Weekly Review

March 6, 2010

Markets on the upswing

The Indian stock markets gave thumbs up to the budget and took a sharp upswing during the current week of trade, with both the benchmark indices, the BSE Sensex and the NSE Nifty, each ending higher by 3.4%, respectively. The BSE Mid- and Small-Cap indices were back into the limelight (both the indices ending higher by 5.3% and 5.4%, respectively), outperforming their large cap counterparts. On the sectoral front, all the major sectoral indices ended in the green, with the BSE Metal index gaining the maximum of 7.1%, followed by the BSE Realty and Auto indices.

BSE Metal Index - rolls ahead

The BSE Metal Index gained 7.1% over the previous week, outperforming the Sensex by 3.7%, on the back of an increase in metal prices. The domestic steel companies hiked steel prices by 2-3%, to pass on the excise duty hike of 2%. JSW Steel, Jindal Steel, Tata Steel and SAIL outperformed the Sensex by 8.3%, 6.7%, 4.2% and 3.9%, respectively. During the week, JSW steel rose by 11.7%, as the company reported a 69% yoy rise in crude steel production, on the back of strong domestic demand, while Tata Steel sold its stake in Chindu Chemicals (unit of Corus). Sesa Goa gained 11.7% over the previous week, on the back of an increase in spot iron ore prices and positive sentimental impact of the NMDC FPO. Among the Non-Ferrous pack, Hindustan Zinc, Nalco, Sterlite and Hindalco gained 9.4%, 4.0%, 3.8% and 3.3%, respectively, due to strong base metals prices on the LME. **Our top picks in the sector are JSW Steel, Tata Steel and Sterlite.**

Inside This Weekly

Balrampur Chini Millls (BRCM) - Initiating Coverage: We expect sugar prices to rule firm in SY2010E, which would in turn result in a higher switch-over to sugar in Brazil and an increase in cane acreage in India. As a result, supply would ease and prices are expected to soften in SY2011E. We expect BRCM's profitability to peak in SY2010E and decline in SY2011E. **We Initiate Coverage on the stock, with a Neutral recommendation.**

DQ Entertainment (International) - IPO Note: DQE (International) is an animation services and production company, focused on both the Indian and International markets. At the upper band of Rs80, the market capitalisation post issue for DQE would stand at Rs634cr, which equates to rich valuations - P/E of 20.3x, P/BV of 1.6x and EV/Sales of 2.6x FY2012E estimates. **We recommend a Neutral view on the issue.**

Tata Motors - 3QFY2010 Consolidated Result Update: TML reported consolidated Net Sales of Rs26,044cr (Rs17,703cr) for 3QFY2010. The company registered a stellar recovery in 3QFY2010 and reported a Net Profit of Rs650.3cr (Net Loss of Rs2,599cr in 3QFY2009). This was mainly due to the good turnaround performance registered by the company's key subsidiaries, including JLR. **We maintain a Buy, with a revised Target Price of Rs942 (Rs859).**

FII activity during the Week As on	Cash (Equity)	Futures	(Rs crore) Net Activity
Mar 02	1,094	1,212	2,307
Mar 03	1,535	1,761	3,296
Mar 04	1,013	1,452	2,465
Mar 05	692	(924)	(232)
Net	**4,335**	**3,502**	**7,836**

Mutual Fund activity (Equity) As on	Purchases	Sales	(Rs crore) Net Activity
Mar 02	783	962	(180)
Mar 03	702	619	83
Mar 04	503	854	(351)
Net	**1,987**	**2,435**	**(448)**

Note: Mutual Fund data for 5th March not updated in SEBI

Key Movements

Indices	Feb. 27, 10	March 05, 10	Weekly (% chg)	YTD
BSE 30	16,430	16,994	3.4	(2.7)
NSE	4,922	5,089	3.4	(2.2)
Nasdaq	2,238	2,326	3.9	2.5
DOW	10,325	10,566	2.3	1.3
Nikkei	10,126	10,369	2.4	(1.7)
HangSeng	20,609	20,788	0.9	(5.0)
Straits Times	2,751	2,790	1.4	(3.7)
Shanghai Composite	3,052	3,031	(0.7)	(7.5)
KLSE Composite	1,271	1,300	2.3	2.1
Jakarta Composite	2,549	2,579	1.2	1.8
KOSPI Composite	1,595	1,635	2.5	(2.9)

Indices	Feb. 27, 10	March 05, 10	Weekly (% chg)	YTD
BANKEX	9,829	10,199	3.8	1.7
BSE AUTO	7,171	7,553	5.3	1.6
BSE IT	5,174	5,229	1.1	0.8
BSE PSU	9,214	9,324	1.2	(2.2)

Price - Rs109

Balrampur Chini Mills - Neutral

Initiating Coverage

Sugar Free

Sugar prices have been spiralling over the last one year owing to reduction in the area under cane cultivation and low global and domestic inventory. We expect sugar prices to rule firm in SY2010E, which will result in higher switch over from ethanol to sugar in Brazil as well as increase in cane acreage in India. Hence, supply would ease and prices are expected to soften globally in SY2011E.

Sugar supply to ease in SY2011E: In the domestic markets, due to the substantial 73% increase in cane prices in SY2010E, we expect cane acreage and drawal to touch SY2007 peak levels in SY2011E. Sugar production would stand at 26.7mn tonnes with consumption at 24.2mn tonnes in SY2011E. In case of Brazil, sugar prices have outperformed ethanol by 50% between Jan 2009-Feb 2010. Hence, the Brazilian companies would divert more cane towards sugar production. With this, we expect Brazil to have a surplus of 30mn tonnes in SY2011E resulting in international prices softening. Thus, we expect prices to peak in SY2010E and soften in SY2011E.

Profitability to peak in SY2010E : Following higher Realisations in the Sugar and Power businesses, we expect the company's RoCE and RoE to peak at 24% and 33% in SY2010E, respectively. However, on the back of softening sugar prices in SY2011E, the company's Sugar Division EBITDA Margins are expected to decline from 24% in SY2010E to 16% in SY2011E. As a result, the company's RoCE and RoE would drop to 21% and 25% respectively, in SY2011E.

Valuation

We have not used P/E and EV/EBITDA methodology to value the stock, as it fails to capture the cyclical nature of the business in turn impacting Profitability (PAT and EBITDA levels). Given that BRCM is in the commodity business, we have utilised the Asset-based valuation methodology to value the stock. We have used Enterprise Value / Invested Capital (EV/IC) derived from the Fair Price / Book Target multiple resulting in the required Cost of Equity. It may be noted that we have also not considered the last up-cycle (SY2005-06) multiple, as then the markets were overly bullish on the Ethanol Segment of the Sugar Sector.

