

Key developments during the week

- Govt likely to finalise details of inflation-indexed bonds this month
- HC refuses to restrain Glenmark from mfg, sale of Januvia generic
- Power secy says state cos' loan recast deadline extended to Jul 31
- Bharti moves SC against DoT order banning co's 3G roaming pact
- Minister says asked Coal India to continue supplies at 50% to NTPC
- Shipping secy says plan to award 30 projects in FY14
- HT Media launches weekly business paper in Singapore
- AirAsia says got FIPB formal nod for JV with Tatas; to seek licence
- Bajaj Auto says will start production of RE60 in FY14
- Sun Pharma gets US nod for generics of Lunesta, Zithromax injection
- Mahindra Holidays adds 75-room Dubai hotel to its network
- KPIT Cummins rolls out IT solution for Airports Authority of India
- Cabinet panel clears partial decontrol of sugar industry
- RBI Subbarao says FY13 growth likely to be lowest in a decade
- Govt source says RBI draft note on new FII, FDI definitions in 15 days

INDEX	05-Apr-13	28-Mar-13	Change (in %)
NIFTY	5553.25	5682.55	-2.28
SENSEX	18450.23	18835.77	-2.05
NSE 500	4366.65	4438.35	-1.62
NSE MIDCAP	1947	1933.00	0.72
NIFTY JUNIOR	11168.1	11222.80	-0.49
BSE SMALLCAP	5914.39	5804.65	1.89
BSE 200	2248.82	2287.96	-1.71

INDEX	05-Apr-13	28-Mar-13	Change (in %)
BSE CD	6939.63	7094.55	-2.18
BSE OIL AND GAS	8416.78	8326.60	1.08
BSE PSU	6509.42	6481.16	0.44
BSE FMCG	5723.78	5919.19	-3.30
BSE Capital Goods	8914.64	9017.59	-1.14
BSE AUTO	9741.8	9994.23	-2.53
BSE REALTY	1770.2	1780.09	-0.56
BSE BANK	12742.79	13033.35	-2.23
BSE TECH	3798.59	3900.94	-2.62
BSE HEALTHCARE	8208.56	8008.09	2.50
BSE IT	6730.9	6885.46	-2.24
BSE METALS	8518.54	8758.32	-2.74

INDEX	05-Apr-13	28-Mar-13	Change (in %)
Dow Jones	14565.25	14578.54	-0.09
Hang seng	21726.9	22299.63	-2.57
Nikkei	12833.64	12389.67	3.58
FTSE	6249.78	6411.74	-2.53

Domestic events week ahead

- **Apr 12:** Industrial output data for February, to be detailed by CSO.
- **Apr 12:** CPI combined rural, urban inflation data for March, detailed by CSO.
- **Apr wk 2:** Trade data for March, by commerce and industry ministry.

Source: NW18

Global events week ahead

- **Apr 08:** Japan Current Account, German Industrial Production m/m.
- **Apr 09:** US Fed Chairman Bernanke Speaks, Japan Monetary Policy Meeting Minutes, German Trade Balance, French Gov Budget Balance.
- **Apr 10:** French Industrial Production m/m, Italian Industrial Production m/m, US Crude Oil Inventories, US FOMC Meeting Minutes, US Federal Budget Balance .
- **Apr 11:** Japan Core Machinery Orders m/m, French CPI m/m, German Final CPI m/m, German WPI m/m, ECB Monthly Bulletin, Italian 10-y Bond Auction, US Unemployment Claims, US FOMC Member Bullard Speaks, US Natural Gas Storage.
- **Apr 12:** Europe Industrial Production m/m, Eurogroup Meetings, US Core Retail Sales m/m, US PPI m/m, US Retail Sales m/m, US Prelim UoM Consumer Sentiment, US Fed Chairman Bernanke Speaks.



Weekly Sector Outlook and Stock Picks

Auto sector – Negative this week on low sales; Maruti positive

Shares of major automobile manufacturing companies may trade with a negative bias this week due to the continued lull in the sector on account of falling sales. Maruti Suzuki India Ltd is one of the very few companies that look positive, which is because of the depreciating value of Yen, thereby favouring its import costs. Mahindra & Mahindra Ltd's counter appears negative this week due to the rising competition in the utility vehicles segment, and their not-so-impressive sales in the tractors division. Tata Motors Ltd would see its scrip in the positive only in the second half of this week, backed by higher-than-expected monthly wholesales numbers it is likely to post. If the government accepts industry demand of exempting sub-1.2-mIn-rupee sports utility vehicles from excise duty hike, it would be a positive for counters such as Mahindra & Mahindra and Force Motors.

Capital Goods sector – Down; L&T may gain on value buying

Shares of most capital goods and engineering companies, except Larsen and Toubro, are seen in the red this week owing to lack of visibility in orders and government spending. Shares of Avantha Group owned-Crompton Greaves are seen falling further as investors remain cautious amid fears Jan-Mar could be another weak quarter.

