	-3.07	51.98
BANKEX	21458.11	1.16	65.04
CD	9673.67	0.28	66.18
CG	15442.24	-5.68	50.45
FMCG	7766.57	0.43	18.27
HC	14692.95	-1.76	47.43
IT	10583.98	-5.56	16.54
METAL	10752.69	-4.90	7.91
OIL&GAS	9895.21	-9.34	12.01
PSU	8226.81	-2.19	39.21
REALTY	1555.07	-7.60	8.49
TECK	5841.82	-5.14	15.65

(Source: BSE)

GLOBAL INDICES

Indices	Dec-14	MONTHLY Change%	YEARLY Change%
DOW JONES	17823.07	-0.03	7.52
NASDAQ	4736.05	-1.16	13.40
HANG SENG	23605.04	-1.59	1.28
FTSE	6566.09	-2.33	-2.71
NIKKEI	17450.77	-0.05	7.12
SHANGHAI	3234.68	23.05	52.87

Source: Telequote software

COMMODITIES & FOREX

Particular	Dec-14	MONTHLY Change%	YEARLY Change%
MCX GOLD	26700.00	3.51	-6.06
MCX SILVER	35990.00	4.24	-17.89
MCX CRUDE OIL	3369.00	-19.98	-44.97
MCX-SX USDINR	63.46	1.73	2.11

Source: Telequote software

FII ACTIVITY (₹ in cr)

Date	Gross Purchases	Gross Sales	Net Pur/Sales
Total for Dec 2014	86,631.50	85,595.21	1,036.29
Total for 2014 *	1,022,701.90	925,646.60	97,055.90

(Source: SEBI)

MF ACTIVITY (₹ in cr)

Date	Gross Purchases	Gross Sales	Net Pur/Sales
Total for Dec 2014	23,188.20	16,151.20	7,036.90
Total for 2014 *	199,241.20	175,398.10	23,842.50

*From Jan - Dec, 2014

(Source: SEBI)

Market Commentary

Yearly Round Up:

The calendar year 2014 ushered in renewed enthusiasm for investors marking an epoch for the bulls on Dalal Street. India outshined globally turning out to be the top-performer in emerging markets in 2014. The landslide victory of Narendra Modi led government with a majority at the Centre led to outstanding foreign fund inflows and robust investor sentiments electrifying the markets. The markets recorded gains of 30% on hopes of reforms, turning 2014 to be the best year for stocks since 2009.

The Indian economy gathered momentum in the backdrop of business-friendly environment, pro-economic reforms taken by government, RBI's financial sector reforms and a sharp decline in crude oil prices that augured well for softening inflation and easing current account deficit. Several key measures like higher foreign direct investment in defence, railways, real estate and insurance; diesel price regulation, Constitutional Amendment Bill for Goods and Services Tax and ordinance to ease Land Acquisition Act were introduced that acted as catalysts to growth.

The Reserve Bank of India (RBI) is expected to lower policy rates with the widely estimated rate cut in February 2015 on the back of slowing inflation. India's GDP expanded 5.3% in the Jul-Sep quarter from 5.2% a year ago while lower than from 5.7% in first quarter. While the mid-year economic analysis that was tabled in parliament estimated GDP growth at 5.5% this fiscal, finance minister Arun Jaitley evinced hope that the economy would grow by 6% to 6.5% in 2015-16 and exceed 7% in 2016-17.

The BSE Sensex was the second-best performing index globally in calendar year 2014, after the Shanghai Composite, which gained nearly 52.87%. The year also saw market capitalisation of listed companies on the BSE surpass Rs 100-lakh crore for the first time.

The benchmark indices BSE Sensex and S&P CNX Nifty showed sizzling performance touching their life time highs during the year. The year finally ended on an impressive note with the S&P BSE Sensex registering a gain of 29.89%

to settle at 27499.42, after hitting a new high of 28822.37 while the S&P CNX Nifty jumped 31.39% ending the year at 8282.70, after hitting a new high of 8626.95 during the same period.

One of the remarkable features of the year was that all 12 sectoral indices recorded astounding gains on hopes that BJP Government would fast-track reforms and accelerate economic activity. On the sectoral front, Consumer Durables turned the best performing sector for the year 2014 clocking 68.16% returns followed by Bankex (65.04%), Auto (51.98%), Capital Goods (50.45%), Healthcare (47.43%), PSU (39.21%), FMGC (18.27%), IT (16.54%), Teck (15.65%), Oil & Gas (12.01%), Realty (8.49%) and Metal (7.91%).

Axis Bank, Maruti Suzuki, State Bank of India, ICICI Bank and Cipla were among the best five Sensex performers of 2014 while Tata Power, Tata Steel and Wipro were the top losers. Axis Bank turned out to be the best performing Sensex stock in 2014, recording a stupendous return of 93% where as Maruti Suzuki emerged as the second best Sensex performer in 2014 with a return of 89%. India's largest lender State Bank of India surged 77% followed by ICICI Bank (61%) and Cipla (56%). Tata Power fell 7% in 2014, ending the year as the top Sensex loser. Among other losers were Tata Steel that dropped 6% and Wipro that recorded decline of 1%.

The Modi magic cast a spell on investors globally leading to surging capital inflows from foreign institutional investors (FIIs) that led the rally in 2014 with FIIs buying equities worth Rs 97,055.90 crore during the period. With the FIIs on a shopping spree during the year, the domestic mutual fund houses also turned net buyers of equities to the tune of Rs 23,842.50 crore.

Monthly Round Up:

Indian equity markets started the month of December on a weak note. The sentiments further dampened on account of geopolitical worries, fluctuating crude oil prices and tumbling Russian ruble. On the domestic front, weak IIP numbers, widening trade and current account deficit weighed heavily on Indian equity markets. However, the Federal Reserve's assurance towards interest rates to adopt patient approach and unlikely hike in interest rates for at least the next couple of meetings changed sentiments in global markets. The Cabinet approved the Constitutional Amendment bill on Goods and Services Tax (GST), FDI hike in insurance sector and introduced coal auction reforms that bolstered market sentiments.

The month saw S&P BSE Sensex delivering negative return of 4.16% to settle at 27499.42, after hitting a low of 26469.42 and CNX Nifty losing 3.56% ending the month at 8282.70, after hitting a low of 7961.35.

On the sectoral front, Bankex turned out to be the best performing sector in December 2014 clocking gains of 1.16% followed by FMCG (0.43%), Consumer Durables (0.28%) while Oil & Gas turned out to be the worst performing sector registered loss of 9.34% followed by Realty (-7.60%), Capital Goods (-5.68%), IT (-5.56%), Teck (-5.14%), Metal (-4.90%), Auto (-3.07%), PSU (-2.19%) and Healthcare (-1.76%).

On the institutional side, foreign institutional investors (FIIs) bought Rs 1,036.29 crore worth of equities during the month while domestic mutual fund houses also continued their buying spree netting Rs 7,036.90 crore of equities in December 2014.

On the macro-economic front, India's HSBC manufacturing Purchasing Managers' Index rose to a 21-month high of 53.3 in November 2014 on the back of a "solid" growth in output and new orders. The manufacturing PMI was at 51.6 in October 2014. India's HSBC services PMI surged to a five-month high of 52.6 in November 2014, driven by faster growth of new business during the month. The services PMI was at 50 a month ago. Index of industrial production (IIP) growth slumped to a three-year low of (-) 4.2% in October 2014. Industrial output growth for September 2014 was revised upwards to 2.8% from the provisional estimate of 2.5%. Wholesale Price Index (WPI) fell to an over five-year low of 0% in November 2014 from 1.77% in October 2014. Consumer price index (CPI) fell to an all time low of 4.38% in November 2014 from 5.52% a month ago.