In case of Balrampur Chini Mills (BRCM), it is the most efficient player in the Indian Sugar industry considering its long Profitability trend compared to peers. BRCM registered average RoE of 17.5% during SY1994-08. In the SY2003-08 cycle, when the business model of the sugar companies underwent a change (introduction of Ethanol), BRCM clocked average RoE of 16.6%. Therefore, we have taken long-term average RoE of 17.5% for valuation purposes. Along with the industry growth rate of 8% and Cost of Equity of 14%, we have arrived at a Fair P/B multiple of 1.6x for BRCM. Since the current cycle is on uptick, we have assigned 20% premium to the Fair Target and arrived at a Target P/B multiple of 1.9x that is equivalent to 1.5x EV/IC.

However, at current levels the stock is available at fair valuations of 4.8x EV/EBITDA, 1.6x P/B and 1.5x EV/IC (Enterprise Value/ Invested Capital) on SY2011E Earnings. **Hence, we Initiate Coverage with a Neutral view on the stock.**

Key Financials (Consolidated)

Y/E Sept (Rs cr)	SY2008	SY2009	SY2010E	SY2011E
Net Sales	**1,491**	**1,747**	**2,747**	**3,246**
% chg	*6.9*	*17.2*	*57.2*	*18.2*
Adj. Net Profit	**78.3**	**209.1**	**422.3**	**401.0**
% chg	*-*	*166.9*	*102.0*	*(5.0)*
EPS (Rs)	**3.1**	**8.1**	**16.4**	**15.6**
EBITDA Margin (%)	21.1	25.6	26.5	21.3
P/E (x)	35.5	13.4	6.6	7.0
RoE (%)	8.4	19.6	32.7	25.2
RoCE (%)	7.6	13.2	23.8	21.0
P/BV (x)	2.8	2.5	1.9	1.6
EV/Sales (x)	2.8	2.1	1.3	1.0
EV/EBITDA (x)	13.1	8.1	5.0	4.8
EV / IC (x)	1.8	1.8	1.6	1.5

Source: Company, Angel Research, Price as on March 4, 2010

Research Analyst - Sageraj Bariya

DQ Entertainment (Intl.) - Neutral

IPO Note - In-animated Production

Objects of the Issue

Particulars	Amount (Rs cr)
a. Investment in co-production agreements	55.0
b. Development of office premises	39.2
c. Investment in subsidiary, DQE (Ireland)	12.9
d. General corporate purpose	(*)
Total	**107.1**

Source: Company RHP

DQ Entertainment (International) Limited (DQE) is an animation services and production company, focused on both the Indian and International markets. It has an asset base of over 350 hours of animation content from which it earns revenues through licensing and distribution activities.

Strong Order Book and foray into IP creation: DQE has a strong order book worth US $95mn (Rs457cr) to be executed over FY2010-12E. It has a client base of over 90 companies, which include internationally recognized brands. Moreover, the company has moved upward in the animation value chain, gaining greater exposure to IP ownership and distribution, by following a co-production model for content development. It has launched its first homegrown 3D CGI television series, *The Jungle Book*, based on Rudyard's Kipling epic novel, as well as three special TV features, *Balkand, Omkar* and *Ravan*, based on Indian mythology, for India and the Indian diaspora across the globe.

Heavy dependence on USA/Europe and limited experience in IP are dampeners: DQE has a limited track record of realising revenues from licensing and distribution, although the management expects this to increase significantly in the future, with the substantial ongoing investments in IP. Moreover, DQE has a high dependence on the European and American geographies, which together have contributed over 90% to the revenues over FY2008 and FY2009. Any slowdown in these economies or currency fluctuations will severely dent DQE's financials.

Outlook and Valuation: Over the last couple of years, DQE has exhibited strong growth rates, given its strong order book in animation production and sound execution capabilities. Moreover, its focus to move up the value-chain into co-production, licensing and IP creation has helped the company improve its Margins from 25% in FY2008 to 35% in FY2009. However, going ahead, the company's growth story is highly dependent on: 1) acquiring projects (mostly from Europe or USA), which is again dependent on macro-economic conditions favorable to these economies, 2) acquiring IP rights, and earning revenues through licensing and distribution (lack of experience in the same is a cause of concern), and 3) favourable currency fluctuations.

At the upper band of Rs80, the market capitalisation post issue for DQE would stand at Rs634cr, which equates to rich valuations - P/E of 20.3x, P/BV of 1.6x and EV/Sales of 2.6x FY2012E. Moreover, a lack of clarity over its business model and a limited execution record in IP creation makes us wary of DQE's growth rates in the future. **Hence, we recommend a Neutral view on the issue.**

Key Financials

Y/E March (Rs cr)	FY2009	FY2010E	FY2011E	FY2012E
Net Sales	**149.8**	**161.1**	**208.0**	**259.0**
% chg	*62.5*	*7.6*	*29.1*	*24.5*
Net Profit	**16.1**	**18.1**	**28.0**	**31.3**
% chg	*129.8*	*12.4*	*54.7*	*12.0*
OPM (%)	35.1	33.3	35.2	36.4
EPS (Rs)	**2.0**	**2.3**	**3.5**	**4.0**
P/E (x)	39.4	35.1	22.7	20.3
P/BV (x)	4.3	1.9	1.8	1.6
RoE (%)	11.0	5.5	7.8	8.1
RoCE (%)	13.3	5.9	8.5	10.3
EV/Sales (x)	4.4	3.4	2.9	2.6
EV/EBITDA (x)	12.5	10.3	8.2	7.0

Source: Company RHP, Angel Research, Note: Estimates are based on limited information provided in RHP

Research Analyst - Anand Shah/Chitrangda Kapur

Auto Sector Update - February 2010

Momentum sustains

Auto Sales continued the robust momentum in February 2010 as well and touched record highs on the back of positive consumer sentiment and partially due to pre-ponement of buying at dealers' desk in anticipation of roll back of Excise duty in the Union Budget. The Commercial Vehicle (CV) Segment dominated the growth in February 2010 led by the Medium & Heavy Commercial Vehicle (M&HCV) Segment. The Passenger Vehicle (PV) Segment and the Two-Wheeler segment also continued on growth path following new launches and a confident consumer in the market. Going ahead, we expect the demand to be strong, albeit more normalised across segments, considering demand may have peaked in the past few months prior to the expected price hikes post the Excise Duty hike and spurt in Raw Material prices.

