

Market Outlook: Indian markets are expected to open in optimistic territory on the back positive sentiments seen on the global counters. We advice one has to wait for the outcome of the Reserve Bank of India's (RBI) interest-rate policy review today. We are expecting a hike of 25 bps each in the repo and reverse repo rates. However, with inflation being a major cause of concern, any indication by the RBI of aggressive tightening of monetary policy may put interest-rate sensitive stocks like PSU banks, real estate and auto stocks under pressure. The crucial support for the Nifty is 5350 and strong resistance at 5490-5500.

Results today: RIL, L&T, HUL, Cairn, HCL Tech, Ashok Leyland, Asian Hotels, Asian Paints, Blue Dart, Cadila Health, Ceat, Glenmark Pharma, Godrej Inds, GTL, IRB Infra, JSW Steel, Jubilant Org, Kirloskar Brothers, MRPL, Oil India, Patni, Spicejet, Titan Inds

Global events to watch:

- ⇒ **Consumer Confidence**
- ⇒ **ICSC-Goldman Store Sales**
- ⇒ **State Street Investor Confidence Index**
- ⇒ **Bill Auction**

Global indices Update @ 8:

Dow Jones	: 10525	(+100.8)
NASDAQ	: 2296	(+26.96)
Nikkei 225	: 9516	(+12.77)
Hang seng	: 20912	(+72.78)
SGX CNX Nifty	: 5440	(+21.00)
INR / 1 USD	: 46.86	

Stocks in action for the day: NTPC, Tech Mah, JSW Steel, EIL, HOEC, ABB, IOB, Fortis, NMDC, DLF, SEL...

ABB offer closes today: ABB open offer gets nearly 50% subscription -Institutions tender 11.5% stake in open offer -FIIs like GIC, Vanguard AIG tender 100% holding -FIIs like Aberdeen tender 50% of their holding -MFs: Reliance MF, DSP Blackrock tender 100% of their holding -LIC, ICICI Pru Life yet to decide on tendering in offer

JSW Steel board meet today on issue of preferential allotment ((Most likely to be 14.9% stake to JFE))

Diamond Power Infra : Raises Rs 114 crore by allotting 55.9 lakh shares @ Rs 203.8/share

Hindustan Oil Exploration : Gail will not buy gas as per agreement from 24 July-20 August due to maintenance activities

Karnataka Bank: Board Meet on 30 July to take a decision on already approved rights issue

Essar Oil Q1 (cr - crore, vs - versus) -Net loss at Rs 70 cr vs net profit of Rs 169 cr (YoY) -Gross revenue at Rs 12,050 cr vs Rs 7,895 cr (YoY) -GRM at USD 5.61/bbl versus USD 6.74/bbl (YoY)

Peninsula Land Q1 -Net sales at Rs 148.3 cr vs Rs 115.4 cr (YoY) -Net profit at Rs 49.5 cr vs Rs 32.6 cr (YoY)

NTPC Q1 -Net sales at Rs 12,944.5 cr vs Rs 12,002.7 cr (YoY) -Net profit at Rs 1,841.9 cr vs Rs 2,193.6 cr (YoY)

Tech Mahindra Q1 -Cons net profit at Rs 144 cr vs Rs 132 cr (QoQ) -Cons net sales at Rs 1,134 cr vs Rs 1,113 cr (QoQ)

Century Enka Q1 -Sales at Rs 335.8 cr vs Rs 323.6 cr ((YoY)) -PAT at Rs 14.5 cr vs Rs 28.3 cr ((YoY))

Indian Overseas Bank raises Rs 500 mn via CDs Indian Overseas Bank (IOB) on Monday raised 500 million rupees via **certificates of deposit** (CDs) on Monday, Thomson Reuters data showed, a day before the central bank reviews policy. The central bank is widely expected to raise key rates by 25 basis points on

Tuesday, to rein in **inflation** that has stayed stubbornly high. For stories and analyses on the review, see IOB sold three-month notes yielding 6.65%. The yield on the three-month Reuters CD benchmark rose to 6.60% on Monday from Friday's 6.55%, and secondary volumes rose to 3.75 billion rupees from 1 billion rupees. **For the week to July 23, total CD issuance amounted to 28.85 billion rupees, matching the amount raised a week earlier.**

EIL falls 13% after govt fixes FPO band: Shares of state-run Engineers India plummeted by nearly 13% on the Bombay Stock Exchange (BSE), a day after the government set the price band of the company's follow-on public offer at `270-290, which is at a discount from the current market price. On Sunday, a Group of Ministers headed by finance minister Pranab Mukherjee had set the price band for the sale of the government's 10% shareholding in the engineering consultancy firm at a discount from the closing price of `337.65 on Friday.

Fortis may now look at other attractive foreign targets The failure to gain control of Singapore's Parkway Holdings does come as a setback to the aspirations of Fortis Healthcare. By merging with Parkway, Fortis had hoped to leverage on Parkway's brand and secure a pan-Asia recognition that would help it promote medical tourism in India. With Parkway being the only healthcare company with pan-Asia presence, Fortis is now left with fewer options. The other companies in the south east region include Raffles Medical Group, Ramsay Healthcare, Health scope and KPJ Healthcare. The chairman of Fortis, Malvinder Singh, had earlier indicated that his company was open to acquisitions in the West and North Asia as well.

DLF, Unitech, Emaar & Ansal plan to launch Rs 2 cr plus homes Yet another piece of the real estate market appears to be getting back in shape. After realtors focused on the affordable housing space, where demand remained reasonable when market prices crashed two years ago, they are now launching luxury homes as the segment is witnessing early signals of an upswing in demand. Sensing this turnaround, a host of property developers including DLF, Unitech, Emaar MGF and Ansal API are gearing up to launch plush housing projects, where a single unit costs upwards of Rs 2 crore, over the next six months. ``Now that the job market is looking up, consumers are once again regaining the confidence to put money in swank projects,`` said Shravan Gupta, executive vice-chairman and managing director at Emaar MGF.

NMDC eyes two mines in Russia for Rs 18.81 bn India's largest iron ore producer and exporter, NMDC, is contemplating buying coking coal mines in Russia from Kolmar for USD 400 million (Rs 18.81 billion). ``This is our biggest project. Our people have gone and seen it. It has an underground mine which produces 500,000 tonnes a year. Due diligence will start shortly,`` said a top NMDC official. The reserves of the two mines stand at 353 million tonnes, having both soft and hard coking coal. The cost for developing the mines will be an additional sum equal to the cost of the acquisition. At present, Intergeo holds 51% in Kolmar. It is not clear whether NMDC would pick up the entire 51% or most of it. Kolmar's coking coal mines are located in Siberia's Yakutia region.

SEL to invest Rs 19.2 bn on yarn spinning unit in MP Ludhiana-based SEL Manufacturing Company on Monday said it will invest Rs 19.2 billion to set up a yarn spinning facility at Madhya Pradesh. To be spread over 400 acres, the company has proposed to set up 4 lakh spindles at the new unit, which will be the largest spinning facility at a location in the country. ``In the first phase, 2 lakh spindles will be set up and rest in second phase,`` said a company statement issued here. ``The total cost of project for the proposed spinning plant is envisaged at Rs 19.2 billion. The financial tie-up with banks for the first phase is complete and for the second phase it is under progress,`` it said. The project will provide direct employment to about 4,000 people and indirect employment to over 20,000, it added.

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