The Reserve Bank of India maintained status quo and kept lending rates unchanged in its fifth bi-monthly policy statement. The RBI left the repo rate unchanged at 8%, cash reserve ratio (CRR) at 4% and the reverse repo rate at 7%. The central bank hinted at policy rate cuts in early 2015 if inflation eases.

India's trade deficit in November 2014 widened to 18-month high of $16.86 bn from $13.36 bn a month ago and $9.57 bn a year ago, primarily driven by a sharp rise in gold imports. India's current account deficit in Jul-Sep widened to $10.1 bn, or 2.1% of GDP from $5.2 bn or 1.2% of GDP a year ago due to a sharp rise in gold imports and consequently higher trade deficit during the quarter. India's fiscal deficit for Apr-Nov touched 98.9% of the budget estimate of Rs 5.312 trln as compared to 93.9% a year ago.

Key decisions taken during the month

- **Cabinet approves 100% FDI in medical devices:** Cabinet approved 100% foreign direct investment in the medical device manufacturing sector through automatic route, by carving out a sub-category for the sector in the existing FDI policy for the pharmaceuticals sector.
- **Cabinet clears Constitutional Amendment Bill for GST:** Cabinet cleared the Constitutional Amendment Bill for Goods and Services Tax, paving the way for introduction of the indirect tax reform in the country. The Centre hopes to implement GST from Apr 1, 2016.
- **Cabinet approves ordinance on coal and insurance:** Cabinet approved two ordinances that will facilitate raising foreign direct investment in insurance sector to 49% from 26% and the one on coal that will clear the way for the auction of the 204 blocks whose allocation was cancelled by the Supreme Court in its Sep 24 verdict.
- **Cabinet approves ordinance on amendments to Land Acquisition Act:** Cabinet recommended promulgation of an ordinance, making significant changes in the Land Acquisition Act. The ordinance relaxes norms for land purchases for affordable housing and defence manufacturing, public-private partnership (PPP) projects, industrial corridors and rural infrastructure.
- **Cabinet approves ordinance on arbitration:** The cabinet cleared an ordinance ushering in major changes in the almost two decades old Arbitration and Conciliation law, which would make settlement of contractual disputes between foreign companies and their Indian partners easier. The government hopes this would send a strong signal about India's intent to improve 'ease of doing business' and create favourable environment to attract foreign investments.
- **Excise duty benefit withdrawn:** The government has decided not to extend the excise duty benefits offered to the automobile and consumer durable sectors from January, 2015.

Global Round Up:

The global markets ended the year 2014 on a positive note. Shanghai was the best performer, which ended the year with gain of 52.87% followed by Nasdaq (13.4%), Dow Jones (7.52%), Nikkei (7.12%) and Hang Seng (1.28%) while FTSE was the negative performer delivering a loss of 2.71% during the year.

China's equity markets registered strong gains in the year 2014. The major factor to China's outstanding performance is the reduction of the People's Bank of China key interest rate for the first time in two years. The move would have spurred growing investor confidence and sparked increased investment inflows into the market. On the economic data front, China reported weak IIP, manufacturing PMI and trade data while China's real GDP growth is expected to 'moderate in 2015 and 2016 to 7.1% and 6.8%. China posted disappointing trade data in November 2014; exports rose 4.7% from a year earlier, while imports dropped 6.7%. China's industrial production grew by 7.2% in November 2014, down from 7.7% in October 2014. China's HSBC flash manufacturing PMI fell to 49.5 in December 2014 from 50 in November 2014.

The eurozone crisis had been buried in 2014. As the year ends, the eurozone is close to recession. Its economy grew by a modest 0.2% in the third quarter and risks sliding into deflation. The eurozone's three biggest economies saw manufacturing activity decline. The European Central Bank (ECB) took no immediate action at the bank's policy meeting despite new signs of slowing in the eurozone. President Mario Draghi said the ECB would consider acting early 2015 after assessing the impact of the stimulus already in place. Eurozone Industrial production rose by 0.1% in October 2014, down from 0.5% in September 2014. Japan's economy contracted more than estimated in the third quarter, shrinking 1.9%. Japan Industrial Production fell 0.6% in November 2014 from 0.4% gain in October 2014.

Moreover, the Japanese, Chinese central banks and even the European Central Bank are expected to resort to some kind of quantitative easing in 2015.

US Federal Reserve will start increasing interest rates slowly in 2015. US GDP growth has largely rebounded with third quarter growth at 5%. Coupled with improving unemployment figures (5.8%) and benign inflation (1.6%), the data would suggest an improving outlook for the US economy. US Industrial Production rose 1.3% in November 2014, up from 0.1% in October 2014. The US Federal Reserve in its policy meeting changed the wording of its statement, replacing the phrase “considerable time” before it would raise interest rates with the message that it would take a “patient” approach. The Fed Chair Janet Yellen said it was unlikely that the central bank would raise rates for at least the next "couple of meetings". The US economy grew at an annualized 5% in the third quarter, up from the previous revision of 3.9%.

Going forward:

With the formation of stable government and a blockbuster year 2014 behind us, we believe that the run-up in Indian stocks is likely to continue in 2015. As the measures unveiled by the government will take time to shape the real economy, we expect India’s economic growth to pace up gradually in 2015 led by improvement in manufacturing sector, on account of a revival in domestic demand. Corporate earnings are likely to bounce back, both on account of speedy approvals and an improving economy.

After two of years of below-5% growth, India is expected to grow at 6.4% in the next financial year. 2015 will be a crucial year in India’s path to economic development and good governance. We expect the government to implement several reforms in fiscal and investment area, setting the stage for next leg of inclusive and sustainable economic growth for the forthcoming years.

All eyes will now be glued on the reforms to be unveiled in Union budget in February and Reserve Bank of India (RBI’s) action on interest rates. The biggest risks in 2015 could emerge from a reversal in crude oil prices and higher interest rates in the US, which could lead to fund outflows from emerging markets. Such global risk aversion-driven corrections can be seen as good accumulation opportunities.

Further, the slowing down of the rest of the world including Europe, Russia, China, and Japan makes India an attractive investment destination in 2015 among the major economies. Prime Minister Narendra Modi's visits to countries like the US, Australia and Japan has contributed significantly in building India's perception as a promising and stable investment destination among global investors. Hence, we retain our positive stance on the markets and suggest investors to adopt buy on dips strategy and invest in fundamentally sound companies.

Domestic Data Releases in December 2014

(Positive) ⬆

- **RBI kept key policy rates unchanged:** The Reserve Bank of India maintained status quo and kept lending rates unchanged in its fifth bi-monthly policy statement. The RBI left the repo rate unchanged at 8%, cash reserve ratio (CRR) at 4% and the reverse repo rate at 7%. The marginal standing facility (MSF) rate and the bank rate were also unchanged at 9% and the statutory liquidity ratio (SLR) unchanged at 22% of their NDTL.