Tata Motors

- ML registered a 57.8% yoy growth in Total sales to 69,149 units (43,811) in February 2010.
- The CV Segment recorded its highest ever volumes with the M&HCV Segment registering a robust yoy growth of 91.3%.
- *Indica* sales were at 11,502 units, the highest this fiscal; *Indigo* recorded sales of 7,373 units, the highest since its launch in 2002 and yoy growth of 75.2%.
- The *Sumo/Safari/Xenon XT* range accounted for stellar sales of 4,005 units, a growth of 14% yoy.
- The PV Segment reported a healthy 43.1% yoy growth, with the *Nano* selling 4,105 units.

Exhibit 1: Tata Motors

Segment	February			YTD		
	2010	2009	%chg	FY10	FY09	%chg
Total Sales	**69,149**	**43,811**	***57.8***	**567,256**	**444,071**	***27.7***
M&HCV	18,183	9,505	*91.3*	145,265	109,719	*32.4*
LCV	23,314	14,989	*55.5*	208,965	151,132	*38.3*
Total CV	**41,497**	**24,494**	***69.4***	**354,230**	**260,851**	***35.8***
Utility Vehicles	4,048	3,529	*14.7*	30,187	34,887	*(13.5)*
Cars	23,604	15,788	*49.5*	182,839	148,333	*23.3*
Total PV	**27,652**	**19,317**	***43.1***	**213,026**	**183,220**	***16.3***
Exports (Inc Above)	**2,959**	**1,318**	***124.5***	**29,757**	**31,611**	***(5.9)***

Source: Company, Angel Research

Maruti Suzuki

- Maruti registered record Sales in February 2010, registering a robust 22.0% yoy growth to 96,650 units (79,190).
- The A2 Segment grew by 20% yoy; C Segment sales hiked by 39.6% yoy on the launch of its new offering *Eeco*.
- The company's Exports consolidated at a run-rate of around 11,000-12,000 units, due to discontinuation of scrappage norms in Europe in December 2009, registering yoy growth of 38.8%.
- To circumvent the capacity constraints faced by the company in the past months, the Board of Directors have approved capacity expansion at Manesar, which will entail capex of around Rs1,700cr, leading to additional capacity of 250,000 cars per annum in addition to the current 1million car capacity. The additional capacity will begin commercial production by April 2012.

Exhibit 2: Maruti Suzuki

Segment	February			YTD		
	2010	2009	%chg	FY10	FY09	%chg
Total Sales	**96,650**	**79,190**	***22.0***	**923,242**	**709,501**	***30.1***
A1 M800	3,178	4,075	*(22.0)*	30,266	49,953	*(39.4)*
C Omni, Versa	10,668	7,641	*39.6*	90,450	71,927	*25.8*
A2 Alto, Wagon R, Zen,Swift , A-Star, Ritz	60,380	50,331	*20.0*	578,427	455,981	*26.9*
A3 SX4, Dezire	10,254	8,043	*27.5*	88,862	67,336	*32.0*
Total Passenger Cars	**84,480**	**70,090**	***20.5***	**788,005**	**645,197**	***22.1***
MUV Gypsy, Vitara	285	535	*(46.7)*	3,255	6,095	*(46.6)*
Domestic	84,765	70,625	*20.0*	791,260	651,292	*21.5*
Exports	**11,885**	**8,565**	***38.8***	**131,982**	**58,209**	***126.7***

Source: Company, Angel Research

Mahindra & Mahindra

- M&M reported healthy monthly sales, with a growth of 44.1% yoy to 41,814 units (29,017).
- The Tractor Segment grew by a healthy 52.6% yoy, aided by a strong 219.7% yoy growth in Tractor Exports.
- The Automotive Segment grew by a strong 40.2% yoy growth led by growth of 102.3% in the domestic Three-Wheeler Segment coupled by the robust 338% yoy growth registered by the Auto-Export Segment.

Exhibit 3: Mahindra & Mahindra

Segment	February			YTD		
	2010	2009	%chg	FY10	FY09	%chg
Total Sales	**41,814**	**29,017**	***44.1***	**424,295**	**312,848**	***35.6***
Utility Vehicles	18,280	14720	*24.2*	193,214	133,682	*44.5*
LCV	856	451	*89.8*	8,844	7,834	*12.9*
Logan	537	1008	*(46.7)*	4,981	13,021	*(61.7)*
Three wheelers	6,907	3415	*102.3*	49,729	40,490	*22.8*
Exports	1,314	300	*338.0*	9,061	8,596	*5.4*
Total Automotive Sales	**27,894**	**19,894**	***40.2***	**265,829**	**203,623**	***30.5***
Domestic Tractor Sales	13,140	8879	*48.0*	134,885	102,478	*31.6*
Exports Tractor Sales	780	244	*219.7*	23,581	6,747	*249.5*
Total Tractor Sales	**13,920**	**9,123**	***52.6***	**158,466**	**109,225**	***45.1***

Source: Company, Angel Research; Note: Tractor sales include figures of Swaraj Division

Auto Sector Update - February 2010

- The UV (including the *XYLO*, the *Bolero,* Pick-Ups) and LCV Segments reported growth of 24.2% and 89.8%, respectively.
- Management is confident of the continuation of the growth as the Budget increased allocation to Rural Development programmes in turn benefitting M&M's Farm Equipment Segment.

Bajaj Auto (BAL)

- BAL reported an overall Sales growth of 74.7% yoy to 268,678 units (153,782)
- The Motorcycle Segment grew 78% yoy and has been led by its two game-changer brands, *Pulsar* and *Discover,* which clocked robust volumes of around 65,000 units and 90,000 units respectively, and supplemented by *Platina* and *Boxer* sales at around 45,000 units and 35,000 units, respectively.
- The Scooter Segment de-grew by 85.7% to 87units (608).
- The Three-wheeler Segment reported a healthy 58.8% yoy growth to 33,968 units (21,389), with the *RE600* goods carrier exhibiting strong growth in February 2010.
- Management aims to expand capacity to 300,000 units per month by April 2010 in response to stellar demand for *Pulsar* and *Discover*.

Exhibit 4: Bajaj Auto

Segment	February			YTD		
	2010	2009	%chg	FY10	FY09	%chg
Total Sales	268,678	153,782	74.7	2,578,401	2,040,015	26.4
Motorcycles	234,623	131,785	78.0	2,262,019	1,775,600	27.4
Scooters	87	608	(85.7)	4,790	11,342	(57.8)
Total 2 Wheelers	234,710	132,393	77.3	2,266,809	1,786,942	26.9
Three Wheelers	33,968	21,389	58.8	311,592	253,073	23.1
Export (Incl Above)	77,642	72,744	6.7	676,627	620,880	9.0

Source: Company, Angel Research

Hero Honda (HH)

- HH sold 382,096 units (329,055), registering a healthy growth of 16.1% yoy, despite a high base effect of February 2009.
- The company reported growth across segments, with the Basic 100cc, 150cc segment in the Motorcycle Segment, and *Pleasure* growing in the Scooter Segment at an average 16,000 units per month.
- Management has guided for 2 new product launches in the Motorcycle Segment in the next two months, which will augur well for the company.
- HH crossed its landmark 4mn units for FY2010 in February 2010.

