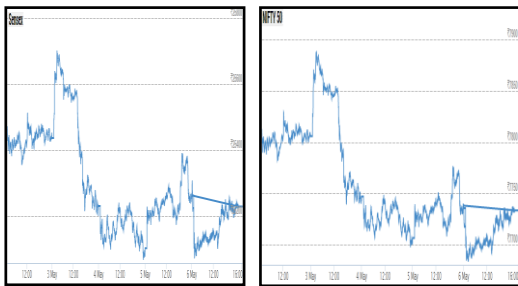


THE FINANCIAL EDGE

09th May, 2016



For the week ended May 06, 2016

Closing value as on 06-05-2016

Index	Value	% change
Sensex	25228.50	-1.48
Nifty	7733.45	-1.48
Nasdaq	4736.16	-0.82
Nikkei	16106.72	-3.36
Straits Times	2730.80	-3.79
Hang Seng	20109.87	-4.54
FTSE 100	6125.70	-1.86
DAX	9869.95	-1.68
Shanghai Composite	2913.25	-0.85

Closing value as on 06-05-2016

Commodity	Value	% change
Gold (Rs./10 grams)	30378.00	0.37
Silver (Rs./KG)	41731.00	0.40
Crude Oil (Barrel)	2977.00	-1.91
Aluminium (Rs./KG)	106.40	-4.62
Copper (Rs./KG)	320.15	-5.45
Nickel (Rs./KG)	604.40	-4.32
Zinc (Rs./KG)	125.55	-2.71
Natural Gas (Rs./MMBtu)	139.90	-2.71

Market Briefing

Taking cues from global markets, domestic key benchmark indices BSE Sensex and NSE Nifty retreated for the second straight week ended May 6. The BSE Sensex fell 378 points, or 1.48% to 25,228.50 on May 6 from 25,838.14 on April 29. Likewise, the Nifty index on the National Stock Exchange lost 116 points, or 1.48% to 7,733.45. Among the 30 share index on the BSE, 23 stocks ended the week in red with Adani Ports and Special Economic Zone sliding the most — 18.17% to Rs 238.25 on May 6. It was followed by ICICI Bank (down 7.80%), Dr Reddy's Labs (down 7.31%), Tata Steel (down 6.02%) and Oil & Natural Gas Corporation (down 4.41%). On the other hand, Housing Development Finance Corporation, GAIL (India), Asian Paints and BHEL gained 7.24%, 6.62%, 2.34% and 1.08%, respectively. Sectorwise, the BSE Metal index, BSE Bankex and BSE IT index dipped 3.60%, 3.01% and 2.54%, respectively, in the past five trading sessions. All other sectoral indices also ended the week in red. Foreign institutional investors offloaded shares worth Rs 116.58 crore between May 2 and May 6. Rupee depreciated by 0.36% to Rs 66.58 this week. IMF forecasted that India will be the fastest growing large economy in the world and projected a growth of 7.5 per cent for 2016-17. In the coming week, market will be eyeing important macro data, starting with IIP & CPI, scheduled on May 12.

Buzzing News for the week

Domestic

- ✓ 50 bps lending rate cut likely by Sept: BofA-ML
- ✓ Core sector growth strengthens at 6.4% in March versus 5.7% in February
- ✓ Equity funds see biggest outflows since 2015 market rout: BAML
- ✓ FPIs take out Rs 774 cr from stock market in a week
- ✓ Gold imports plunge 10% in FY'16
- ✓ IMF retains India's growth forecast at 7.5% for 2016, 2017
- ✓ India received \$40.82 billion FDI till December in FY16: Government
- ✓ India's manufacturing PMI slows sharply in April
- ✓ PE inflow in realty up 40% to Rs 3,840 cr in Q1

International

- ✓ China April forex reserves rise to \$3.22 trillion
- ✓ China, Japan growth to slow sharply in 2016: IMF
- ✓ EU trims economic growth forecasts amid global uncertainty
- ✓ Euro zone businesses trudged into the second quarter: PMI
- ✓ Japan lenders seen flagging gloomy year as negative rates depress loan income
- ✓ US job gains smallest in 7 months; jobless rate stays 5%
- ✓ US trade deficit shrinks as goods imports hit five-year low

Mutual Fund Debt Schemes

Ultra Short Term Funds	NAV	1 Week	AUM (Cr.)	Floating Rate - Short Term Funds	NAV	1 Week	AUM (Cr.)
Birla SL Cash Mgr Fund(G)	366.05	6.95	5789	UTI FRF-STP(G)	2468.10	6.22	3732
SBI Ultra Short Term Debt Fund(G)	1962.66	6.67	7073	HDFC FRIF-Short Term Plan-Ret(G)	25.56	6.70	9392
Tata Floater(G)	2296.83	6.61	3237	Birla SL FRF-Short Term Plan-Ret(G)	250.33	8.07	1751
Kotak Treasury Advantage Fund(G)	24.32	6.46	4561	Reliance FRF ST(G)	24.01	6.52	4335

"Finance is the art of passing currency from hand to hand until it finally disappears."