- **October FDI inflows $3.73 bn from $2.30 bn year on year:** Total foreign direct investment into India in October 2014 increased to $3.73 bn from $2.30 bn a year ago. In September 2014, the inflows stood at $4.22 bn. So far the current financial year, FDI inflows into India were $25.29 bn against $20.22 bn a year ago. The total FDI inflows include equity capital, re-invested earnings and other capital.

- **November WPI inflation fell to over five-year low of 0%:** India's inflation rate based on the Wholesale Price Index fell to over five-year low of 0% in November 2014 from 1.77% in October 2014. The decline was primarily on account of lower prices of crude petroleum, diesel and vegetables. This is the lowest level of inflation since July 2009. India's inflation rates based on retail prices fell in November 2014; the inflation rate based on Consumer Price Index (combined) plummeted to an all-time low of 4.38% in November 2014 from 5.52% a month ago.

Inflation	Nov 2014	Oct 2014
Food articles	0.63%	2.70%
Primary articles	-0.98%	1.43%
Manufactured products	2.04%	2.43%
Fuel & power	-4.91%	0.43%

- **Apr-Nov tax mop-up Rs 6.356 trln, up 6.5% year on year:** The government's tax collections during Apr-Nov 2014 rose 6.5% y-o-y to Rs 6.356 trln. In Apr-Nov, Service tax mop-up rose 10.8% to Rs 929.03 bn, while income tax collections rose 10.4% to Rs 1.402 trln. Excise duty collection contracted 2.7% to Rs 859.25 bn, while customs mop-up rose 9.3% to Rs 1.202 trln. Corporation tax collections rose 3.8% to Rs 1.886 trln. Total tax collections in November 2014 rose 11% y-o-y to Rs 719.85 bn.

- **November core sector growth rises to 5-month high of 6.7%:** India's core sector growth rose to five-month high of 6.7% in November 2014 from 6.3% in October 2014 and 3.2% a year ago. The rise was mainly due to expansion in output of coal, cement and electricity sectors. The core sector growth was at 4.6% in Apr-Nov as against 4.1% a year ago.

(Negative)

- **Jul-Sep current account deficit widened to $10.1 bn from $5.2 bn a year ago:** India's current account deficit in Jul-Sep widened to $10.1 bn, or 2.1% of GDP from $5.2 bn or 1.2% of GDP a year ago due to a sharp rise in gold imports and consequently higher trade deficit. India's current account deficit had stood at $7.8 bn, or 1.7% of GDP a quarter ago. In Jul-Sep, the country's trade deficit had risen sharply to $38.6 bn from $33.3 bn a year ago. In Jul-Sep, exports stood at $85.3 bn, up 4.9% against an 11.9% a year ago while imports rose 8.1% to $123.8 bn, declined by 4.8% last year.

- **November trade deficit widened to 18-month high of $16.86 bn from $13.36 bn:** India's trade deficit in November widened to an 18-month high of $16.86 bn from $13.36 bn a month ago and $9.57 bn a year ago, primarily driven by a sharp rise in gold imports. India's exports rose 7.3% to $25.96 bn in November 2014 while Imports jumped 26.8% to $42.82 bn. In the wake of the slide in global crude prices, oil imports declined 9.7% to $11.72 bn in November 2014 from $12.98 bn a year ago, and fell 5.2% from $12.4 bn a month ago. The rise in overall imports was led by a whopping 571.3% increase in gold imports to $5.61 bn, followed by a 143.8% rise in silver imports to $643.86 mln. Total exports in Apr-Nov rose 5% to $215.76 bn, while imports rose 4.7% to $316.4 bn. India's trade deficit in Apr-Nov widened to $100.62 bn from $96.89 bn in the corresponding period last year.

- **October industrial growth falls to three-year low of (-)4.2%:** India's industrial growth slumped to a three-year low of (-)4.2% in October 2014 as consumer durables output declined sharply due to effect of slower production at Nokia India's Chennai plant. Industrial output growth for September 2014 was revised upwards to 2.8% from the provisional estimate of 2.5%.The industrial output had contracted 1.2% a year ago. In Apr-Oct, the first seven months of this financial year, the industrial output has risen 1.9%, compared with 0.2% growth a year ago.

Sector	Oct 2014 YoY
Capital Goods	-2.3%
Electricity	13.3%
Manufacturing Sector	-7.6%
Intermediate Goods	-3.1%
Consumer Goods	-18.6%
Mining Output	5.2%

- **Apr-Nov fiscal gap rises to 98.9% of FY15 budget aim:** The government's fiscal deficit for Apr-Nov touched 98.9% of the budget estimate of Rs 5.312 trln for the full year. The fiscal deficit had stood at 93.9% of the budget aim in the year ago period. The fiscal deficit rose 3.1% y-o-y to Rs 5.251 trln in Apr-Nov. The budget has projected the fiscal deficit for 2014-15 (Apr-Mar) to rise 4.5% on year to Rs 5.312 trln or 4.1% of the gross domestic product. The fiscal deficit in November 2014 declined 4.4% y-o-y to Rs 493.8 bn.

Auto Sector December Sales

India's automobile sector reported strong sales in December and closed 2014 on a positive note. In short term, the signs of recovery shown by the industry will be impacted by the withdrawal of excise duty benefits. The easing of inflation and contraction in industrial production raises the clamour for rate cut in early 2015. Further sharp correction in crude oil prices is likely to continue to reap benefits for the auto sector in the coming months.

The rise in sales in December was led by Maruti Suzuki, Tata Motors, Hero Moto Corp, TVS Motor and Eicher Motors.

Passenger vehicle (PV) segment; Maruti, Tata Motors volume jumped, M&M continued to fall

India's largest car manufacturer, Maruti Suzuki's reported impressive sales numbers in December 2014, PVs volume was up 11.5% yoy to 81,564 units, largely backed by sales growth of Ciaz sedan and rise in sales in the compact hatchback and vans segments. Company's domestic volumes also went up 13.3% yoy to 98,109 units while exports surged 171% yoy to 11,682 units. The second largest player Hyundai's (unlisted) total sales in December 2014 also recorded a growth in its sales, which was up 21% on year at 59,365 units. Hyundai also saw a surge in its exports that grew 29.6% yoy.

However, domestic player **Mahindra & Mahindra** PV sales were up 5% yoy to 17,311 units while its total sales were down 8.3% yoy to 36,328 units. **M&M's** exports also declined 31.6% yoy to 1,868 units. **Tata Motors** passenger vehicle sales clocked a 30% yoy growth to 12,040 units in December 2014, driven by strong sales of Zest and Nano. Passenger cars sales in December rose 52% yoy to 9,956 units while utility vehicles sales declined by 24% to 2,084 units while exports surged 40% yoy to 3,958 units.

2Ws: Two-wheeler segment volume mixed

India's largest two-wheeler maker, Hero **Moto Corp's** volumes were up 0.2% yoy to 526,097 units in December 2014. **Bajaj Auto's** motorcycle sales witnessed a decline of 6% yoy at 246,233 units while company's total sales declined 3% yoy at 289,244 units. Its total exports were up 10% yoy at 166,134 units. **TVS Motor** 2W volumes increased 19% yoy and its total sales also registered 20% yoy growth pushed by a jump of 28% yoy in exports.

3-wheeler segment clocked robust sales

Atul Auto, India's leading 3W manufacturer, registered volume growth of 5.6% yoy at 3,708 units in December 2014. Sales of **TVS**'s 3W also recorded a strong growth of 61% yoy at 9,886 units.