Exhibit 5: Hero Honda

Segment	February			YTD		
	2010	2009	%chg	FY10	FY09	%chg
Hero Honda	382,096	329,055	16.1	4,185,492	3,368,658	24.2

Source: Company, Angel Research

TVS Motor

- TVS clocked 31.0% yoy growth to 140,544 units (107,301).
- Domestic sales grew by 33.4% yoy to 124,470 units (93,301).
- The Scooter Segment recorded a 38.3% yoy growth to 27,017 units (19,532).
- The Motorcycle Segment grew by a 27.7% yoy to 63,394 units (49,659).
- New launches *TVS Jive* and *TVS Wega* are expected to be launched pan-India beginning March 2010 and augment monthly volumes by 15-20%.

Exhibit 6: TVS Motors

Segment	February			YTD		
	2010	2009	%chg	FY10	FY09	%chg
Total Sales	140,544	107,301	31.0	1,375,266	1,207,719	13.9
Motorcycles	63,394	49,659	27.7	577,088	580,151	(0.5)
Scooters	27,017	19,532	38.3	280,997	233,181	20.5
Mopeds	50,133	38,110	31.5	517,181	394,387	31.1
Export (Incl Above)	19,141	16,583	15.4	126,206	160,475	(21.4)

Source: Company, Angel Research

Outlook

We remain positive on the Indian Auto Sector. We estimate overall Auto Volumes to register a growth of around 18% yoy and 10% yoy in FY2010E and FY2011E, respectively, aided by the improved economic environment for the sector. Over the longer term, comparatively low penetration levels, a healthy economic environment, and favourable demographics, supported by higher per-capita income levels, are likely to help the Auto companies in sustaining their Top-line growth.

The recent Union Budget 2010-11 came in better than expected for the Automobile Sector, with the government keen on increasing its tax base and the Budget hiking Excise Duty by 2% to 10% (from 8% earlier) as against industry expectations of 4%. Moreover, broad measures like thrust on rural, infrastructure and road development would also aid the Auto Sector.

On the bourses, most Auto stocks registered a sharp run up in the post Budget rally and outperformed the broader indices. **Among the pack, we continue to maintain our Overweight stance on Maruti Suzuki, M&M and Tata Motors.**

Research Analyst - Vaishali Jajoo/Shreya Gaunekar

Tata Motors - Buy

Price - Rs711
Target Price - Rs942

3QFY2010 Consolidated Result Update

Performance Highlights

TML's consolidated performance substantially above expectations: TML reported consolidated Net Sales of Rs 26,044cr (Rs17,703cr) for 3QFY2010. The company registered stellar recovery in 3QFY2010 and reported Net Profit of Rs650.3cr (Net Loss of Rs2,599cr in 3QFY2009) on a consolidated basis. This was mainly due to the good turnaround performance registered by the company's key subsidiaries, including JLR. On a sequential basis too, the company registered a robust 23.4% qoq jump in Net Sales and 427bp increase in Operating Profit Margins.

JLR reports Net Profit of £55mn: JLR posted Profit of £55mn (or Rs415cr) for the quarter. JLR's combined Wholesale Volume for 3QFY2010 increased 28% qoq to 56,700 units (44,300 units in 2QFY2010). However, Retail Volumes for 3QFY2010 registered a marginal increase of about 18.2% qoq to 55,300 units (46,800 units in 2QFY2010) owing to expected launch of new product in 4QFY2010. JLR recorded Top-line of around £1,961mn and Operating Profit of around £184mn for the quarter. This was largely supported by the good growth in Volumes and around 7.9% qoq increase in Realisations. A shift in Product mix towards higher-Margin vehicles as well as reduction in discounts or subventions on new product launches led to better average realisations qoq.

Subsidiaries showing substantial growth in performance: TML's other key subsidiaries combined recorded 16% yoy jump in Net Sales to around Rs1,854cr (Rs1,598cr) in 3QFY2010. On account of the increase in Net Sales in almost all its subsidiaries (except Tata Daewoo and Tata Technologies) and improved Operating leverage, subsidiaries combined recorded a substantial yoy increase in Net Profit for the quarter to Rs111cr (Loss of Rs10cr). Overall, on a sequential basis, Net Sales and Net Profit of the subsidiaries reported an increase of 2.8% qoq and 42.3% qoq, respectively.

Outlook and Valuation

FY2010 YTD has been a year of recovery for TML's standalone business. The cut in Interest rates and overall improvement in the financing scenario has helped TML to report better Volume growth YTD FY2010. Our estimates for TML factor in about 16% CAGR in CV Volumes over FY2010-12E. Further, anticipated full recovery in the domestic CV cycle in FY2011E is expected to reduce the pressure on cash flows and facilitate debt repayment. We expect that an improvement in Volumes due to the launch of new products in 4QFY2010 would help JLR in registering reasonable Volume growth in FY2011E and enable it to turn into the black on the Bottom-line front.

We estimate TML to record Net Profit in FY2010E itself on a consolidated basis, owing to the better-than-expected recovery in JLR. At Rs711, on a consolidated basis, the stock is trading at 12.5x FY2011E Earnings and 10x FY2012E Earnings. **We have valued the stock on the sum-of the- parts (SOTP) methodology and maintain a Buy, with a revised Target Price of Rs942 (Rs859).** We have valued the Core business at Rs551, which is 7x FY2012E EV/EBITDA and 13x FY2012 P/E. Our embedded value of the subsidiaries and investments in TML's books (including JLR) works out to Rs392 per share.

Key Financials (Consolidated)

Y/E March (Rs cr)	FY2009	FY2010E	FY2011E	FY2012E
Net Sales	**69,348**	**89,383**	**105,581**	**115,847**
% chg	*95.8*	*28.9*	*18.1*	*9.7*
Adj. Net Profit	**(2,796)**	**1,226**	**3,100**	**3,897**
% chg	-	-	*152.9*	*25.7*
OPM (%)	1.3	7.3	9.5	9.9
Adj. EPS (Rs)	**(54.4)**	**22.5**	**57.0**	**71.6**
P/E (x)	-	31.5	12.5	10.0
P/BV (x)	6.3	4.8	3.8	3.0
RoE (%)	-	15.1	30.2	29.5
RoCE (%)	-	6.2	12.8	13.8
EV/Sales (x)	0.9	0.7	0.6	0.5
EV/EBITDA (x)	73.9	10.4	6.9	5.9

Source: Company, Angel Research; Price as on February 26, 2010

Research Analyst - Vaishali Jajoo/Shreya Gaunekar

Nifty to Consolidate; Midcap to Rally

Nifty spot has closed at **5089** this week, against a close of **4922** last week. The Put-Call Ratio has increased from **1.19** to **1.32** levels and the annualized Cost of Carry (CoC) is negative **0.41**%. The Open Interest in Nifty Futures has increased by **12.77**%.

