

**Market Outlook:** Indian markets are expected to open in negative terrain on the back of global counters trading lower. US Markets were down as homes sales dropped more steeply than expected in July to their lowest pace in 15 years, implying further loss of momentum in the economic recovery. Back to domestic counters India markets are now in a typically sideways mode and is expected to stay sideways until F&O expiry. The crucial support on the downside for the Nifty is 5470-5450 and resistance at 5540-5555.

**Global events to watch:**

- ⇒ **Bank Reserve Settlement**
- ⇒ **FHFA House Price Index**
- ⇒ **New Home Sales**
- ⇒ **MBA Purchase Applications**

**Global indices Update @ 8:**

Dow Jones	: 10040	(- 133.9)
NASDAQ	: 2123	(- 35.87)
Nikkei 225	: 8905	(- 89.98)
Hang seng	: 20644	(- 14.66)
SGX CNX Nifty	: 5499	(- 09.00)
INR / 1 USD	: 46.79	

**Stocks in action for the day: Religare Ent, M&M, Hero Honda, Piramal Health, NALCO**

**DIPP** -DIPP concerned over foreign takeovers of Indian pharma -DIPP floats discussion paper on compulsory licensing for pharma

**RBI Annual Report** -FY11 growth outlook robust, inflation major concern -Necessary to contain supply side inflation risks -Fiscal exit will need to continue

**GTL, RCOM to convert Rs 6K-cr loans into equity in JV:** GTL Infrastructure and the tower subsidiary of Reliance Communications (RCOM) will convert around Rs 6,000 crore of loans from promoters into equity and issue fresh shares worth \$1 bn (Rs 4,700 crore) to investors to create a combined tower entity with a manageable level of debt, two people familiar with developments told ET. Reliance Communications is in talks with GTL Infrastructure to merge its telecom towers into the listed, The transaction, which is likely to be announced in a few weeks, is somewhat different from the one being discussed in June, as the two companies have sought to bring down the debt on the books of the merged entity.

**Hero Honda expects rate hike to hit demand:** Hero Honda Motors, maker of about half the motorcycles sold in India, said demand will grow slowly this year as the central bank raises interest rates to pare inflation. "In the second half, demand should start tapering off," chief financial officer Ravi Sud said on Monday in an interview at his office in New Delhi. The company plans to boost production about 8.7% in the year ending March 2011 to more than five million motorcycles and scooters compared with a 23% increase last fiscal year.

**Malvinder, Shivinder hike Religare Enterprises stake by 13%:** Religare Enterprises promoters Malvinder and Shivinder Singh are increasing their holding in the financial services company by 13% to a little over 70% that will trigger an open offer to acquire more shares from the public.

**Hotel room tariffs to go up by 15% next month:** Hoteliers are planning to increase room tariffs 10-15 % from September as they expect occupancies to improve with the onset of the key winter season and hope it will help them recover from the slowdown that hit Indian hotels two years ago. Indian hotels traditionally increase rates before the crucial winter season every year.

**Vedanta may get alternative site for bauxite mining in Orissa:** The Union ministry for environment & forests on Tuesday scrapped Orissa Mining Corporation's(OMC) bauxite mining proposal in the Niyamgiri hills in the backward Kalahandi district of Orissa. Vedanta has invested around Rs 4,000 crore in its aluminium projects in Orissa. Around 10,000 people are employed at the Lanjigarh alumina refinery plant. Vedanta is currently operating its alumina refinery by outsourcing bauxite and wants the state government to provide an alternative supply of bauxite.

**Board Meet** -Mphasis: Results -Cipla on Special Dividend -Crisil: Buy-Back -Ind-Swift: Issue of Securities -State Bank of Mysore: Rights Issue -Paramount: Issue of securities to promoters

Listing of **Prakash Steelage** today

**NALCO** cuts aluminium product prices by Rs 5,000/t

**Temptation Foods:** Allots 1.53 crore shares @ Rs 36/share to non-promoters on preferential basis

**TCS** bags Rs 150 crore order from MP govt – BS

**Piramal Health** puts 40 acres of prime land in Mumbai on block – BS

**M&M-Sangyong** to source USD 4-5 billion of components – BS

**Religare Enterprises** Open offer at Rs 445/share

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