Tractor segment volume decline

M&M's December total tractor sales were down 26.8% yoy at 12,474 units while **Escorts** registered 21.5% yoy decline in total tractor sales to 3,021 units in December 2014.

Commercial vehicle (CV) segment volume mixed; M&HCV sales up, LCV sales down

The medium and heavy commercial vehicle (M&HCV) segment volumes rose in December 2014. **Tata Motors** M&HCV sales were up 62% to 12,438 units. The light commercial vehicle (LCV) segment registered decline in December 2014. Company's CV sales were flat at 25,736 units, largely dragged down by lower light commercial sales, while medium and heavy CV sales rose by a thumping 62% yoy to 12,438 units. **Tata Motor's** light commercial vehicle (LCV) shipments registered a decline of 26% yoy to 13,298 units. The total sales of the company (including PV) were up 10% yoy to 41,734 vehicles on the back of strong growth in the passenger segment. Sales of **Mahindra and Mahindra** 4W CVs down 15% yoy at 12,194 units. **Eicher Motors** total commercial vehicle sales were up 20.7% yoy to 3,387 units in December 2014 while exports down 11.5% yoy.

Total Sales in December 2014

Maruti Suzuki
Total Sales: 109,791 units
% change: 20.8 yoy

Mahindra & Mahindra
Total Sales: 36,328 units
% change: 8.3% yoy

Tata Motors
Total Sales: 41,734 units
% change: 10% yoy

Hero Moto Corp
Total Sales: 526,097 units
% change: 0.2% yoy

Bajaj Auto
Total Sales: 289,244 units
% change: 3% yoy

TVS Motor
Total Sales: 191,880 units
% change: 20% yoy

Escorts
Total Sales: 3,021units
% change: 21.5% yoy

Atul Auto
Total Sales: 3,708 units
% change: 5.6% yoy

Eicher Motors
Total Sales: 3,387 units
% change: 20.7% yoy

ARI - Equity Outlook & Commodity Pick

Nifty Technical Outlook

Markets witnessed profit booking at higher levels in the month of December as the ruling government was unable to pass reform bills in the winter session of parliament. On the sectoral front Oil & Gas, Realty, Teck and IT led the fall whereas Bankex, FMCG ended on the gainers side. The Sensex closed with a net loss of 4.16% whereas the Nifty lost 3.56% vis-à-vis the previous month.

Technical Observation:

- On the **monthly chart,** we are observing that prices breached 5-months EMA but managed to close above it and have formed bear candle with long showdown on the lower side. This suggests that momentum on the upside is losing breath.
- On the **weekly chart,** we are observing that prices traded above the high of bullish "Hammer' and have activated the bullish implication of the pattern. Further the price action has formed a narrow range body formation which also reflects indecisiveness prevailing at current level.
- On the **daily chart,** we are observing that prices have tested the upward gap area of 8174 to 8208 and have closed within it.

Future Outlook: Combining the above pattern formations it is evident that 8140 level holds significance going forward. In the coming month, as long as Nifty holds 8140 level and manages to cross 8379 to 8433 zone, there is high probability that Nifty may test 8537, the all time high of 8626 or even extend its gains upto 8746 levels on the upside. On the flip side, any close below 8140 level may drag down Nifty to the next support of 8028 – 7871 – 7617 levels.

Broadly in current month 8140 is a make or break level.

Turmeric Buy

CMP: ₹ 9300 (As on 31st Dec, 2014)

Buy on dips: ₹ 8600-8550

Target Price: ₹ 9900-12500

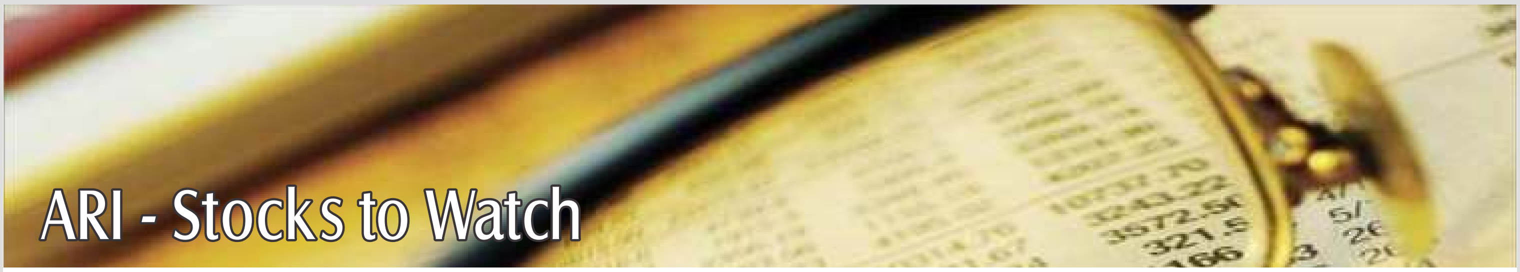
Stop-Loss: Below ₹ 8000

Turmeric can be easily said as the most effective therapeutic spice. Its natural remedial properties make it an important ingredient in skin care products. Since futures trading started in 2004, Turmeric has seen many ups and downs and has consistently appeared as one of the most favorite commodity among traders.

For a major part of the last year, turmeric kept declining and it was only in the late September when prices got a boost after hitting yearly low at Rs 5700. Since then, prices have recovered slowly and steadily but last three weeks' electrifying momentum has clearly pushed prices in highly impulsive wave 3. The current April contract was launched on 1st October, a much better phase of the spice in last year and thus didn't lose the momentum. If we search for the root of this phase, we see it beginning in the mid of June 2012 when prices were trading near Rs 3300. The first wave had begun then and finished around April 2013. Next to follow was wave 2 which ended in a falling channel pattern in October 2013, thus paving the way for the most impulsive wave 3.The wave 3 impulsion that we are talking about is highly charged now and it has the momentum to take prices in the range of Rs 12000-15000 in months to come.

Fundamentally, turmeric has a special advantage of being an India dominated product, both internationally & domestically. Presently, demand is overdoing supply and there is still a month's time left for new crop which will begin in mid February. Export orders are coming in at an exciting pace while local demand is still good. All in all, Turmeric should be a must-have commodity, not only in your kitchen but also in your trading portfolio.

We recommend Buy NCDEX April contract on dips to Rs 8600-8550 for targets in the range of Rs 9900-12500. Keep stop loss below Rs 8000.



ARI - Stocks to Watch

Siemens Ltd — BUY

CMP: ₹ 907.15 (As on 31st Dec, 2014)

Buy: ₹ 907-860

Target Price: ₹ 1075-1250-1400

Stop-Loss: ₹ 700

Time Horizon: 6-8 months

Siemens Ltd is a technology powerhouse that has stood for its engineering excellence, innovation, quality and reliability over the years. The company focuses on the areas of electrification, automation and digitalization. It is one of the leading producers of energy-efficient, resource saving technologies, combined cycle turbines for power generation, and power transmissions. Siemens is the pioneer in infrastructure solutions and automation and software solutions for industry. The company is also a leading supplier of medical imaging equipment such as computed tomography and magnetic resonance imaging systems and a leader in laboratory diagnostics and clinical IT. Siemens India has ~18500 employees, 23 manufacturing plants and a nationwide sales and service network. Siemens AG holds 75% in Siemens India.