Put-Call Ratio Analysis

Over-the-week, the Nifty PCR has increased from 1.19 levels to 1.32 levels. Throughout the week 5000 put and 5100 call was active strikes, where they have added 98,881 lots and 52,189 lots respectively. With IV's being at lower levels we believe this is buying of puts and also FII's have been significant buyers in index options in last three trading sessions. Consolidation quite likely in market around 5100.

Open Interest Analysis

The total Open Interest of the market is Rs. 1,07,182 crore, as against Rs. 88,356 crore last week, and the Stock Futures' open interest has increased from Rs. 27,981 crore to Rs. 32,013 crore. Midcap stocks have been witnessing buying interest. Some liquid counters where significant build-up has been observed are APPOLOTYRE, MUNDRAPORT, FORTIS, CROMPGREAV and BGRENERGY. Stocks where open interest has decreased are JINDALSTEL, PTC, DRREDDY, POLARIS and HCC.

Futures Annual Volatility Analysis

The Historical Volatility of the Nifty has decreased from 21.34% to 21.09%. IV of at the money options has decreased from 23.00% to 19.00%. Some liquid counters where HV has increased significantly are ZEEL, OPTOCIRCUI, TATAMOTORS, FORTIS and TATAPOWER. Stocks where HV has declined are GTLINFRA, IDFC, HCLTECH, RELCAPITAL and GTOFFSHORE.

Cost-of-Carry Analysis

The March Future closed at a discount of 1.15 points as against a premium of 8.05 points last week and April futures closed at a premium of 0.95 points. Despite market rallying current discount is due to cash base buying rather shorting in futures. Some liquid counters where CoC is positive are TV-18, OPTOCIRCUI, DCHL, CESC and TRIVENI. Counters where CoC is negative are SESAGOA, SUNTV, CROMPGREAV, ACC and RECLTD.

Derivative Strategy

Scrip : NIFTY | **CMP : 5089** | **Lot Size : 50** | **Expiry Date (F&O) :** 25th Mar, 2010

View: Consolidation With Negative Bias | **Strategy: Long Put**

Buy/Sell	Qty	Scrip	Strike Price	Series	Option Type	Rate (Rs.)
Buy	50	NIFTY	5100	Mar	Put	75.00

BEP: 5025

Max. Risk: Rs. 3750/-
If Nifty trade on or above 5100 on expiry

Max. Profit: Unlimited
If Nifty continues to trade below BEP on expiry

NOTE: Profit can be booked before expiry, if Nifty moves in the desired direction.

Expected Payoff

Closing Price	Expected Profit/Loss
Rs. 5300.00	(Rs. 75.00)
Rs. 5200.00	(Rs. 75.00)
Rs. 5100.00	(Rs.75.00)
Rs. 5000.00	Rs.25.00
Rs. 4900.00	Rs. 125.00
Rs. 4800.00	Rs. 225.00

Scrip : TTML | **CMP : Rs. 24.40/-** | **Lot Size : 10450** | **Expiry Date (F&O) :** 25th Mar, 2010

View: Mildly Bullish | **Strategy: Bull Call Spread**

Buy/Sell	Qty	Scrip	Strike Price	Series	Option Type	Rate (Rs.)
Buy	10450	TTML	25.00	Mar	Call	0.75
Sell	10450	TTML	27.50	Mar	Call	0.25

BEP: Rs.25.50/-

Max. Risk: Rs.5225/-
If Stock closes on or below Rs.25.

Max. Profit: Rs. 20,900.00/-
If Stock closes on or above Rs.27.50.

NOTE: Profit can be booked before expiry, if stock moves in a favorable direction and time value decay.

Expected Payoff

Closing Price	Expected Profit/Loss
Rs. 24.00	(Rs.0.50)
Rs. 25.00	(Rs. 0.50)
Rs. 26.00	Rs. 0.50
Rs. 27.00	Rs. 1.50
Rs. 28.00	Rs. 2.00

Bulls having upper hand

Sensex (16994) / Nifty (5089)

In our previous Weekly report, looking at the Bullish inverse Head and Shoulder pattern on the daily chart, we had mentioned that indices are likely to test 16850 - 17000 / 5050 - 5100 or even the outer extent 17150 / 5150 levels. The week opened on a positive note and witnessed a rally where indices made a high of 17098 / 5119, thereby achieving our expected levels, based on Head and Shoulder pattern. The Sensex and Nifty both gained 3.4 % vis-à-vis the previous week.

Source: Advanced Get

Pattern Formation

- On the Weekly chart, we are witnessing that the momentum oscillators, viz. the RSI and the Stochastic, and the momentum indicator, viz. the ADX, have given a positive crossover. This suggests further up move in coming weeks.

- On the Daily chart, we are witnessing a narrow range body formation for two consecutive trading sessions, which suggests indecisiveness prevailing at current levels. Hence, consolidation / correction up to 16700 - 16590 / 5000 - 4960 levels cannot be ruled out.

Future Outlook

Broadly speaking, indices are likely to trade in the range of 17250 - 16590 / 5180 - 4960 levels. There is no apparent weakness on the charts and hence, if the indices trade convincingly above 17098 / 5118 levels, then they are likely to test 17150 - 17250 / 5150 - 5180 levels in the early part of next week. On the downside, 16700 - 16590 / 5000 - 4960 levels are likely to act as a support for the markets. **On the sectoral front, Midcaps, Smallcaps and FMCG counter are looking positive.**

Traders holding their longs are advised to book partial profit near 17150 - 17250 / 5150 - 5180 levels, while revising the stop loss to below 16750 / 5000 levels.