-Robert Sarnoff

Debt Financing

Banks sell portion of Arch pharma's Rs 3,000-Cr loan at half the value

State Bank of India, ICICI Bank and Axis Bank are among the lenders that have sold their portion of the nearly INR 3,000-crore loans of Arch Pharma to JM Financial Asset Reconstruction Company at less than half the value. Axis Bank sold Rs 349 crore to JM Financial ARC for a consideration of Rs 110 crore, While, ICICI Bank also sold bad loans worth Rs 700 crore to ARCs. Other lenders to Arch Pharmedlabs comprise Punjab National Bank, IDBI Bank, UCO Bank and United Bank of India.

IFC invest \$40-M in Repco Home Finance

IFC is to invest INR 2,658.5 million (\$40 million) via 7 year Non-convertible Debentures issued by publicly listed Repco Home Finance Limited ("RHFL"), a Housing Finance Company. The loan will help RHFL increase its reach and penetration in the affordable housing finance segment especially in the low Tier II and Tier III cities in states outside of South India.

KKR to lend Rs.300-Cr to Puranik Builders' Pune projects

Global private equity major KKR's non-banking financial company (NBFC), KKR India Assets Finance, has agreed to invest INR 300 crore in two residential projects of realty developer Puranik Builders. The projects -- Abitante and Aldea Espanola in Pune's Bawadhan and Baner areas -- are currently under construction. The NBFC will remain invested in both the projects until completion over the next six years. These projects are spread over a total 4 million sq ft, including 1.5 million sq ft in Aldea Espanola and 2.5 million sq ft in Abitante. The funds will be used to enable Puranik to achieve high growth predominantly in residential development.

Mergers & Acquisitions

Airtel divests telecoms tower assets in Congo to Helios Towers

Listed telecom service provider Bharti Airtel Ltd has divested about 950 telecom towers in the Democratic Republic of Congo to Helios Towers Africa (HTA), an independent telecom tower company. The deal will expand HTA's tower coverage in Africa to over 6,500 owned towers and will help Airtel reduce debt. Airtel will have full access to the towers from HTA under a long term lease contract. HTA currently has more than 5,500 towers in four markets.

Aviva buys 23% more India insurance JV; hikes stake to 49%

UK-based Aviva has purchased an additional 23% share in Aviva Life Insurance Company India Limited from joint venture partner Dabur Invest Corp. This acquisition takes Aviva's stake to 49%.

Godrej Properties buys 49% residual stake in its arm Happy Highrises for Rs.249-Cr

Realty firm Godrej Properties has acquired 49% stake in its subsidiary Happy Highrises from Karelides Traders for INR 248.50 crore. Godrej Properties earlier had 51% stake in Happy Highrises.

Indiabulls Real Estate increases stake in S'pore trust to 51%; makes open offer

Grapene Limited (Grapene), the wholly-owned subsidiary of publicly listed Indiabulls Real Estate Ltd (IREL), has acquired 27,696,100 units in Indiabulls Properties Investment Trust (IPIT), a SGX-ST listed business trust. With this, the stake of IREL in IPIT has increased from 47.51% to 51.18%. Grapene has also made an offer announcement, as required by the Singapore Code on Take-overs and Mergers, for acquisition of all remaining units in IPIT at an offer price of S\$0.25 in cash for each unit.

Listed fashion e-tailer Koovs acquires residual 38.6% in Indian unit for \$13-M

AIM-listed fashion e-tailer Koovs Plc has acquired remaining 38.6% stake in Koovs India, its Indian subsidiary, from Infotel E-Commerce Private Limited, a company controlled by Anant Nahata, in an all-cash deal of 9 million Pounds (\$13.1 million). As of now, the portal sales are up 210% at INR 29.56 Cr for the quarter ended January 3, 2016 from INR 9.55 Cr last year. The shopping cart conversion rate is 1.4 percent and reported 12.7 million visitors to the website. (In August 2011, Infotel E-Commerce Private Limited, a company controlled by the Nahata family, had acquired a controlling interest in Koovs India.)

Skechers to increase stake in footwear JV with Future Group to 51%

American footwear major Skechers India will increase its stake in its JV with Kishore Biyani from 49% to 51%. The company also plans to start its own e-commerce operations by September. The company entered India in 2012 through a JV with Kishore Biyani-led Future Group. Currently, it operates 45 mono brand retail outlets through this JV. In addition to this, it also has a cash-and-carry business in India.

TVS Automobile acquires 46% in TVS Europe Distribution Limited

TVS Srichakra (TSL) proposes to sell its entire shareholding of 33,25,000 shares (46%) held in TVS Europe Distribution Limited to TVS Automobile Solutions Limited. The company also proposes to purchase / acquire 15,89,699 Compulsory Convertible Preference Shares (CCPS) in TVS Automobile Solutions Limited (TVS ASL) amounting to Rs. 40 crores. AZB & Partners is the legal advisor to the transaction.

Disclaimer: The content of this document is provided for information purposes only. No claim is made as to the accuracy or authenticity of the content of the document. Any prices or data contained herein are indicative and subject to change without notice; its accuracy is not guaranteed and should not be relied on. Please delete this email and notify the sender immediately, if you are not the named recipient.