Technical Outlook:

On the monthly chart, we are observing that the XA wave is at 78.6% Fib level. Further, the BC leg has retraced by 61.8 Fib level. The prices have breached the XB trendline at 780 levels, which suggests upside momentum. At present, CD leg is in progress where the D point will end at 1400 levels to form a Bearish Butterfly.

Hence, we are of the opinion that Rs 700 could be the base of this counter and one can expect this stock to test Rs 1075-1250-1400 levels in six to eight months.

HT Media Ltd — BUY

CMP: ₹ 129.75 (As on 31st Dec, 2014)

Buy: ₹ 129-114

Target Price: ₹ 176-196-220

Stop-Loss: ₹ 90

Time Horizon: 6-8 months

HT Media Ltd is one of India's foremost media companies, and home to three leading newspapers in the country in the English, Hindi and business segments 'Hindustan Times' (English daily), 'Hindustan' (Hindi daily, through a subsidiary) and 'Mint' (business daily). 'Hindustan Times' was started in 1924 and has more than 85-year history as one of India's leading newspapers. The company also has four FM radio stations "Fever 104" in Delhi, Mumbai, Bengaluru and Kolkata. The company also operates a job portal in the internet space, called www.shine.com. This is in addition to the existing websites livemint.com and hindustantimes.com.

Technical Outlook:

On the monthly chart, we are observing that the XA wave is at 61.8% Fib level. Further, the BC leg has retraced by 78.6 Fib level. Further, the prices have breached the XB trendline at 105 levels, which suggests upside momentum. At present, CD leg is in progress where the D point will end at 220 levels to form a Bearish Gartley pattern.

Hence, we are of the opinion that Rs 90 could be the base of this counter and one can expect this stock to test Rs 176 - 196 - 220 levels in six to eight months.

ARI - STANDARD PORTFOLIO 2015

Standard Portfolio 2015				
Sector	**Name of Companies**	**Current Price as on 31-Dec-14**	**Stoploss**	**Long Term Target**
Auto	Maruti Suzuki	3329.80	3205	3475-3525
	Tata Motors	495.55	436	540 -570
	Timken India	513.85	415	650-710
Banking	Axis Bank	502.40	450	560-600
	ICICI Bank	353.10	310	410-440
	IDFC	157.35	130	176-196
	Kotak Mahindra Bank	1263.90	1190	1350-1500
Cement	Ultratech Cement	2676.05	2200	2800-3300
Chemicals	Tata Chemicals	435.55	380	460-500
Consumer Goods	Whirlpool	649.60	550	700 -900
FMCG	Emami Ltd	786.90	650	850 - 1000
	Godrej Consumer	972.80	830	1050-1100
	HUL	760.10	700	850 - 950
	Marico	325.15	290	360-425
Miscellaneous	MCX	841.75	790	890-1000
NBFC	DHFL	394.75	350	500- 620
Pharma	Lupin	1427.95	1340	1500-1700
	Torrent Pharma	1130.35	950	1200-1400
Power	JSW Energy	102.75	86	120-150
Realty	Brigade Enterprises	153.10	124	168-187
	Godrej Properties	257.55	210	279-310
	Mahindra Lifespace	471.50	400	540-575
	Oberoi Realty	280.20	224	315-340

ARI - Currency Outlook

Global Scenario:

Widening growth and interest rate differentials between the US, European, and Japanese economies reinforces appreciating bias towards the US. Recent economic and financial market developments have prompted market participants to review their expectations about the beginning of the tightening cycle in top-tier central banks in the US and the UK. The sharp collapse in crude oil prices was mainly supply driven and not mimicked in all commodity markets sending disruptive shocks to commodity-sensitive currencies. Volatility in global foreign exchange markets continues to escalate, fuelled by intensifying price wars amongst global oil producers.

Dollar Index:

We have witnessed the biggest yearly rise (of 12.55%) since 2005 in Dollar Index. The US Dollar Index is further expected to appreciate in 2015. Fourth quarter US real GDP growth came in at 5% q-o-q annualized, outpacing the bulk of the advanced economies and marking the third quarter of robust gains. In addition, strong US equity markets coupled with low global bond yields have supported investment inflows into the US. This fundamental backdrop coupled with positive sentiments support ongoing strength in the USD. We continue to believe that the Fed will raise its policy rate in Q2 2015.

Technical Outlook: Dollar Index

Technically, in yearly chart a sharp rise after a prolonged accumulation phase is being considered as a symbol of bullishness for the coming year also. But, till the second quarter of 2015, Dollar Index is expected to remain in dilemma or may correct from the current levels. Yearly range of Dollar Index can be Rs. 87.40 – 95.00

Fed's Stance: Key Highlights

The minutes from the FOMC's October meeting support its October policy statement and re-affirm the following:

a) Optimism about labor market
b) Muted significance of its 'considerable time' guidance by addition of caveat
c) Less concern about deteriorating global growth or a strong USD
d) Falling oil prices seen as net positive
e) Inflation moving towards 2% goal over the coming years despite near-term downward pressures created by energy prices and other factors

Currency	Major Factors	Technical Outlook	Yearly Strategy
USD-INR	**International:** ➢ Lower global energy prices ➢ Optimism in US labor market ➢ Hike in US interest rate expected **Domestic:** ➢ Reform in the subsidy regime for fuel prices ➢ RBI rate cut expected ➢ Increase in bond buying by FIIs ➢ Growth potential seen with the implementation of various structural reforms ➢ Economic momentum to pick up from 5½% to 6% till 2016	USD-INR is expected to adjust itself in the range of Rs. 61.50 – Rs 66.00 for the next year. For the short term strong resistance is seen at Rs 64.20 & on sustained trade above market is likely to test the levels of Rs 66. As of now market is expected to remain down side for the short term till Rs 62.00.	Buy above 64.20; &;or; Buy on dips around 61.80 - 62.00

Currency	Major Factors	Technical Outlook	Yearly Strategy
EUR-INR	➢ A slow and vulnerable economic recovery ➢ Disinflationary pressures ➢ Extreme weakness in Italy and near-zero growth in France ➢ Governing council is considering a program of sovereign debt purchases ➢ Push for economic union ➢ Euro zone real GDP is expected to advance 0.8% this year, 1.0% in 2015 and 1.3% in 2016	We have seen a bearish mode during the previous year in EUR-INR. Formation of the short term reversal pattern in EUR-INR is suggesting correction for the coming year also. Next year range for EUR-INR is expected to be Rs 74-80	Sell on rise
Currency	**Major Factors**	**Technical Outlook**	**Yearly Strategy**
GBP-INR	➢ Delays in the tightening cycle ➢ Real GDP growth is expected to decelerate from around 3% y/y during 2014 to 2.5% in 2015 and 2% in 2016.	We have seen sideways mode on the higher side for this year. This is suggesting short term trend reversal in the coming year. Next year range for GBPINR is expected to be Rs. 101.50 – 95.50.	Sell on rise
Currency	**Major Factors**	**Technical Outlook**	**Yearly Strategy**
JPY-INR	➢ Japan's real GDP contracted by 1.6% q/q on an annualized basis ➢ Japan's economic and currency weakness may risk triggering competitive currency realignments in the Asia/Pacific region ➢ Recent action by the Bank of Japan combined with Prime Minister Abe's call for a snap election has forced a downward revision to our forecast	Technical studies warn of further decline. With fundamentals, sentiment, flows and technical all working in tandem against the JPY, we hold a year-end 2015 JPYINR forecast below Rs. 50.00.	Sell on rise