Weekly Pivot Levels For Nifty 50 Stocks

SCRIPS	R2	R1	PIVOT	S1	S2
SENSEX	17,503.00	17,249.00	16,844.00	16,589.00	16,184.00
NIFTY	5,231.00	5,160.00	5,048.00	4,976.00	4,864.00
BANKEX	9,255.00	9,147.00	8,987.00	8,878.00	8,718.00
A.C.C.	1,030.00	1,000.00	957.00	926.00	883.00
ABB LTD.	857.00	840.00	807.00	790.00	757.00
AMBUJACEM	113.00	111.00	108.00	106.00	103.00
AXISBANK	1,201.00	1,152.00	1,126.00	1,078.00	1,052.00
BHARAT PETRO	586.00	563.00	548.00	525.00	510.00
BHARTIARTL	318.00	308.00	294.00	284.00	270.00
BHEL	2,535.00	2,482.00	2,422.00	2,369.00	2,308.00
CAIRN	281.00	275.00	269.00	263.00	257.00
CIPLA	334.00	328.00	319.00	313.00	305.00
DLF	339.00	328.00	308.00	296.00	276.00
GAIL	424.00	416.00	404.00	396.00	384.00
GRASIM IND.	2,931.00	2,873.00	2,776.00	2,718.00	2,621.00
HCL TECHNOLO	395.00	377.00	367.00	349.00	339.00
HDFC BANK	1,851.00	1,817.00	1,762.00	1,728.00	1,673.00
HERO HONDA	1,963.00	1,917.00	1,848.00	1,802.00	1,734.00
HINDALCO	177.00	173.00	168.00	163.00	159.00
HINDUNILVR	252.00	247.00	240.00	236.00	229.00
HOUS DEV FIN	2,703.00	2,646.00	2,571.00	2,513.00	2,438.00
ICICI BANK	930.00	916.00	900.00	886.00	871.00
IDEA	64.00	63.00	62.00	61.00	59.00
IDFC	170.00	166.00	162.00	158.00	155.00
INFOSYS TECH	2,711.00	2,673.00	2,639.00	2,601.00	2,566.00
ITC	254.00	250.00	242.00	238.00	230.00
JINDL STL&PO	743.00	720.00	678.00	654.00	612.00
JPASSOCIAT	158.00	152.00	143.00	137.00	128.00
LT	1,659.00	1,623.00	1,593.00	1,557.00	1,527.00
MAH & MAH	1,133.00	1,105.00	1,061.00	1,033.00	990.00
MARUTI	1,522.00	1,489.00	1,469.00	1,436.00	1,415.00
NTPC	212.00	209.00	206.00	203.00	199.00
ONGC CORP.	1,157.00	1,126.00	1,107.00	1,076.00	1,057.00
PNB	961.00	945.00	925.00	909.00	889.00
POWERGRID	111.00	110.00	108.00	107.00	105.00
RANBAXY LAB.	509.00	489.00	471.00	451.00	432.00
RCOM	173.00	169.00	163.00	159.00	154.00
REL.CAPITAL	865.00	835.00	807.00	776.00	748.00
RELIANCE	1,070.00	1,040.00	1,010.00	979.00	949.00
RELINFRA	1,084.00	1,060.00	1,018.00	995.00	953.00
RPOWER	148.00	146.00	142.00	140.00	137.00
SIEMENS	745.00	727.00	700.00	683.00	656.00
STATE BANK	2,112.00	2,079.00	2,027.00	1,995.00	1,942.00
STEEL AUTHOR	251.00	243.00	231.00	223.00	211.00
STER	844.00	828.00	810.00	794.00	776.00
SUN PHARMA.	1,675.00	1,644.00	1,587.00	1,556.00	1,499.00
SUZLON	87.00	84.00	78.00	75.00	69.00
TATA POWER	1,446.00	1,389.00	1,292.00	1,235.00	1,139.00
TATAMOTORS	891.00	843.00	781.00	733.00	672.00
TATASTEEL	655.00	637.00	609.00	590.00	563.00
TCS	783.00	773.00	764.00	754.00	745.00
UNITECH LTD	85.00	81.00	76.00	72.00	67.00
WIPRO	723.00	704.00	690.00	671.00	657.00

Technical Research Team

Fixed Maturity Plans (FMP)

Fixed Maturity Plans (FMPs) are closed-ended debt funds with maturity of one month to five years.

- Fixed Maturity Plan generates regular income and / or capital appreciation by investing in wide range of debt and money market instruments.
- In Fixed Maturity Plan, each plan under the scheme will invest in a portfolio of securities normally having maturity duration in line with the maturity duration of the respective plan.
- They invest in debt instruments such as certificate of deposits, commercial paper and corporate debentures with a maturity coinciding with that of the fund.
- They usually invest in credit worthy instruments (AAA or equivalent rated).
- The objective is to lock into a certain rate of return on the assets at inception, thereby protecting the schemes against market fluctuations.
- FMPs can be described as the mutual fund industry's alternative to fixed deposits.

FMPs are a good investment vehicle for investors who are targeting a return on their investments over a fixed period of time and are indifferent to market volatility within that period.

Advantages of Investing in FMP

- **Capital protection advantage:**

  Less risk of capital loss than equity funds as investment is in debt and money market instruments.

- **Tax advantage:**

  Being a debt-based scheme, dividend are tax free in the hands of investors, mutual fund has to pay Dividend Distribution Tax (DDT), while bank Fixed Deposits interest is fully taxable in investor's hands.

- **Double indexation:**

  Hold an investment for a little more than one year but get the benefit of the index multiple of two years.

- **Low interest rate sensitivity:**

  As securities are held till maturity, FMPs are not affected by interest rate volatility.

Bank Fixed Deposit v/s Fixed Maturity Plan

Particulars	Bank Fixed Deposit	Fixed Maturity Plans - Growth Option	
		With Indexation	Without Indexation
Investment (Rs.)	10000	10000	10000
Post Expenses Yield (p.a)*(%)	7.50	7.50	7.50
Tenor (in days)	370	370	370
Final Maturity- Realised Amt	10,761	10,761	10,761
Gain	761	761	761
Indexed Cost	NA	10,511	NIL
Indexed Gain/ (Loss)	NA	249.95	760.66
Tax Rate(F.Y - 2009-2010)(%)	30.99	20.66	10.30
Tax	235.73	51.64	78.35
Post Tax Gain	524.93	709.02	682.31
Post Tax Annualised (%)	**5.18**	**6.99**	**6.73**

*Note: Dividend Option DDT-14.16%.Dividends is tax Free in hands of investor. Example is for illustration purpose only.*Assumed yields as per Past Record & Current Scenario.*

Latest Fixed Maturity Plans

Scheme Name	Tenure	Opening Date	Closing Date	Min Investment Amount (Rs)
Kotak FMP 24M Series 1	24 Months	25-Feb-10	09-Mar-10	5000
SBI Debt Fund Series 5	15 Months	02-Mar-10	08-Mar-10	5000
L & T Mutual Fund - Launch of 15 Months FMP	15 Months	03-Mar-10	10-Mar-10	5000
HDFC Fixed Maturity Plans - Series XII	13 Months	02-Mar-10	10-Mar-10	5000
DSP BlackRock FMP Series 2	13 Months	02-Mar-10	09-Mar-10	10000
Kotak FMP 13M Series 6	13 Months	02-Mar-10	08-Mar-10	5000
ICICI Prudential Fixed Maturity Plan - Series 51	1105 Days	02-Mar-10	17-Mar-10	5000

Note: All Schemes are listed on exchanges

Why Invest now in FMPs

- Uncertain interest rate scenarios, FMP are better investment option compared to Bank fixed deposits.
- In Volatile markets FMPs give good returns with capital protection in shorter time horizons also.
- A hedge against Interest Rate Volatility.
- Good instrument as a portfolio diversifier.

