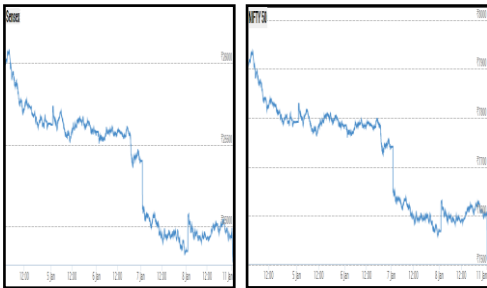


# THE FINANCIAL EDGE

11<sup>th</sup> January, 2016



For the week ended January 08, 2016

### Closing value as on 08-01-2016

Index	Value	% change
Sensex	24934.33	-4.69
Nifty	7601.35	-4.54
Nasdaq	4643.63	-7.26
Nikkei	17697.96	-6.34
Straits Times	2751.23	-4.66
Hang Seng	20453.71	-6.10
FTSE 100	5912.44	-5.28
DAX	9849.34	-8.32
Shanghai Composite	3186.78	-9.96

### Closing value as on 08-01-2016

Commodity	Value	% change
Gold (Rs./10 grams)	25981.00	4.07
Silver (Rs./KG)	33816.00	1.42
Crude Oil (Barrel)	2223.00	-10.29
Aluminium (Rs./KG)	100.15	-0.25
Copper (Rs./KG)	300.80	-4.87
Nickel (Rs./KG)	569.30	-2.85
Zinc (Rs./KG)	100.80	-5.40
Natural Gas (Rs./MMbtu)	163.70	4.20

### Market Briefing

Indian markets saw their worst weekly pounding in more than four years due to turmoil in the Chinese market. The benchmark Sensex and Nifty dropped 4.7% in the first full week of 2016, their worst weekly performance since November 2011. On Friday, however, the global markets including India saw some calm after China market rebounded 2% buoyed by buying of shares by government authorities and suspension of circuit filters. The benchmark Sensex on Friday gained 0.33%, or 82.5 points to end at 24,934.33, the 50-share Nifty gained 33 points, or 0.44% to close at 7,601.35. For the week, however, the bluechip indices fell as much as 5% as a global flight of capital saw overseas investors pull out nearly Rs 2,000 crore. India and other world markets were rattled due to halt in trading twice during the week in China after its benchmark indices hit circuit breakers of 7%. On Friday, the major gainers on Sensex included Tata Motors, which rose 3%, Tata Steel, which gained 1.44% and Reliance Industries which added 1.2%. Cipla, which fell 2.6%, and Larsen & Toubro (L&T), which lost 2.2%, were among the major losers. CLSA replaced Reliance with L&T in his Asia ex-Japan long-only portfolio. Concerns over health of the Chinese economy, which remains the global engine of growth, unnerved investors and wiped out nearly \$4 trillion from global equity markets.

### Buzzing News for the week

#### Domestic

- ✓ Factory activity contracts in December for first time in over two years
- ✓ FPIs bullish on debt markets, put in Rs 3,700 cr in New Year
- ✓ HSBC pegs FY'16 growth at 7.4%, says reforms key to push it up
- ✓ India to grow at 7.8% this year: World Bank
- ✓ India's exports may dip 13% to \$270 bn in 2015-16
- ✓ India's services PMI hits 10-month high in December
- ✓ Mutual fund inflow in equity at 19-month low in December
- ✓ SEBI mulls steps to reduce MFs exposure in corp bonds

#### International

- ✓ China December inflation edges up as expected, producer prices still in deflation
- ✓ China keeps 2014 GDP growth rate unchanged at 7.3%
- ✓ China's manufacturing PMI contracts for 10th consecutive month
- ✓ China's forex reserves drop to three-year low
- ✓ Oil prices rise after Saudi Arabia cuts ties with Iran
- ✓ US economy shows resilience with robust hiring in December
- ✓ US trade deficit narrows
- ✓ World Bank cuts global economic growth outlook

## Mutual Fund Debt Schemes

Liquid Plus Funds - Inst	NAV	1 Week	AUM (Cr.)	Floating Rate - Short Term	NAV	1 Week	AUM (Cr.)
ICICI PRU - FLEXIBLE INCOME PLAN REG (G)	280.57	8.90	16785	HDFC - FR INCOME FUND STP (G) (SUSP)	24.87	8.65	3132
DSP BLACKROCK - MONEY MANAGER FUND INS PLAN (G)(SUSP)	2075.37	7.12	2058	SBI - SAVINGS FUND REG (G)	23.05	8.57	1433
UTI - TREASURY ADV FUND (G)(SUSP)	3728.29	7.40	10855	BIRLA SL - FRF STP (G)(SUSP)	243.73	7.21	3628
RELIANCE - MONEY MANAGER FUND (G)	2034.56	8.42	13319	CAN ROBECO - SAVINGS PLUS REG (G)	23.14	8.33	508

