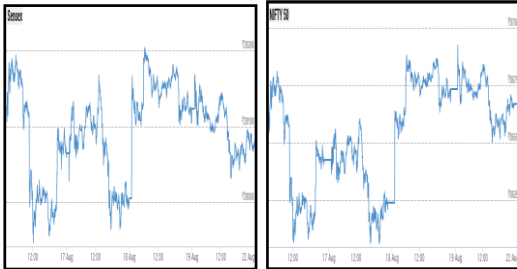


THE FINANCIAL EDGE

22nd August, 2016



For the week ended August 19, 2016

Closing value as on 19-08-2016

Index	Value	% change
Sensex	28077.00	-0.27
Nifty	8666.90	-0.06
Nasdaq	5238.38	0.10
Nikkei	16545.82	-2.21
Straits Times	2844.02	-0.82
Hang Seng	22937.22	0.75
FTSE 100	6858.95	-0.83
DAX	10544.36	-1.58
Shanghai Composite	3108.10	1.88

Closing value as on 19-08-2016

Commodity	Value	% change
Gold (Rs./10 grams)	31214.00	-0.02
Silver (Rs./KG)	44460.00	-3.53
Crude Oil (Barrel)	3264.00	10.08
Aluminium (Rs./KG)	111.10	0.86
Copper (Rs./KG)	320.20	0.98
Nickel (Rs./KG)	690.70	0.23
Zinc (Rs./KG)	153.50	2.57
Natural Gas (Rs./MMBtu)	176.60	1.73

Market Briefing

Benchmark indices BSE Sensex and NSE Nifty ended the truncated week on a flat note with negative bias on account of dismal macro-economic data. For the week ended August 19, 2016, the 30-share index declined 75.40 points, or 0.27%, to 28,077. NSE Nifty 50 index also dropped marginally by 5.25 points, or 0.06% to 8,666.90. Market sentiments dampened during the week after WPI inflation jumped to a near two-year high at 3.55% as against 1.62% month-on-month on the back of higher food inflation. CPI inflation also affected markets with retail inflation climbing up to nearly two-year high of 6.07% in July. Among the sectoral indices on BSE, Metal index jumped by 4.01%, followed by Bankex (up 2.48%), Power (up 2.21%), Oil and Gas (up 2.11%) and Healthcare index (up 1.50%). Among the laggards, IT index, TECK index and Telecom index slipped by 3.72%, 3.16% and 0.69% for the week ended August 19. According to corporate database Ace Equity, foreign institutional investors (FIIs) stood net buyers in equity segment in the week with gross purchases of Rs 21,367.60 crore and gross sales of Rs 19,058.10 crore, leading to a net inflow of Rs 2,309.50 crore. FIIs also remained net buyers in the debt segment with inflow of Rs 564.73 crore. Indian rupee depreciated by 0.16%, or 10 paise, to 66.93 on August 19 from 66.83 on August 12.

Buzzing News for the week

Domestic

- ✓ FPI equity buys in India touch \$5.4 bn this year
- ✓ FPIs rush into equities, pump in Rs 7,700 cr in Aug
- ✓ Gold import plunges 52.5% to \$4.97 bn in Apr-Jul
- ✓ Investors lap up Mutual Funds again, put in Rs 1 lakh cr in July
- ✓ July PE investments slump as big-ticket deals vanish
- ✓ M&A activity in India drops by 8% yoy, says EY
- ✓ Mutual funds cut banking stocks exposure to Rs 82,000 cr in July-end
- ✓ Mutual Funds equity folio surges by 8 lakh in April-July
- ✓ Urjit Patel appointed as new RBI governor
- ✓ WPI inflation up 3.55% y-o-y in July

International

- ✓ China's economic activity slows in July as reforms begin to bite
- ✓ Japan exports tumble most since financial crisis
- ✓ Japan's economy stalls in April-June
- ✓ Singapore exports down worse-than-expected in July
- ✓ US consumer prices unchanged; underlying inflation slowing
- ✓ US jobless claims fell to 262,000 last week as labor market firms

Mutual Fund Debt Schemes

Ultra Short Term Funds	NAV	1 Week	AUM (Cr.)	Floating Rate – Short Term	NAV	1 Week	AUM (Cr.)
Kotak Treasury Advantage Fund(G)	24.93	6.99	4842	Reliance FRF ST(G)	24.70	3.34	4552
Tata Floater(G)	2355.20	6.80	3976	UTI FRF-STP(G)	2532.16	5.58	5608
SBI Ultra Short Term Debt Fund(G)	2009.83	6.61	12403	HDFC FRIF-Short Term Plan-Ret(G)	26.24	5.63	12991
IDFC Ultra Short Term Fund-Reg(G)	21.98	6.53	4920	Birla SL FRF-Short Term Plan-Ret(G)	255.78	7.02	3798

“Opportunity is missed by most people because it is dressed in overalls and looks like work.”