Recommended Monthly Income Plan - Birla Sun Life MIP - Savings 5

Scheme Details

Inception: 4th May 2004

Type: Open ended scheme (MIP)

Corpus: Rs. 1751.84 (26-Feb-10) Crs

Fund Manager: Satyabrata Mohanty

Benchmark: Crisil MIP Blended Index

Minimum Investment: Rs.5000

Entry Load: Nil

Exit Load: Max 1%

Latest NAV: Rs 16.43 (04-Mar-10)

52 Week High: Rs. 16.43 (04-Mar-10)

52 Week Low: Rs. 14.75 (12-Mar-09)

Asset Allocation (% of Net Asset)

Equity Exposure: 3.40 %

Debt Exposure: 11.23 %

Cash & Equivalent Exposure: 85.37 %

Market Capitalization (% of Net Asset)

Large Cap Stocks:	2.08 %
Mid Cap Stocks:	1.52 %
Small Cap Stocks:	0.10 %

Key Ratios*

Expense: 2.10 (30-Sep-09)

Avg. Maturity (Days): 150

Standard Deviation: 0.38

Sharpe: 0.0859

Jensen: 0.033

*3 Yrs daily rolling return (Absolute).
Returns < 1 year Absolute & > =1 year CAGR basis.
Returns & Ratios as on 04th March 2010
Portfolio as on 26th Feb 2010

Scheme Objective

Scheme aims at long term capital appreciation by investing in a judicious mix of high quality fixed income securities and small portion in equity.

Fund Analysis

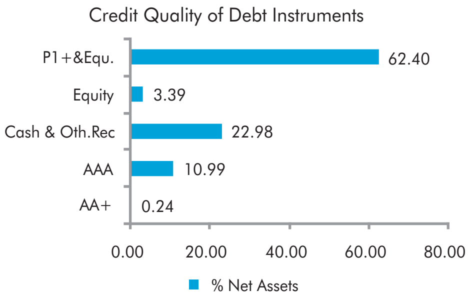
Currently scheme has 3% equity exposure, Debt 11% and 85% in Cash & Cash Equivalent. Currently on debt side it has highest exposure in REC & PFC Ltd Bonds and central bank, IDBI, UCO, ICICI bank money market instruments. Currently portfolio has highest credit quality debt and money market instruments with AAA 11%, P1+ rated 62%. Currently on equity side it has mixed exposure in large and mid cap stocks. The Scheme has consistently outperformed its benchmark index since inception except 1 year performance. Currently fund manager has low exposure to equities and debt side focuses on various high credit quality short term maturity papers for balancing the risk and rewards.

- High risk adjusted returns which are indicated from a positive Sharpe Ratio.
- Positive Jensen Ratio shows Superior stock and Debt and money market Instruments selection by Fund Manager.
- The Scheme has consistently declared dividend since inception.
- Investment Analysis clearly indicates that the scheme has created wealth for investors.

Ideal for Investors

- Who wants to play safe with equity but still wants to beat inflation.
- Looking for Regular income in form of dividends which are tax free (Dividend Option).

Debt Portfolio-Credit Quality-26th Feb 2010



Key Fund Analysis

- ***On Equity side in the last one year the scheme has maintained an average equity exposure of around 5% with average large cap exposure 2.5%, Mid Cap 2.30% and Small Cap stocks 0.21%.***
- ***On Debt side its average exposure in last one year has been 37%.Generally maintains highest average exposure in P1+and AAA rated instruments.***
- ***Its average exposure in last one year to cash & cash equivalent money market instruments has been 58% and majorly in P1+ & equivalent papers. Recently the Fund Manager has reduced its debt exposure and increased its exposure in cash & cash equivalent money market instruments based on uncertain debt market and rising yields.***

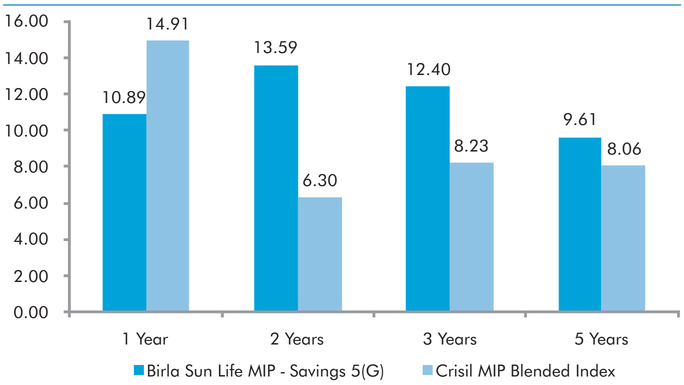
Investment Analysis as on 04th March 2010

Particular	Amount (Rs)
Investment (SIP Rs 5000-50months or one Time Investment)	2,50,000
SIP Present value	3,16,313
One Time Investment Present value	3,77,942

Top Holdings as on 26th Feb 2010

Company Name	Instrument	Rating	(%) of Net Assets
Debt			
Rural Electrification Corporation	Bond	AAA	3.11
Power Finance Corporation Ltd.	FRN	AAA	2.82
Power Finance Corporation Ltd.	Bond	AAA	2.71
Cash & Equivalent			
Cash	Cash	--	22.98
Central Bank of India	Money Market	PR1+	11.10
IDBI Ltd.	Money Market	A1+	9.98
Uco Bank	Money Market	P1+	8.45
ICICI BANK Ltd.	Money Market	A1+	8.17
United Bank Of India	Money Market	A1+	5.64
Syndicate Bank	Money Market	PR1+	2.82

Performance Analysis (% Returns)



Soybean

Domestic Market Commentary:

Soybean (NCDEX April contract) futures moved in a range of Rs 2031.00 to 2095.50 a quintal in the last week. It has improved slightly as compared to the previous week on account of short covering only after continuous fall during the last 3 months. April Contract made a high of Rs 2570 a quintal on November 26, 2009 and declined sharply to touch a low of Rs 2011 a quintal on February 26, 2010. The fall of about 22% in the prices was witnessed due to poor export demand of domestic soy meal and higher global oilseeds production estimates for this year. This factor added to bearish market sentiments. As per the Solvent Extractors' Association of India, India's oil-meal exports in the first 11 months of the fiscal year (April 2009 - February 2010) declined to 30.00 lakh tonnes from 50.84 lakh tonnes a year earlier (down by 41%). Higher import of edible oil also favoured to the bears. The Solvent Extractors' Association of India has compiled the import data of vegetable oils (edible oils) for the first 3 month of edible oil marketing year (November 2009 - January 2010). It was reported at 23.02 lakh tonnes as compared to 20.95 lakh tonnes during same period last year (up by 10%).

