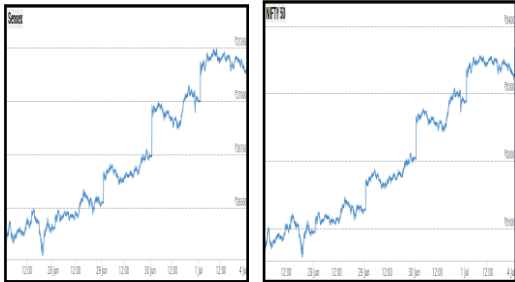


THE FINANCIAL EDGE

04th July, 2016



For the week ended July 01, 2016

Closing value as on 01-07-2016

| Index | Value | % change |
|--------------------|----------|----------|
| Sensex | 27144.91 | 2.83 |
| Nifty | 8328.35 | 2.96 |
| Nasdaq | 4842.67 | 2.86 |
| Nikkei | 15575.92 | 4.17 |
| Straits Times | 2840.93 | 3.86 |
| Hang Seng | 20794.37 | 2.64 |
| FTSE 100 | 6504.30 | 5.96 |
| DAX | 9680.09 | 1.29 |
| Shanghai Composite | 2929.61 | 2.64 |

Closing value as on 01-07-2016

| Commodity | Value | % change |
|-------------------------|----------|----------|
| Gold (Rs./10 grams) | 31830.00 | 0.79 |
| Silver (Rs./KG) | 47695.00 | 12.40 |
| Crude Oil (Barrel) | 3314.00 | 1.97 |
| Aluminium (Rs./KG) | 111.85 | 2.43 |
| Copper (Rs./KG) | 336.30 | 5.32 |
| Nickel (Rs./KG) | 673.40 | 10.03 |
| Zinc (Rs./KG) | 144.65 | 5.70 |
| Natural Gas (Rs./MMBtu) | 195.00 | 8.03 |

Market Briefing

Indian market overcome jitters due to Brexit aftermath, snapping three weeks of extended losses suffered with the benchmark Sensex gaining 747.20 points to finish eight months high 27,144.91, while the broader Nifty garnered 239.75 points during the week. Also, firm rupee sentiment against US dollar and turnaround of FIIs from sellers to buyers led the bulls gaining upper-hand as well as across the spectrum shortcovering rally during the week. The S&P BSE Sensex resumed lower at 26,347.81 and hovered in a range of 27,243.36 and 26,262.72 before ending the week at 27,144.91, showing a remarkable gain of 747.20 points or 2.83 per cent. The 50-share Nifty also surged by 239.75 points or 2.96 per cent to close the week at 8,238.35 after moving in a range of 8,356.75 and 8,039.35. Buying-spree was led by Realty, Oil&Gas, CapitalGoods, FMCG, PSUs, Power, HealthCare, Metal, Consumer Durable, Banks, Auto counters. IT and Teck sectors saw selling pressure, while the broader midcap and smallcap companies shares witnessed good buying. As of domestic situation, the Met forecast of good rains, all-round growth measures including implementation of 7th pay commission, more liberalisation in FDIS, along with optimism over passage key Goods and Services Tax (GST) on approaching monsoon session hogged limelight during the weeks trading momentum.

Buzzing News for the week

Domestic

- ✓ April-May fiscal deficit at 43% of Budget estimates
- ✓ FDI relaxation credit positive for India: Moody's
- ✓ FPIs invest Rs 3,700 cr in June; total hits Rs 20,600 cr in 2016
- ✓ Global uncertainties brake equity MFs' investment this month
- ✓ Gold imports slide 51% to \$2.7 bn in April-May
- ✓ Infrastructure sector growth slips to 5-month low at 2.8 percent in May
- ✓ Manufacturing PMI soars to three-month high at 51.7
- ✓ Mutual Fund assets hit record Rs 14.41 lakh cr in June quarter
- ✓ Mutual Funds pump in Rs 7,200-cr in stock mkts in Apr-Jun
- ✓ Private Equity investment in Apr-June falls 16% to \$3.6 bn

International

- ✓ China May industrial profits up 3.7 per cent
- ✓ Eurozone unemployment falls to near five-year low+
- ✓ Japan factory output dives in knock to recovery
- ✓ S&P, Fitch downgrade UK credit rating after Brexit
- ✓ US factory data, auto sales improve, construction spending slips
- ✓ US first-quarter GDP growth revised up to 1.1%

Mutual Fund Debt Schemes

| Ultra Short Term Funds | NAV | 1 Week | AUM (Cr.) | Floating Rate – Short Term | NAV | 1 Week | AUM (Cr.) |
|-----------------------------------|---------|--------|-----------|-------------------------------------|---------|--------|-----------|
| Reliance Medium Term(G) | 32.08 | 10.02 | 4931 | UTI FRF-STP(G) | 2498.75 | 8.54 | 4771 |
| IDFC Ultra Short Term Fund-Reg(G) | 21.67 | 9.59 | 4035 | HDFC FRIF-Short Term Plan-Ret(G) | 25.87 | 8.66 | 11658 |
| Birla SL Cash Mgr Fund(G) | 370.47 | 8.88 | 6892 | Reliance FRF ST(G) | 24.30 | 10.64 | 4472 |
| Tata Floater(G) | 2325.34 | 8.76 | 3521 | Birla SL FRF-Short Term Plan-Ret(G) | 253.30 | 7.99 | 4521 |