FMCG Sector – Seen firm as cos' Jan-Mar margins seen rising

Fast-moving consumer goods stocks are expected to trade with a positive bias this week as we expect a rise in gross margins of companies in this sector, when they announce Jan-Mar results, due to fall in raw material prices. Prices of key raw materials like palm oil and copra (dry coconut) have dropped and are expected to consolidate at current levels for a few months, this will help FMCG companies post better margins this quarter. The country's largest cigarette maker ITC raised prices of select brands in order to pass on the hike in taxes in the recent Union Budget and various state budgets to customers.

Cement Sector – Bias negative this week; Jan-Mar earnings eyed

Shares of major cement makers are seen trading with a negative bias this week, as March despatch data disappointed investors, we expect that companies may post a muted revenue growth for Jan-Mar may also weigh on the stocks. Cement companies will detail their Jan-Mar earnings later this month. The companies' inability to increase prices amid low demand during Jan-Mar is likely to hurt earnings for the quarter.

IT Sector - In thin band this week before Jan-Mar earnings

Shares of information technology companies are seen trading in a thin band this week as investors will await Jan-Mar earnings that kick start with Infosys on Apr 12. While detailing its Oct-Dec earnings in January, Infosys had guided for consolidated net sales of at least \$7.45 bln for 2012-13, up from \$7.34 bln guided in Jul-Sep. Market participants believe that recovery in technology spends will remain key to further outperformance in technology shares.

Oil Sector –Marketing cos seen rangebound, RIL up this week

Shares of the state-owned oil marketing companies Indian Oil Corp, Bharat Petroleum Corp, and Hindustan Petroleum Corp are seen range bound this week while those of Reliance Industries may witness some buying activity. Continuous softening of crude oil prices provides much-needed relief to oil marketing companies, but reversal in the rupee-dollar trend may take away most of that benefit.

**Steel Sector – Up this week; Jan-Mar earnings seen upbeat**

Shares of major steel companies are seen rising this week because of a technical bounce back, and on expectation of bullish earnings for Jan-Mar quarter. The way steel stocks have been declining in the last few sessions, a technical bounce is imminent. Shares of steel companies declined in the range of 1-3% in the week ended Friday tracking the broad market.

Bank sector – Slightly positive on improved economic outlook

Bank stocks are likely to trade with a slightly positive bias this week as the beginning of the new financial year brings hopes of a lower interest rate regime, better margin and economic growth. Many state-owned banks will likely face margin pressures and also stress on profitability on account of rising stress in asset quality and higher provision requirements in the next few months.

Telecom Sector – RComm seen up, Bharti Airtel volatile this week

Buoyed by the optic fibre network sharing deal with Reliance Industries Ltd, Reliance Communications Ltd is seen trading with a positive bias this week. Reliance Communications announced that it has signed a 12-bln-rupee pact with Reliance Industries, wherein it would share its fibre optic network with the latter's telecom arm Reliance Jio Infocomm. Shares of Bharti Airtel are likely to trade in range as the 2G trial court has summoned the head of the company Sunil Bharti Mittal among others, in the case of grant of excess spectrum.

Market Range for Week 5400- 5750

Nifty	Values	
Support 1	5550	Resistance – Nifty facing Resistance level @5620 level above this level it may go up to @5680 & @ 5750 level.
Support 2	5480	
Support 3	5450	
Resistance 1	5620	Support - Support comes for market @5550 level for Nifty; below this level Nifty next support @5480 and @5450 will be the major support for Market.
Resistance 2	5680	
Resistance 3	5750	

Technical – Last week Nifty opened at 5697 & it made a high of 5754. Last week we have seen some selling in the market. Nifty made a low of 5534 & closed at 5553. Last week Nifty drags 220 points from its high & on weekly basis it closed at 129 point's lower. Sensex made a weekly high of 19060 & a low of 18389 almost it drags 671 points in the week from its high. So overall last week we have seen selling pressure from higher level.

For the coming week the market range we expect 5400-5750

Weekly Chart View –

Last week we had expected market range (5550-5850) market made a high of 5754 & low of 5534 so overall it holds our almost both side range.

In last week report we had mentioned, on daily chart market was above 200DMA&EMA & osilator was in oversold. On weekly chart it was above 50WMA, but below lower trendline, because of that we had mentioned 5550 will be support & 5750-5780 will be resistance & all we have seen market between that range. Now on daily chart market below 200DMA, but holding the low of 20th Nov 2012 which is 5548.35 on closing basis & osilator showing oversold position. On weekly chart market holding 50WMA (5543-5540) on closing basis. So overall now 5545-5540 will be important support level on closing basis, if we get close below that we can see some more downside & on the other hand 5750-5780 will be major resistance for market.

On Friday's Dow lost more than 40 points, or 0.3%. The S&P500 fell 0.4% & the Nasdaq dropped 0.7%. For the week S&P500 dropped 1%, while the Nasdaq lost 2%. The Dow slipped 0.1% for the week.



