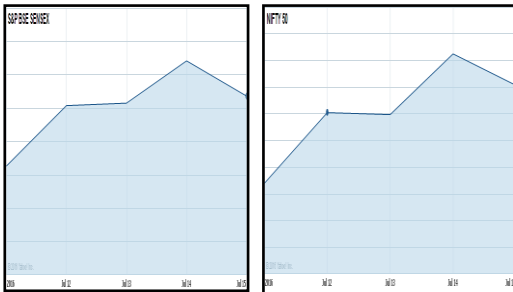


# THE FINANCIAL EDGE

18<sup>th</sup> July, 2016



For the week ended July 15, 2016

### Closing value as on 15-07-2016

Index	Value	% change
Sensex	27836.50	2.62
Nifty	8541.40	2.62
Nasdaq	5029.59	1.47
Nikkei	16497.85	9.21
Straits Times	2916.15	1.80
Hang Seng	21659.25	5.33
FTSE 100	6665.00	3.12
DAX	10066.90	4.54
Shanghai Composite	3054.30	2.22

### Closing value as on 15-07-2016

Commodity	Value	% change
Gold (Rs./10 grams)	31005.00	-2.58
Silver (Rs./KG)	46879.00	-3.20
Crude Oil (Barrel)	3092.00	1.78
Aluminium (Rs./KG)	110.40	-1.16
Copper (Rs./KG)	333.25	3.49
Nickel (Rs./KG)	701.80	3.30
Zinc (Rs./KG)	149.00	2.94
Natural Gas (Rs./MMbtu)	183.60	-3.92

### Market Briefing

Domestic benchmark indices BSE Sensex and NSE Nifty soared over 2 per cent this week on hopes that GST will get a passage in the monsoon session of the Parliament. For the week ended July 15, the 30-share index gained 709.60 points to 27836.50 from 27126.90 on July 8. Likewise, the 50-share index advanced 218.20 points to 8541.40 from 8323.20 during the week under review. In the 50 share index, Tata Steel, ICICI Bank, Idea Cellular, Hindalco Industries and Maruti Suzuki gained 16.92 per cent, 9.90 per cent, 8.48 per cent, 8.44 per cent and 7.57 per cent, respectively, in the past five trading sessions. On the other hand, Infosys, Aurobindo Pharma, Tata Power Company, Wipro and Cipla declined 7.55 per cent, 2.56 per cent, 2.05 per cent, 1.09 per cent and 0.95 per cent, respectively. Among the sectoral indices on BSE, Metal index gained the most — 8.31 per cent, followed by Telecom (up 5.59 per cent), Bankex (5.27 per cent), Auto (up 3.63 per cent) and Capital Goods index (up 2.56 per cent). The BSE IT index and TECK plunged by 3.56 per cent and 1.97 per cent and remained only losers in the BSE sectoral list. Foreign institutional investors remained net buyers in the Indian equity markets as they bought shares worth of Rs 3,235.16 crore during the week. Rupee appreciated by 39 paise to 67.06 on July 15 from 67.45 on July 8, according to the data available with RBI.

### Buzzing News for the week

#### Domestic

- ✓ Brexit not to have major impact on India: Moody's
- ✓ Equity Mutual Funds see sharp plunge in inflows at Rs 9,400 cr in Q1
- ✓ Exports turn positive after 18 months in June
- ✓ Forex reserves down \$1.22 bn to \$362 bn
- ✓ FPIs invest Rs 9,700 cr in capital markets in two weeks
- ✓ Gold imports drop over 38 per cent in June to \$1.2 bn
- ✓ Industrial output rises 1.2% in May
- ✓ Retail inflation edges up to 22-month high of 5.77%
- ✓ WPI inflation rises to 1.62% in June

#### International

- ✓ China June exports, imports both fall more than forecast
- ✓ China Q2 GDP grows 6.7%, slightly better than expected
- ✓ China's bad-loans ratio reaches 1.81 pct in Q2, highest since 2009
- ✓ Singapore stock exchange shutes by technical glitch
- ✓ US consumer prices rose modestly in June
- ✓ US economy shows few signs of sustained inflation pressure: Federal Reserve
- ✓ US industrial production up 0.6 per cent in June

## 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)	32.26	16.52	5139	UTI FRF-STP(G)	2510.18	12.91	5160
IDFC Ultra Short Term Fund-Reg(G)	21.79	14.62	4200	Reliance FRF ST(G)	24.44	18.09	4499
Birla SL Cash Mgr Fund(G)	372.28	14.57	7150	HDFC FRIF-Short Term Plan-Ret(G)	26.00	13.33	10675
HDFC Cash Mgmt-TA Plan(G)	32.52	13.38	9112	Birla SL FRF-Short Term Plan-Ret(G)	254.03	7.29	2831

*“Usually with things, you go where you can find the financing to do it.”*

*-Don Bluth*

## Strategic Investments

### **Brand Capital invests in furniture rental startup CityFurnish**

Gurgaon-based furniture rental startup, CityFurnish has raised an undisclosed amount of seed funding from Brand Capital, the investment arm of conglomerate, Bennett Coleman and Co. Ltd. (Times Group). Existing investor Manoj Gupta, Director, Credit Suisse also participated in this round.