SPECIAL COMMODITY REPORT: ANUSANDHAN 2015

Our special yearly outlook snapshot on top commodities through the eyes of technical research:

Anusandhan BULLION

Commodity	Highlights	Trend	Strategy
GOLD	▪ **Last year**, we predicted a big fall in Gold till Rs 25000 when the yellow metal was trading around Rs 28400. Our predictions were bang on target as the primary bearish trend showed its true colors in second half of 2014. ▪ **2015** will prove to be the worst year for Gold in many yea Rs The impulsive 5th wave is likely to break below temporary support of \$1130. A bearish pennant pattern on quarterly chart is also supporting the view. Fundamentally, any hike in interest rates in US will prove disastrous for gold.	**Mid-term trend is Sideways** **Long term trend is DOWN**	▪ **Important support** for International Gold is at \$113 which if broken decisively will again bring in a 'free fall'. The primary trend is bearish and the focus from here must be to go short below \$1130 or at higher levels around \$1270-1300. ▪ **Trading range in Indian markets likely to be Rs 19000-28200.**
SILVER	▪ **Silver** saw an extended fall of nearly 20% last year. Physical demand too remained lackluster due to sluggish movements in industrial metals. ▪ **This year** too, the bearish trend is likely to continue with small interruptions in the form of relief rallies. On technical charts, the bearish pennant pattern on quarterly timeframe similar to that in gold has already became active in September last year. Few bounce backs are certainly looking possible before any big fall.	**Mid-term trend is UP** **Long term trend is DOWN**	▪ **\$14 is crucial support** at COMEX, breakdown of which may push prices further down towards \$11. Major resistance is at \$17 which if broken may fuel a rally towards \$20. Buy on short term breakouts and look to short sell on resistance at \$20 or on breakdown below \$14. ▪ **Trading range likely to be Rs 25000-Rs 44000 at MCX.**

Anusandhan BASE METALS

Commodity	Highlights	Trend	Strategy
COPPER	▪ **2015 will be a dull year for Copper.** Withdrawal of bond purchasing program by US Fed would have a positive impact in long run BUT a gloomy outlook of China and over-supply in physical markets will keep it under pressure this year. However, contingent factors like production halt due to mine strikes, accidents & maintenance may bring in some relief. ▪ **Technically,** the chief industrial metal is struggling on charts with a complex bearish Head & Shoulders pattern in the making. Also, momentum indicators are giving their node in favor.	**Long term trend is DOWN**	▪ Overall strategy will be to sell on rise to Rs 410-415 or on breakdown below Rs. 390. **Major resistance is at Rs 421 whereas major support lies at Rs. 390 which if broken on closing basis will take prices towards Rs 345-320 range.**

Commodity	Highlights	Trend	Strategy
NICKEL	▪ Our bullish strategy for 2014 worked well in favor of traders. Higher supplies at present may get absorbed in second half of the year. ▪ For this year too, Nickel will remain highly volatile and may score new highs & lows in a small time. Charts are still favoring bulls with support from momentum indicators BUT it is clear that the buying levels are on dips.	**Mid-term trend is DOWN** **Long term trend is UP**	▪ Long term strategy is to buy on considerable dips. Rs 880-850 levels will attract buying. **Overall range likely to be Rs 820-Rs 1360.**

Anusandhan ENERGY

Commodity	Highlights	Trend	Strategy
CRUDE OIL	▪ 2014 proved to be disastrous year for crude despite recovery in US. Over-supply, gloomy Chinese outlook, and struggling European economies pressured the fuel that fall without any respite in the second half of 2014. ▪ Technically, bears are still having an edge on charts BUT the first quarter is likely to show some bounce back till \$70-72 as the over-sold zone gets triggered multiple times.	**Mid-term trend is UP** **Long term trend is DOWN**	▪ **Trading range at MCX likely to remain between Rs 2800-4900.**
NATURAL GAS	▪ NG remained one of the most volatile commodities in 2014. In the first half of 2014, the energy segment showed a clear shift towards consumption of natural gas in many countries. ▪ Less vulnerability to geo-political tensions still makes it an attractive commodity to bet for. ▪ On technical charts, NG may see strong buying at current levels as charts are in an over-sold zone. For long term, one should wait for a dip towards Rs 150 mark.	**Long term trend is UP**	▪ We predicted last year that NYMEX gas may reach \$7 in near future when it was struggling around \$2. Our prediction went in line as NYMEX NG traded at \$6.5 in 2014. Our forecast for \$7 may get achieved this year. **Buy at MCX on dips to Rs 150-140. Trading Range-Rs 130-Rs370.**

Anusandhan Soy-Complex

Commodity	Highlights	Trend	Strategy
SOYBEAN	▪ Reports of bumper crop in US, Argentina & Central India triggered a big fall in May 2014 that continued till October. Overall, the supply side has been given too much importance and the demand has been ignored at these levels. ▪ Technically, prices are forming triple bottom supports at various stages with possibility of a fifth wave breakout still intact.	**Long term trend is UP**	▪ The primary trend is still impulsive and this year we may get to see strong buying. ▪ **Trading range in Indian markets likely to be Rs 2800-Rs 5000.**

Commodity	Highlights	Trend	Strategy
RMSEED	■ It was a good 2014 for RMSEED, the oilseed which saw a major correction in 2013. ■ The scenario is likely to remain positive with good support from NAFED and strong buying from regional and private players. ■ Charts are clearly in favor of an extension of the current rally. However, a small correction may be witnessed for a couple of weeks as momentum indicators hit over-bought zone.	**Long term trend is UP**	■ Overall strategy will be to buy on dips. ■ **Trading range in Indian markets likely to be Rs 3800-Rs 5700.**

Anusandhan SPICES

Commodity	Highlights	Trend	Strategy
DHANIYA	■ Dhaniya will see small rounds of correction this year. 2014 was a great year for the rounded seed spice with prices trading over Rs 13000. ■ Production only in limited area of Rajasthan & MP has the capacity to quickly create an under-supply status. However, the possibilities of this happening in 2015 are least as carry forward stocks are likely to prove to be party-spoilers for bulls. ■ Technically too, the bearish engulfing pattern on monthly chart is likely to begin a 4th wave correction.	**Mid-term trend is DOWN** **Long term trend is UP**	■ Dhaniya is a commodity which provides ample opportunities to trade on both buy/sell sides. Sell on rise to 12200-12400. **Double buy on corrections around Rs 9500-Rs 9000.**
TURMERIC	■ Prices remained range-bound to negative throughout 2014 and it was only in December when prices saw a massive 22% rise. ■ Export demand is set to increase this year and with limited area under cultivation, we may see a continuation of the December-rally in 2015. ■ Technically, the third wave impulsion has just started and it has a long way to go from here.	**Long term trend is UP**	■ Long term strategy is to buy on dips to Rs8600-8550 levels. **Overall range likely to be Rs 8000-Rs 14000.**
CHANA	■ The last quarter of 2014 brought smiles on the face of Chana bulls that faced consistent beatings from bears in the light of heavy supply. ■ A strong breakout on technical chart is likely to re-ignite that lost appeal in the major pulse crop.	**Long term trend is UP**	■ Long term strategy is to buy at current levels and also on dips to Rs 3300-3250 levels. **Overall range likely to be Rs 2950-4600.**

ARI - Mutual Fund Update

Mutual Fund Roundup

The calendar year 2014 bought cheers to investors at large registering a bumper return of around 30% with S&P BSE Sensex surging 29.89% while CNX Nifty gaining 31.39%. Sectorally, Consumer Durables turned out the best performing sector for the year 2014 clocking 68.16% returns followed by Bankex (65.04%), Auto (51.98%), Capital Goods (50.45%), Healthcare (47.43%), PSU (39.21%), FMGC (18.27%), IT (16.54%), Teck (15.65%), Oil & Gas (12.01%), Realty (8.49%) and Metal (7.91%).