Weekly Chart



Market Commentary –

The upside on the bourses may be capped as reduction of promoter stake to meet the Securities & Exchange Board of India (Sebi) mandated minimum public shareholding of 25% for private companies and 10% for state-run firms will result in supply of equity in the market over the next few months. As per the Sebi mandated minimum public shareholding rule, private-sector companies must cut founders' stake to adhere to the rules by 30 June 2013, while the deadline for state-run firms is 31 August 2013. PSU divestment will also add to share sale glut in FY 2014. The government has set a target of Rs 40000 crore from divestment of government stake in state-run firms and Rs 14000 crore from divestment of stake in non-government companies for FY 2014.

The next major trigger for the market is Q4 March 2013 results. The Q4 March 2013 corporate earnings season will begin around mid-April 2013. The government will unveil industrial production data for February 2013 on 12 April 2013. The government will unveil data on the combined consumer price index for urban and rural India for March 2013 on 12 April 2013.

The India Meteorological Department will issue its initial forecast of 2013 southwest monsoon in this month.



Weekly Technicals of Key Companies –

Company	Closing 05-Apr-13	Buy/Sell Trigger	Resistance 1	Resistance 2	Support 1	Support 2
ACC	1129.25	1138.95	1171.30	1213.35	1096.90	1064.55
AMBUJACEM	164.75	168.43	174.62	184.48	158.57	152.38
ASIANPAINT	4767.55	4827.28	4922.27	5076.98	4672.57	4577.58
AXISBANK	1229.55	1255.58	1293.97	1358.38	1191.17	1152.78
BAJAJ-AUTO	1701.25	1725.17	1794.33	1887.42	1632.08	1562.92
BANKBARODA	655.80	669.13	687.27	718.73	637.67	619.53
BHARTIARTL	270.25	277.27	287.98	305.72	259.53	248.82
BHEL	177.80	181.20	186.00	194.20	173.00	168.20
BPCL	376.50	375.52	383.48	390.47	368.53	360.57
CAIRN	288.95	286.88	299.57	310.18	276.27	263.58
CIPLA	386.85	388.40	397.15	407.45	378.10	369.35
COALINDIA	309.25	307.73	316.07	322.88	300.92	292.58
DLF	232.80	240.38	250.77	268.73	222.42	212.03
DRREDDY	1911.55	1869.93	1971.62	2031.68	1809.87	1708.18
GAIL	316.45	317.42	323.68	330.92	310.18	303.92
GRASIM	2715.70	2745.38	2796.27	2876.83	2664.82	2613.93
HCLTECH	756.95	767.83	796.37	835.78	728.42	699.88
HDFC	770.80	789.77	816.43	862.07	744.13	717.47
HDFCBANK	620.95	622.88	632.37	643.78	611.47	601.98
HEROMOTOCO	1481.40	1489.25	1543.40	1605.40	1427.25	1373.10
HINDALCO	89.85	90.43	93.32	96.78	86.97	84.08
HINDUNILVR	471.70	469.20	477.30	482.90	463.60	455.50
ICICIBANK	998.15	1015.30	1045.60	1093.05	967.85	937.55
IDFC	140.95	143.03	146.92	152.88	137.07	133.18
INDUSINDBK	400.85	409.17	420.18	439.52	389.83	378.82
INFY	2865.85	2905.13	2960.27	3054.68	2810.72	2755.58
ITC	291.30	297.07	304.13	316.97	284.23	277.17
JINDALSTEL	335.55	340.85	355.20	374.85	321.20	306.85
JPASSOCIAT	64.10	66.03	68.87	73.63	61.27	58.43
KOTAKBANK	636.75	641.98	654.77	672.78	623.97	611.18
LT	1349.80	1374.43	1407.37	1464.93	1316.87	1283.93
LUPIN	618.20	625.85	637.35	656.50	606.70	595.20
M&M	837.90	845.40	859.30	880.70	824.00	810.10
MARUTI	1406.30	1363.43	1466.87	1527.43	1302.87	1199.43
NMDC	124.85	129.08	134.17	143.48	119.77	114.68
NTPC	141.00	142.42	145.53	150.07	137.88	134.77
ONGC	314.30	312.70	320.10	325.90	306.90	299.50
PNB	719.75	727.72	744.93	770.12	702.53	685.32
POWERGRID	104.65	105.35	106.95	109.25	103.05	101.45



RANBAXY	450.10	448.58	459.02	467.93	439.67	429.23
RELIANCE	780.10	781.10	798.00	815.90	763.20	746.30
RELINFRA	330.80	339.83	354.57	378.33	316.07	301.33
SBIN	2056.70	2085.22	2128.43	2200.17	2013.48	1970.27
SESAGOA	149.95	151.28	156.57	163.18	144.67	139.38
SUNPHARMA	859.35	848.82	887.63	915.92	820.53	781.72
TATAMOTORS	255.20	258.58	265.37	275.53	248.42	241.63
TATAPOWER	95.15	97.03	99.52	103.88	92.67	90.18
TATASTEEL	309.20	312.52	321.98	334.77	299.73	290.27
TCS	1498.35	1519.15	1554.20	1610.05	1463.30	1428.25
ULTRACEMCO	1771.55	1795.15	1859.20	1946.85	1707.50	1643.45

Source: Iris Softwre

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