### **Piramal buys minority stake in Sivasankaran-promoted Utoo Cabs**

Billionaire investor Ajay Piramal has pumped in an undisclosed sum to pick up a minority stake in serial entrepreneur C Sivasankaran's comeback business Utoo Cabs, a cab aggregator. Siva's taxi-hailing startup plans to take on Ola and Uber. This is not the first time that he is entering a crowded space.

### **Writefine Products takes 35% in Uniwrite Pens**

Writefine Products Pvt. Ltd. (WFPL) is buying 35 per cent stake in Uniwrite Pens and Plastics Pvt Ltd, with an option to increase that to 50 per cent in 2022. This deal will help WFPL widen its portfolio. Also, Uniwrite's production facilities based in Umbergaon, Gujarat provides strategic advantage to WFPL, based in the same city, to quickly increase the production of pens and related accessories like pen tips and pen refills.

## Mergers & Acquisitions

### **Australia's Planit acquires software testing firm TenXLabs**

Australia-headquartered Planit Software Testing has acquired city-based TenXLabs for an undisclosed amount to foray into the Indian market and serve its global clients from a facility. All the 130 software testing professionals of TenXLabs have been absorbed by Planit, which has offices in New Zealand and the UK, in addition to Australia, officials in the company said on condition of anonymity.

### **BPO firm Minacs sold to US-based Synnex for \$420-M**

Synnex said it has agreed to buy business process outsourcing company Minacs from its private equity owners for \$420 million, the second-largest deal the United States-headquartered information technology supply chain services company has made in India. It said it will merge Minacs with its Concentrix BPO unit. In 2013, Synnex had acquired IBM's Daksh business for over \$500 million.

### **Granules India arm to buy 12.5% stake in USpharma**

Granules Pharmaceuticals Inc (GPI), a wholly-owned arm of Granules India Ltd, will be acquiring 12.5 per cent stake in the US-based USpharma. GPI has entered into an agreement with USpharma in this regard, Hyderabad-based Granules India said. "The agreement with USpharma complements our internal product development programme and expands our product portfolio. The successful development of limited competition products by USpharma provides further long-term growth for the company," Krishna Prasad Chigurupati, Chairman and Managing Director, Granules India, said. It will also enable Granules to participate in the product selection and have the right of first refusal to market select products which are under development by USpharma.

### **Max Healthcare to acquire residual 49% in Saket City Hospital for Rs 300-Cr**

Max Healthcare is set to acquire the remaining 49% stake in the erstwhile Saket City Hospital in South Delhi from BK Modi Group firm Smart Health City Pte Ltd for a little over Rs 300 crore, said a person familiar with the development.

### **OP Gupta to acquire majority in Lanco Infratech for Rs.150-Cr**

Lanco Infratech's promoter L Madhusudhan Rao has found a white knight in fellow utility operator OP Gupta to bail him out of the Rs 41,000-crore loan mess even as bankers want to split the business into three — power, EPC and other businesses such as road and gas — which would also involve conversion of a majority of loans into deep discounted bonds.

### **Snapdeal to fully acquire its delivery partner GoJavas**

Snapdeal is planning to completely acquire its online delivery partner GoJavas. It already holds a significant minority stake in GoJavas. The deal amount remains undisclosed. The acquisition would lend a hand to Snapdeal regain its market share it has lost to Amazon India over the past six months. This step would strengthen its supply chain infrastructure and ensure faster service to buyers.

### **Trivitron buys 60% in Turkish diagnostics equipment firm for 5-M Euros**

Chennai-based Trivitron Healthcare, a medical technology company, has acquired 60 per cent stake in Turkish healthcare firm Bome Sanayi Urunleri Dis. Tic. Ltd, which has revenue of around Rs. 50 crore. Trivitron has invested €5 million to pick up the stake, including share premium. The remaining 40 per cent stake in the company that manufactures in-vitro diagnostic device will be held by promoters, says a press release quoting Trivitron's Chairman and Managing Director GSK Velu.