“Games are won by players who focus on the playing field, not by those whose eyes are glued to the scoreboard.”
- Warren Buffett

Strategic Investments

HDFC, SBI Life buy 18.5% in IDFC Infra Debt Fund for Rs.100-Cr

Housing Finance Development Corporation (HDFC) and SBI Life Insurance have together taken an 18.5 per cent stake in IDFC Infra Debt Fund, an infrastructure refinancing unit of IDFC. IDFC Infra plans to raise up to Rs 1,000 crore through non-convertible debentures (NCDs), to provide refinancing support to operating infrastructure projects. It also plans to raise short-term funds of Rs 200 crore through commercial paper. The IDFC stake is now about 81.5 per cent, after the recent development. The company got additional equity of Rs 100 crore from HDFC (11.1 per cent) and SBI Life Insurance (7.4 per cent), resulting into part-dilution of the stake of IDFC FHC, according to ICRA.

ITNL hikes stake in Noida Toll Bridge to 26.37%

IL&FS Transportation said it has increased its stake in Noida Toll Bridge Company (NTBCL) to Rs 26.37 per cent following transfer of 1.02 per cent stake by the promoters to it. The move was aimed at consolidating investment in road assets. Prior to the transfer, the company's holding in the NTBCL stood at 25.35 per cent.

MasterCard invests in online payment gateway solution Razorpay

American payments and financial services company MasterCard has invested an undisclosed amount in Razorpay, an online payment gateway solution for small and medium enterprises and platforms. The equity-based investment in the company backed by Tiger Global is MasterCard's second investment. In 2013, it had invested in Chicago-headquartered analytics company Mu Sigma.

Mergers & Acquisitions

Germany's DCMN acquires SaaS-based mobile application development tool vendor 1SDK

Growth solution provider DCMN has acquired Kochi-based startup 1SDK for an undisclosed amount. With this, 1SDK will be integrated with DCMN's existing technology suite as the company ramps up its efforts to address the growing demand for mobile marketing solutions.

GMR Energy to sell two transmission projects to Adani

Bengaluru-based GMR Infrastructure Ltd (GIL) said it has agreed to sell substantial stakes in two transmission projects to Adani Transmission Ltd (ATL), part of the Adani Group, for Rs.100 crore. The deal covers the sale of a 74% stake in Maru Transmission Services Ltd (MTSL) and 49% in Aravali Transmission Services Ltd (ATSL). Both firms, held through the subsidiary, GMR Energy Ltd (GEL), are engaged in building transmission networks in Rajasthan.

Japanese co Adways buys "Pocket Money" app from Pokkt

Japanese listed mobile marketing adtech company Adways acquired Pocket Money for an undisclosed amount. Pocket Money is an Android-incentivised app published by Indian reward-based mobile-video advertising platform Pokkt. The acquisition follows the establishment of the Japanese company's Indian subsidiary Adways Innovations India.

Saksoft hikes stake in testing services firm 360Logica by 25% to 76%

Saksoft Ltd said it will increase its stake in Noida-headquartered software testing services firm 360Logica to 76% from 51% for Rs 8 crore (\$1.2 million) in cash. The transaction will be closed in the first week of July, Saksoft said in a stock market disclosure. The deal will also include the proportionate share of net current assets at the time of closing, it added.

Supreme Nonwovens buys out French partner's 50% in autocomp JV Supreme-Treves

Automobile products maker Supreme Nonwovens Pvt Ltd has acquired 50 per cent stake from its partner Treves SAS, a French firm, in the joint venture, Supreme Treves Pvt Ltd. The French firm sold its entire holding in the JV to the Indian partner for an undisclosed amount, according to a disclosure made by law firm J Sagar Associates.

Tata Communications sells Neotel to Africa's Liquid Telecom

Tata Communications Ltd has finally reached a deal to sell its South African unit Neotel Pty Ltd to Liquid Telecom Group for 6.55 billion rand (around \$430 million), after striving for more than two years to dispose of the unit. Liquid Telecom, majority-owned by Econet Wireless Global, is partnering with Royal Bafokeng Holdings (RBH), a South African empowerment investment group, which has committed to taking a 30% equity stake in Neotel, Tata Communications said. The transaction would advance an asset-sale push by Tata group, which is seeking to pare debt and boost profit.

Torrent Pharma acquires Glochem's unit in Vizag

Torrent Pharmaceuticals Ltd (TPL), said it has entered into a binding agreement to acquire the Vizag-based API manufacturing unit of Hyderabad-based Glochem Industries Ltd, along with a few drug master files (DMFs) as a going concern on slump sale basis. However, the company did not disclose financial considerations involved in the acquisition.