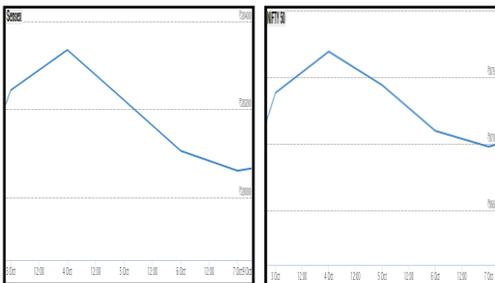


THE FINANCIAL EDGE

10th October, 2016



For the week ended October 07, 2016

Closing value as on 07-10-2016

Index	Value	% change
Sensex	28061.14	0.70
Nifty	8697.60	1.00
Nasdaq	5292.40	-0.37
Nikkei	16860.09	2.49
Straits Times	2856.13	-0.46
Hang Seng	23851.82	2.38
FTSE 100	7044.39	2.10
DAX	10490.86	-0.19
Shanghai Composite	3048.14	1.45

Closing value as on 07-10-2016

Commodity	Value	% change
Gold (Rs./10 grams)	29719.00	-3.28
Silver (Rs./KG)	41998.00	-7.85
Crude Oil (Barrel)	3386.00	5.78
Aluminium (Rs./KG)	111.85	0.40
Copper (Rs./KG)	324.95	-0.93
Nickel (Rs./KG)	697.70	-1.26
Zinc (Rs./KG)	150.05	-5.21
Natural Gas (Rs./MMbtu)	217.80	12.38

Market Briefing

Markets ended lower on caution ahead of US jobs data, due for release later today, could raise the prospects of a rate hike by the US Federal Reserve. The S&P BSE Sensex ended down 45 points at 28,061 and the Nifty50 closed 12 points lower at 8,698. In the broader markets, the BSE Midcap and Smallcap indices ended flat. IT exporters TCS, Wipro and Infosys ended down over 0.5% each ahead of September US jobs data. Other losers include, HDFC, Asian Paints, ICICI Bank and L&T among others. Auto stocks ended mixed after recent gains post their September sales numbers. Maruti Suzuki and Hero MotoCorp ended down 0.5% each while Bajaj Auto gained over 2%. However, Tata Motors led the pack with 2.5% gain after the company said Jaguar Land Rover (JLR) achieved a strong 28% year on year growth in global sales during the month of September. Reliance Industries settled marginally lower. The company's telecom arm Jio said it has acquired 269.2 MHz spectrum across all 22 circles. Kotak Mahindra Bank ended up 0.3%. The bank reduced its base rate to 9.40%, effective 7th October, 2016. Canara Bank eased 0.5% after the state-owned bank also cut its base rate by 5 basis points to 9.60%, effective from October 11, 2016. Foreign institutional investors were net buyers in equities worth Rs 354 crore on Thursday, as per provisional stock exchange data.

Buzzing News for the week

Domestic

- ✓ 8% economic growth not before 2018-19: Fitch
- ✓ Forex reserves touch record high of \$372 billion
- ✓ FPIs remain bullish on equity mkts, pour in Rs 1,445 cr in Oct
- ✓ Gold imports decline by 59% during January-September: Report
- ✓ India Inc's January-September deal tally hits its peak at \$46 billion
- ✓ Indian manufacturing growth cools in September on weakening demand
- ✓ Indian services activity loses momentum in September: PMI
- ✓ India's GDP growth to remain strong: World Bank
- ✓ India's M&A activity reaches highest on record in Q3, up 36.2% by value
- ✓ P-Notes investment hits 5-month high in August at Rs 2.16 lakh crore
- ✓ RBI cuts repo rate by 25 bps to 6.25%
- ✓ Start-ups can raise \$3 million via ECBs annually: RBI

International

- ✓ Employers add 156K; US jobless rate ticks up to 5%
- ✓ Euro zone manufacturing activity accelerates in Sept as demand picks up -PMI
- ✓ Global M&As in Jan-Sep dips 20% to USD 2 trillion: Mergermarket
- ✓ US factories rebound, resisting global downward pull

Mutual Fund Debt Schemes

Liquid Plus Funds	NAV	1 Week	AUM (Cr.)	Floating Rate - Short Term	NAV	1 Week	AUM (Cr.)
IDFC - MONEY MANAGER FUND INVESTMENT PLAN REG (G)	24.47	11.83	1804	HDFC - FR INCOME FUND STP (G) (SUSP)	26.36	9.31	12991
ICICI PRU - FLEXIBLE INCOME PLAN REG (G)	297.89	9.63	19258	CAN ROBECO - SAVINGS PLUS REG (G)	24.48	8.82	987
HDFC - CASH MGMT TREASURY ADVANTAGE PLAN RET (G)	32.99	10.01	9691	SBI - SAVINGS FUND REG (G)	24.39	8.57	2367
BIRLA SL - CASH MGR INST (G)(SUSP)	264.54	8.96	6917	BIRLA SL - FRF STP (G)(SUSP)	256.75	6.74	3798

"The goal of retirement is to live off your assets-not on them."