However, the bears turned down the bulls during the last month over geopolitical concerns as S&P BSE delivered negative return of 4.16% to settle at 27499.42 while CNX Nifty lost 3.56% ending the month at 8282.70. For the month of December 2014, Bankex turned out to be the best performing sector clocking gains of 1.16% followed by FMCG (0.43%), Consumer Durables (0.28%) while Oil & Gas turned out to be the worst performing sector registering loss of 9.34% followed by Realty (-7.60%), Capital Goods (-5.68%), IT (-5.56%), Teck (-5.14%), Metal (-4.90%), Auto (-3.07%), PSU (-2.19%) and Healthcare (-1.76%).

MF Activity

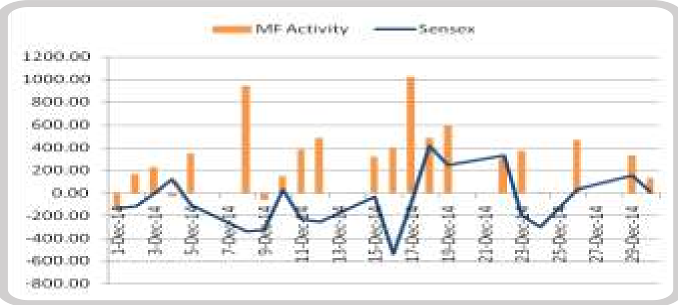
The year 2014 saw a sizzling run in the equity markets. The year commenced with hopes of a stable government and optimism resurfaced post the election results in May 2014 as a new era heralded for the nation with the Narendra Modi led BJP government gaining a historic win at the Centre with majority. Indian mutual funds turned net buyers of equities to the tune of Rs 23,842.50 crore in the year 2014; and bought Rs 7,36.90 crore for the month of December. This marks the eighth consecutive month of inflows into equities. Highest buying was recorded in the third week of the month when the fund houses made total net buy of Rs 2,808.30 crore of equities.

On the other hand, the net investment by foreign institutional investors (FIIs) into Indian equities was Rs 1,036.29 crore in December 2014 and a whopping Rs 97,055.90 crore worth of equities in the year 2014.

Mutual Fund Activity in December 2014

(₹ in Crores)	Gross Purchases	Gross Sales	Net Investment
1st Week	4903.90	4330.00	573.90
2nd Week	5531.70	3645.20	1886.70
3rd Week	6336.90	3528.50	2808.30
4th Week	4635.90	3508.90	1126.80
5th Week	1779.80	1138.60	641.20
Total	**23188.20**	**16151.20**	**7036.90**

(Source : SEBI)



Date	Gross Purchases	Gross Sales	Net Purchases/Sales
Jan-14	9,348.80	11,864.30	-2,515.50
Feb-14	8,468.80	9,814.10	-1,345.40
Mar-14	12,301.40	16,191.00	-3,889.90
Apr-14	12,017.50	14,715.40	-2,698.10
May-14	20,399.50	20,294.10	105.60
Jun-14	19,743.50	16,403.90	3,339.60
Jul-14	21,526.50	16,462.80	5,063.80
Aug-14	17,876.50	10,918.90	6,957.40
Sep-14	20,322.20	16,150.80	4,171.50
Oct-14	17,482.90	11,543.20	5,939.70
Nov-14	16,565.40	14,888.40	1,676.90
Dec-14	23188.20	16151.20	7036.90
Total	**199,241.20**	**175,398.10**	**23,842.50**

Equity Scheme Recommendation

Aggressive: High Risk, High Return										
Scheme Name	Latest NAV*	Launch Date	Asset Allocation	Returns (%)				Min. Investment Amount		Fund Type
				One Year	Three Years	Five Years	Since Inception	SIP	Lumsum	
HDFC Equity Fund	468.44	1-Jan-95	15%	53.77	28.84	15.18	21.20	1,000	5,000	Multi Cap Fund
HDFC Top 200	344.90	11-Sep-96	25%	46.52	26.33	13.82	21.33	1,000	5,000	Large Cap Fund
DSP BlackRock Opportunities Fund	140.22	16-May-00	10%	45.40	25.99	13.25	19.77	1,000	5,000	Large-Mid Cap Fund
IDFC Premier Equity Fund	67.45	28-Sep-05	25%	58.91	33.14	20.67	22.88	2,000	25,000	Mid-Cap Fund
DSP Black Rock Small and Midcap Fund	34.97	14-Nov-06	10%	70.53	35.89	18.84	16.64	1,000	5,000	Mid-Cap Fund
DSP Black Rock - Micro Cap Fund	36.23	14-Jun-07	15%	101.80	43.18	25.21	18.78	1,000	5,000	Mid-Cap Fund

Moderate: Medium Risk, Medium Return										
Scheme Name	Latest NAV*	Launch Date	Asset Allocation	Returns (%)				Min. Investment Amount		Fund Type
				One Year	Three Years	Five Years	Since Inception	SIP	Lumsum	
HDFC Equity Fund	468.44	1-Jan-95	22%	53.77	28.84	15.18	21.20	1,000	5,000	Multi Cap Fund
DSP BlackRock Equity Fund	27.31	7-Jun-07	18%	53.01	26.78	13.22	14.19	1,000	5,000	Multi Cap Fund
DSP BlackRock Small and Midcap Fund	34.97	14-Nov-06	10%	70.53	35.89	18.84	16.64	1,000	5,000	Mid-Cap Fund
ICICI Prudential Focused Bluechip Equity Fund	28.63	23-May-08	20%	41.10	25.34	15.92	17.25	1,000	5,000	Large Cap Fund
Franklin India Bluechip	338.00	1-Dec-93	30%	37.22	21.84	12.72	22.11	1,000	5,000	Large Cap Fund

Conservative: Low Risk, Low Return										
Scheme Name	Latest NAV*	Launch Date	Asset Allocation	Returns (%)				Min. Investment Amount		Fund Type
				One Year	Three Years	Five Years	Since Inception	SIP	Lumsum	
ICICI Prudential Focused Bluechip Equity Fund	28.63	23-May-08	20%	41.10	25.34	15.92	17.25	1,000	5,000	Large Cap Fund
HDFC Top 200 Fund	344.90	11-Sep-96	10%	46.52	26.33	13.82	21.33	1,000	5,000	Large Cap Fund
Nifty BeES	837.91	28-Dec-01	15%	32.63	22.76	10.86	17.43	NA	10,000	Large Cap Fund
DSP BlackRock Top 100 Equity Fund	156.21	10-Mar-03	20%	37.49	22.30	11.38	26.18	1,000	5,000	Large Cap Fund
HDFC Prudence Fund	373.30	1-Feb-94	35%	51.76	26.25	16.45	18.88	1,000	5,000	Hybrid Fund

Note: NAV and Returns as on 31st Dec 2014, Returns < 1 yr annualised, > 1 yr compounded annualised

Capital Movement

Indian mutual fund industry witnessed a jump in its assets under management (AUM) by Rs 40,000 crore or 3.8% to a record high of Rs 11 lakh crore in the third quarter of the current fiscal given the strong performance of Indian equity markets in the quarter. The country's 45 fund houses together had an average AUM of Rs 11 lakh crore during Oct-Dec quarter of 2014-15, up from Rs 10.6 lakh crore in the preceding three months, according to Association of Mutual Funds in India (AMFI).