-Thomas Edison

Strategic Investments

J.P. Academy invests Rs.3-Cr in Celebrity Badminton League

India's first Celebrity Badminton League (CBL), which will feature only film actors, has raised Rs 3.3 crore. Indian Angel Network is promoting the league and is also in talks with private equity (PE) funds to raise an additional Rs 25 crore. CBL follows the Indian Premiere League model but the players will only be film actors, of which 30 per cent would be female actors, said Hemachandran, founder & chief executive officer, CBL. CBL has four different teams. A start-up, Celebrity Badminton league, has raised \$0.5 million (around Rs 3.3 crore) within six months of its launch from JP Academy, a company that looks at investing into such sporting events.

Mergers & Acquisitions

Aspire Systems acquires stake in digital agency Ziffity

Technology services company Aspire Systems recently announced their investment in Ziffity, a Chennai-based digital agency focused on e-commerce solutions spanning technology, creative design and digital marketing space. The company did not divulge the quantum of investment made in Ziffity. The investment is in line with Aspire's aim of providing e-commerce, digital marketing solutions and strategy consulting for the retail sector, a company release said. Aspire Systems CEO, Gowri Shankar Subramanian said, "With Ziffity coming on board, we will now be able to help our clients from a creative design, content, eCommerce and digital marketing perspective, something that is critical for any online retailer".

Iksula acquires US-based IT Services firm Blisstering

Iksula, an integrated commerce solutions provider, announced the acquisition of Blisstering Solutions, a software development company based in Silicon Valley. The acquisition strengthens Iksula's expertise in delivering world-class eCommerce solutions that tightly integrate with a host of enterprise solutions. The acquisition is expected to close in September 2016.

JSW Steel to buyout Praxair's 74% stake from industrial gases JV for Rs.240-Cr

JSW Steel has agreed to buy out Praxair India's entire 74% stake in their joint venture JSW Praxair Oxygen for Rs 240 crore, making the industrial gases supplier its wholly owned subsidiary. "The said acquisition is strategic in nature as it will provide the company the benefit of backward integration of this critical input," JSW Steel said.

Pigeon Express promoter acquires majority stake in e-commerce logistics firm GoJavas

Courier service provider Pigeon Express Pvt. Ltd is in advanced talks to acquire e-commerce focused logistics service provider GoJavas (Quickdel Logistics Pvt. Ltd), which suspended operations last week amid an organisational overhaul, in a cash and stock deal, said two people aware of the development. GoJavas, which counts Snapdeal (Jasper Infotech Pvt. Ltd) as a key investor, had started scouting for possible suitors after a bid by Snapdeal for a complete buyout fell through. Besides Pigeon Express, the company had also held talks with another Delhi-based courier service provider, Trackon Couriers Pvt. Ltd. However, the deal has swung in favour of Pigeon Express.

Piramal Enterprises to buy US pharma firm Ash Stevens for \$53-M

Piramal Enterprises Ltd said it has bought Ash Stevens Inc., a US-based contract developer and manufacturer of drugs, in an all-cash deal for \$43 million (Rs.286 crore) as it seeks to expand its Northern American business. In addition, Piramal will pay a so-called earnout capped at \$10 million (Rs.67 crore)—a payment that depends on the business achieving certain financial goals. The purchase, made by a unit of Piramal in the US, is expected to be completed by August end.

Sagar Cements acquires grinding unit from Toshali Cement for Rs.66-Cr

Sagar Cements announced the complete acquisition of grinding unit owned by M/s Toshali Cements for Rs 60 crore. "The board has accorded its 'in principle' approval for the acquisition of the entire assets in the grinding unit of 181,500 tons per annum capacity in Bayyavaram, Vizag district, Andhra Pradesh, owned by M/s Toshali Cements, Hyderabad, at a cost of around Rs 60 crore (including transaction cost)," Sagar Cements said in a BSE filing. Post acquisition, the company proposes to increase the capacity of the said unit to 300,000 tons per annum by optimizing the equipment already available with the company by infusion of funds to the extent of around Rs 6 crore.

Tata AutoComp to acquire Sweden's TitanX Engine Cooling

Tata Group auto component firm Tata AutoComp Systems said it will acquire engine cooling supplier TitanX for an undisclosed sum. Tata AutoComp Systems said in a statement that, TitanX is a leading engine and powertrain cooling solutions supplier to the commercial vehicle industry having plants across North America, South America, Europe and China with sales of approximately USD 200 million. TitanX is currently owned by EQT Opportunity and Fouriertransform.

US-based Speridian Tech acquires majority stake in banking software firm Sesame Software

US-based IT company Speridian Technologies has provided funding to Sesame Software, a financial technology solutions provider. The funding would make Speridian Technologies a majority stakeholder in the company. According to an official statement, the funding will be used for enhancing Sesame Software's industry presence. The investment amount remains undisclosed.

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