-Frank Eberhart

Strategic Investments

ICICI Bank acquires 11% stake in ABG Shipyard, lenders now own 49%

ICICI Bank acquired 11% stake in the company by converting its debt into equity. Lenders now have 49% stake in the company and are actively scouting for an investor to sell their stake. Other lenders such as State Bank of India and Punjab National Bank have 7% stake each by converting debt into equity. After the company failed to repay their dues and infuse capital into the company to sustain its operations, lenders appointed investment banker Rothschild to find a buyer for their 49% stake. The company has outstanding loans of Rs 16400 crore.

Mahindra Holidays to acquire 12% stake in Giftxoxo

Leisure hospitality provider Mahindra Holidays has acquired a 12% stake in Bengaluru-based Nreach Online Services Pvt. Ltd, which runs two brands, namely, Giftxoxo and Frogo. The transaction details remain undisclosed. The move aims to expand Mahindra Holiday's offerings and increase their reach to over 2 Lakh Club Mahindra members.

Sports activities app Sportido raises funding from Sumpoorna Group

Noida-based sporting app Sportido that enables participation in sports and fitness activities, has raised an undisclosed amount of angel funding from Sumpoorna Group. Talking about the product, Vishal Lunia, co-founder and CEO of Sportido said, "The app currently enables a person to locate and connect with like-minded people with interests in sports, explore new sports, locate venues, create sporting events and even find deals on clubs and gyms. Eventually, we will expand to sporting equipment and accessories that would enable a sporting culture."

Mergers & Acquisitions

Inditrade Capital to hike stake in Dubai commodities trading JV to 51%

Inditrade Capital, a domestic brokerage and financial service firm, has acquired 51 per cent stake in JRG International Brokerage DMCC, an international commodity derivatives brokerage registered with the Dubai Gold & Commodities Exchange. The transaction value is believed to be in the range of \$5-10 million. While Inditrade Capital will hold 51% stake in JRG International and retain management of the firm, the remaining 49 per cent stake will continue to be held by Sheikh Hazza Al Dhaheri.

Intas buys Actavis generics biz in UK, Ireland for Rs.5,100-Cr from Teva

In one of the largest overseas acquisitions by an India pharmaceutical company, Ahmedabad-based Intas Pharmaceuticals acquired the generics business of Actavis in the UK and Ireland from global generics giant Teva for an enterprise value of £600 million (Rs 5,100 crore) in an all-cash deal. This is a big leap for the unlisted Indian company, which had annual revenue of Rs 6,569 crore, an earnings before interest, tax, depreciation and amortisation (Ebitda) margin of 22 per cent and net profit of Rs 882.5 crore in 2015-16.

Kotak Mahindra Bank acquires BSS Microfinance for Rs.139-Cr

Private sector lender Kotak Mahindra Bank Ltd said it will acquire a 99.49% stake in BSS Microfinance Pvt. Ltd for Rs139.2 crore. According to a notification to the stock exchanges, the private sector bank plans to complete the all-cash deal within 3-4 months, subject to regulatory clearances. The microfinance company had a net worth of Rs72.9 crore as on 30 June, while its total turnover was at Rs49.5 crore for the year to March. It had a loan book of Rs483 crore at the end of the first quarter and a total of 728 employees.

Manali Petro buys UK-based chemical manufacturer Notedome for \$13.5 M

Manali Petrochemicals Ltd (MPL), one of the leading producers of propylene oxide, propylene glycols and polyols in India, has acquired Notedome Limited, the UK-based system house, for Pound 13.50 million (about Rs 115 crore) to further expand its overseas business of polyurethane (PU) products. MPL acquired Notedome Limited through its Singapore based subsidiary Amchem Speciality Chemicals Private Limited, which it had established to acquire system house overseas.

Orient Cement buys 2 Jaypee units for Rs. 2,000-Cr

The CK Birla group-owned Orient Cement said that it will acquire a 74% stake in a cement joint venture of debt-laden Jaiprakash Associates (JAL) and a grinding unit from Jaiprakash Power Ventures (JPVL) in deals worth Rs 1,950 crore. The all-cash acquisitions will help Orient gain access to lucrative markets in eastern and central India. The company will acquire a 74% stake in Bhilai Jaypee Cement (BJCL) for Rs 1,450 crore and Nigrie cement grinding unit from JPVL for Rs 500 crore.

Patanjali buys RH Agro's Haryana rice mill for Rs. 70-Cr

Ramdev's Patanjali has firmed up plans to add some flavour in the rice category this Diwali. It has acquired RH Agro's rice mill in Sonipat, Haryana, for Rs 70 crore and has taken four other rice mills across the country on exclusive lease, which will help it launch 18 packaged rice brands by the end of this month. At present, Patanjali sells three variants of packaged rice — silver, gold and diamond. It meets its procurement needs by buying finished rice and packaging it at its Haridwar facility.