*"Cash is a fact, profit is an opinion."*

**-Alfred Rappaport**

## Deals

INVESTORS	INVESTEES COMPANIES	TYPE	SECTOR	SIZE (US\$ MN)
Sequoia Capital India,Other	B9 Beverages	VC	Food & Beverage	6.00
Tata Capital Innovations Fund	Alef Mobitech	PE	IT	5.00
SIDBI Venture Capital Limited and YourNest Angel Fund	Mycity4Kids	VC	IT	3.00
Arjun Handa,Other,Amit Jindal	Zebpay	VC	IT	1.00
Gana Yantrika Systems Private Limited and Lalitesh Katragadda	Sensara	VC	IT	0.81
Idein Ventures	Infurnia	VC	IT	0.17
High Networth Individual	360Ride	VC	IT	0.16
Newbie Promoter Private Limited	Myly	VC	IT	0.11
500Startups and Others	My Child	VC	IT	0.10

## Strategic Investments

### Chinese travel service firm Ctrip invests \$180-M in MakeMyTrip

China-based travel services firm Ctrip.com International Ltd has invested about \$180 million in Nasdaq-listed online travel company MakeMyTrip through convertible bonds. In addition, MakeMyTrip has granted Ctrip permission to acquire its shares in the open market, so that combined with shares convertible under the convertible bonds, Ctrip may beneficially own up to 26.6% of MakeMyTrip's outstanding shares. Ctrip will also acquire the right to appoint a director to the MakeMyTrip board of directors. Morgan Stanley acted as the exclusive financial advisor and Latham & Watkins served as the legal advisor to MakeMyTrip on this transaction.

### EUOR Health gets Rs 5-Cr from Brand Capital

Kolkata-based healthcare marketplace EUOR Health, promoted by EUOR Health EUOR Tech India Ltd, has attracted equity investment of INR 5 crore by Brand Capital. The funding will be utilized by EUOR Health to increase its branding and advertisement. EUOR Health provides guidance for several healthcare services like ambulance services, diagnostics, doctor's appointment, doctor's home visit, elderly care, hospital admission, instant doctor's consultation, pathology, physiotherapy, preventive health care, rehabilitation and second opinions.

## Mergers & Acquisitions

### Airgate hikes stake in ABEC Exhibitions to 60%

Airgate Holdings Limited has acquired 31.7% stake in ABEC Exhibitions & Conferences Private Limited (ABECPL). This is in addition to the minority stake of 28.3% that was acquired in 2012 and takes the total holding of Airgate Holdings Limited in ABECPL to 60%. Khaitan & Co was the legal advisor to the acquirer.

### Forbes & Co sells logistics biz to Transworld Group for Rs.93.5 Cr

Publicly listed Forbes & Company has decided to exit the logistics business and is to sell its two container freight stations (CFS) located at Veshvi and Mundra along with its logistics business to Transworld Group Singapore, for an Enterprise Value of INR 93.5 crores. Veritas Legal acted as legal advisors to Forbes & Company Limited on the transaction.

### OnMobile divests speech tech assets

Publicly listed OnMobile is to sell its speech technology assets for Euro 6,50,000 to Voicebox Technologies, France. OnMobile had acquired the speech recognition technology from Telisma in 2008, but is no longer imperative for OnMobile's new offerings, which are focused on smartphone apps.

### Paytm acquires consumer behaviour prediction firm Shifu

Digital payments and commerce firm Paytm has acquired Delhi-based consumer behaviour prediction platform Shifu in an \$8 million (INR 53 crore) deal. Shifu is expected to enhance consumer experiences on the Paytm platform. Shifu's 20-member team, including the three founders, will join Paytm. Shifu had raised seed funding from a clutch of angel investors, including a top tech entrepreneur in Delhi.

### Zydus acquires Zoetis' animal health brands

Ahmedabad-based Zydus Cadila has acquired select brands and the manufacturing operations in Haridwar of Zoetis, an US-headquartered global animal health company. The plant, spread over 10,000 sq metre, manufactures tablets, liquid orals and injectables. As a result of this acquisition, Zydus gains access to a wide range of nutrition as well as therapeutic products which have a strong brand equity and a combined turnover of INR 171 crore. Veritas acted as Legal Advisors to Zoetis India Limited.

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