International Market:

A Chinese official said on March 05, 2010, that China expects to decrease soybean acreage again this year and in the coming years China may import more soybeans to meet their domestic requirement. The Buenos Aires Grains Exchange left its estimate of the Argentine soybean crop unchanged at 52 million tonnes this week. The USDA will release their supply/demand report on March 10, 2010 and traders are expecting lower estimate of 2009/10 ending stocks to below 200 million bushels near 195 million in that report. Ending stocks lowered to 210 million bushels in February from 245 the prior month. In Census Bureau soybean oil stocks for January came at 3.224 billion pounds, up from 3.110 at the end of December. The USDA's weekly export sales released on March 04, 2010, revealed that export data was about in line with trade expectations. China cancelled 141,100 tonnes soybean import order from USA. Net weekly export sales for soybeans were totalled at 370,400 tonnes. As of February 25, cumulative soybean sales stand at 94.2% of the USDA forecast for 2009/2010 versus a 5 year average of 81.7%. Net meal sales were totalled at 88,900 tonnes. Cumulative meal sales stand at 82.7% of the USDA forecast for 2009/2010 versus a 5 year average of 57.1%. Net oil sales were totalled at 15,900 tonnes. Cumulative soybean oil sales stand at 74.9% of the USDA forecast for 2009/2010 versus a 5 year average of 47.3%.

Outlook:

In the coming week, soybean prices are expected to trade slightly higher on account of short covering after a continuous fall during the last 3 months. NCDEX April contract shall find a strong support at 2010/1980 levels and resistance at 2100/2140 levels for the coming week.

Technical Indicators:

On daily charts, prices closed below its 10 Day EMA (2059.40) and its 20 Day EMA (2071.60). Daily MACD-Histogram is in positive territory and 14-Day RSI is at 41.74, which is in neutral zone.

NCDEX - April 2010 Contract

Particulars	April 2010 Contract (Rs/100 Kg)
Resistance-2	2140.00
Resistance-1	2100.00
Close	**2054.00**
Support-1	2010.00
Support-2	1980.00

Prices at Major Mandis

Centers	Prices (Rs/ 100 Kg)
Indore (excluding VAT and mandi tax)	2000-2030
Kota (excluding VAT and mandi tax)	2010-2040

Research Analyst (Commodity) - Abhishek Chauhan

Bullion

MCX April Gold

Last week, Gold prices opened the week at 16820 initially fell lower, but found strong support at 16640 levels. Later prices rallied sharply higher made a high of 17095 and finally ended the week with a loss of Rs.113 to close at 16902.

Trend : Bullish

Trading Levels:

This week market is expected to find very good support at 16740-16710 levels. And strong support is seen at 16560-16530 levels.

Trading below 16520 would lead to lower prices initially towards 16338 then 16220 and then finally towards the major support at 16150.

Resistance is observed in the range of 16990-17015 and strong resistance is seen at 17060-17080.

Trading above 17085 would lead to higher prices initially towards 17185 then 17358 and then finally towards the major resistance at 17500.

Recommendation: Buy MCX Gold April in the range of 16760-16730 levels with strict stop-loss below 16600 Targeting 17010 initially and then 17080.

MCX March Silver

Last week, Silver prices opened the week at 25560 initially moved sharply higher, but found strong resistance at 26340 levels. Later prices fell sharply lower breaking both the supports, made a low of 23610 and finally ended the week with a huge loss of Rs.1176 to close at 24324

Trend : Bullish

Trading Levels:

This week market is expected to find good support at 26750-26710 levels although it can find initial support at 26820-26800 levels and strong support is seen at 26450-26410 levels.

Trading below 26400 would lead to lower prices initially towards 26045 then 25738 and then finally towards the major support at 25400 levels.

Resistance is observed in the range of 27260-27300 and strong resistance is seen at 27580-27620.

Trading above 27630 would lead to higher prices initially towards 27787 then 28036 and then finally towards 28300.

Recommendation: Neutral

MCX April Copper

Last week, Copper prices opened the week with a gap up at 344.10 initially fell lower but found support just above the previous week closing price at 335.10 levels. Later prices rallied sharply higher, made a high of 349.45 and finally ended the week with a huge gain of Rs.9.95 to close at 344.45.

Trend : Bullish

Trading Levels:

This week market is expected to find good support in the range of 342-340.50 levels. And strong support is seen at 337-335 levels.

Trading below 334.50 would lead to lower prices initially towards 331.50 then 325 and then finally towards 321 levels.

Resistance is observed in the range of 350-352 levels and strong resistance is seen at 355-357 levels.

Trading above 357 would lead to higher prices initially towards 361 then 365 and then finally towards the major resistance at 370.80 levels.

Recommendation: Buy MCX Copper April in the range of 342-341 with strict stop-loss below 334 Targeting initially 354 levels and then 361.

MCX March Crude

Last week, Crude prices opened the week with a gap up at 3701 initially fell sharply lower and as expected found support at 3599 levels. Later prices rallied sharply higher, made a high of 3743 and finally ended the week with gain of Rs.55 to close at 3724.

Trend : Bullish

Trading Levels:

This week market is expected to find good support in the range of 3710-3700 levels. And strong support is seen at 3665-3650 levels.

Trading below 3650 would lead to lower prices initially towards 3620 then 3580 and finally towards the major support at 3516.

Resistance is observed in the range of 3770-3780 levels and strong resistance is seen at 3830-3850.

Trading above 3850 would lead to higher prices initially towards 3890 then 3927 and then finally towards 3975.

Recommendation: Buy MCX Crude oil March in the range of 3710-3700 with a strict stop-loss below 3650 Targeting initially 3770 then 3830.

Sr. Technical Analyst (Commodities) - Samson P

NOTES

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Note: Please refer important `Stock Holding Disclosure' report on Angel web-site (Research Section).

Ratings (Returns) :	Buy (> 15%) Reduce (-5% to -15%)	Accumulate (5% to 15%) Sell (< -15%)	Neutral (-5 to 5%)

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