During the Oct-Dec 2014 quarter, HDFC Mutual Fund has retained its top position in terms of AUM, with an average AUM of Rs 1.50 lakh crore, up 6.3% q-o-q followed by ICICI Prudential Mutual Fund that saw its asset base grow by

7.13% to Rs 1.37 lakh crore while the third largest player continued to be Reliance Mutual Fund with an average AUM of Rs 1.26 lakh crore, up 3.3%.

Among the top 5 players, ICICI Prudential Mutual Fund was the biggest gainer in absolute terms with its AUM rising by 7.13% or by Rs 9,099.60 crore q-o-q followed by HDFC Mutual Fund rising 6.35% or by Rs 8,986.95 crore, Franklin Templeton Mutual Fund rising 14.44% or by Rs 8,031.67 crore, Birla Sun Life Mutual Fund rising 5.22% or by Rs 5,352.34 crore and UTI Mutual Fund rising 4.97% or by Rs 4,140.22 crore during the quarter.

Edelweiss Mutual Fund was the biggest gainer in percentage terms as its AUM rose by 54.76% or by Rs 207.94 crore q-o-q followed by Motilal Oswal Mutual Fund that saw a 39.45% jump or Rs 413.23 crore in its AUM, IIFL Mutual Fund gaining 38.77% or Rs 78.33 crore, Mirae Asset Mutual Fund gaining 22.66% or Rs 282.06 crore and BOI AXA Mutual Fund gaining 19.94% or Rs 502.20 crore during the quarter.

Peerless Fund was the biggest loser, in percentage terms, with its AUM shrinking over 39.27%, q-o-q, to Rs 1,514.85 crore q-o-q while Canara Robeco Mutual Fund saw biggest decline in absolute terms as it witnessed an erosion of a whopping Rs 1,720.31 crore (-19.58%) from its kitty this quarter bringing down its AUM to Rs 7,065.01 crore.

Change in Quarterly AUM of Top 10 Mutual Fund Houses:

TOP GAINERS – AUM (in absolute terms)

Mutual Fund Name	Average AUM (Rs in cr)		Q-o-Q Change	
	Oct-Dec 14	Jul-Sep 14	Absolute	%
ICICI Prudential Mutual Fund	136763.11	127663.50	9099.60	7.13
HDFC Mutual Fund	150467.74	141480.78	8986.95	6.35
Franklin Templeton Mutual Fund	63642.82	55611.15	8031.67	14.44
Birla Sun Life Mutual Fund	107968.20	102615.86	5352.34	5.22
UTI Mutual Fund	87390.13	83249.91	4140.22	4.97
Reliance Mutual Fund	126069.04	122068.36	4000.68	3.28
JM Financial Mutual Fund	14240.17	11976.14	2264.03	18.90
Religare Invesco Mutual Fund	19831.78	17647.43	2184.36	12.38
IDFC Mutual Fund	47919.64	45737.97	2181.68	4.77
Axis Mutual Fund	24114.55	22508.10	1606.45	7.14

TOP LOSERS – AUM (in absolute terms)

Mutual Fund Name	Average AUM (Rs in cr)		Q-o-Q Change	
	Oct-Dec 14	Jul-Sep 14	Absolute	%
Canara Robeco Mutual Fund	7065.01	8785.31	-1720.31	-19.58
JPMorgan Mutual Fund	14123.80	15379.68	-1255.87	-8.17
Peerless Mutual Fund	1514.85	2494.24	-979.39	-39.27
SBI Mutual Fund	72140.63	72849.89	-709.26	-0.97
LIC Nomura Mutual Fund	7618.49	8158.50	-540.01	-6.62
Taurus Mutual Fund	4082.37	4410.85	-328.48	-7.45
Union KBC Mutual Fund	2872.50	3191.64	-319.14	-10.00
IDBI Mutual Fund	6801.54	7096.73	-295.19	-4.16
Tata Mutual Fund	24250.65	24543.84	-293.18	-1.19
BNP Paribas Mutual Fund	3697.30	3921.45	-224.15	-5.72

2015 EVENTS CALENDAR

JANUARY

- Appointment of the Chief Election Commissioner
- Revised GDP estimates on the basis of 2010-11 as the new base year
- US Federal Reserve's monetary policy action
- Announcement on the new body to replace the planning commission, M&A guidelines for telecom
- Spectrum trading and sharing, US President Barack Obama to visit India for the Republic Day
- Nationwide rollout of direct benefits transfer scheme for LPG
- New guidelines for e-commerce companies
- Export Import Data
- US President Barack Obama Visit to India
- PM-Bankers Meet
- ECB Meet (Jan 22)
- Greece Elections (Jan 25)

FEBRUARY

- Assembly election in Delhi, RBI's monetary policy review
- Presentation of the railway budget (Feb 25)
- Announcement of GDP growth figures for Dec quarter of 2014-15 (Feb 26)
- Tabling of the Economics Survey for 2014-15 (Feb 26)
- Presentation of the Union Budget for 2015-16 (Feb 28)
- Auction of spectrum
- Coal regulator Bill to be discussed
- Plan to roll out 100,000 Mw of solar power
- PM Modi could visit China
- The Federal Aviation Administration to decide on rules for Indian Carriers to fly to the US
- Coal Auction (before Feb 11)
- ICC World Cup in Australia
- Nasscom India Leadership Forum 2015 (Feb 11 - 13)

MARCH

- New comprehensive environment law to be discussed in Parliament's Budget session
- Roads and Safety Bill to be discussed
- One billion Indians to be enrolled under Aadhaar or the National Population Register
- Allotment of coal blocks

APRIL

- Implementation of the Food Security Act

JUNE

- Selection of Cabinet Secretary, Appointment of Home secretary
- OPEC meeting to take fresh call on crude oil production cuts
- World Economic Forum Africa 2015 (Jun 3 - 5)

JULY

- Appointment of Foreign Secretary
- 7th BRICS summit in Russia (Jul 8-9)

OCTOBER - NOVEMBER

- Assembly election in Bihar
- 2015 G-20 Turkey summit (Nov 15-16)

DECEMBER

- Appointment of the Chief Justice of India
- WTO to come up with a permanent solution to the food security issue

EVENTS EXPECTED DURING THE YEAR:

- GST Bill to be passed and sent to states for ratification
- Restructuring of the Food Corporation of India
- New oil exploration licensing policy
- Change to buffer stock norms
- A price stabilization fund of Rs 500 crore to check inflation
- A new insurance scheme for price guarantee to farmers
- Pradhan Mantri Gram Sinchai Yojana
- A special drought-mitigation package