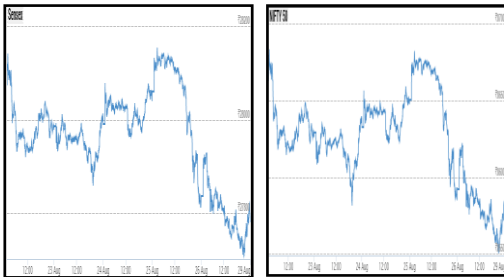


# THE FINANCIAL EDGE

29<sup>th</sup> August, 2016



For the week ended August 26, 2016

### Closing value as on 26-08-2016

Index	Value	% change
Sensex	27782.25	-1.05
Nifty	8572.55	-1.09
Nasdaq	5218.92	-0.37
Nikkei	16360.71	-1.12
Straits Times	2857.65	0.48
Hang Seng	22909.54	-0.12
FTSE 100	6838.05	-0.30
DAX	10587.77	0.41
Shanghai Composite	3070.31	-1.22

### Closing value as on 26-08-2016

Commodity	Value	% change
Gold (Rs./10 grams)	30990.00	-0.72
Silver (Rs./KG)	43977.00	-1.09
Crude Oil (Barrel)	3194.00	-2.14
Aluminium (Rs./KG)	109.55	-1.40
Copper (Rs./KG)	307.95	-3.83
Nickel (Rs./KG)	656.80	-4.91
Zinc (Rs./KG)	155.75	1.47
Natural Gas (Rs./MMbtu)	197.80	12.00

### Market Briefing

Benchmark indices BSE Sensex and NSE Nifty kicked off the week on a negative note in absence of any major trigger and in the back-drop of derivatives expiry on Thursday. Bears dominated bulls in the last few trading sessions as the 30-share index closed 294.75 points, or 1.05 %, down at 27,782.25 for the choppy week ended August 26, 2016. Likewise, the Nifty index closed 94.35 points down at 1.09% down at 8572.55. Selling pressure in capital goods, metal, realty and power stocks further dented market sentiments. Other than the BSE Consumer Durables index (up 0.82%) and BSE Oil & Gas index (up 0.54%), all other sectoral indices ended the week in red. The BSE Capital Goods index, BSE Metal index, BSE Realty and BSE Power index slipped by 2.99%, 2.70%, 1.96% and 1.88%, respectively. According to the data available with a corporate database Ace Equity, foreign Institutional Investors (FIIs) stood net buyers in equity segment in the week with gross purchases of Rs 20,154.42 crore and gross sales of Rs 20,055.66 crore, leading to a net inflow of Rs 98.76 crore. However, they stood as net sellers in the debt segment with gross purchases of Rs 7,214.12 crore against gross sales of Rs 7,939.51 crore, resulting in a net outflow of Rs 725.39 crore. Rupee depreciated by 0.14% to 67.03 on August 26 from 66.93 on August 19, according to the data available with RBI.

### Buzzing News for the week

#### Domestic

- ✓ Assets with portfolio managers up at Rs 11.2L cr in July-end
- ✓ FPI equity buys in India touch \$5.4 bn this year
- ✓ FPIs buy stocks worth \$6 bn in 2016; investors fear sharp fall
- ✓ FPIs stay bullish, pour Rs 8,000-cr in equities in Aug
- ✓ India Inc foreign borrowings down 44% at \$1.2 bn in July
- ✓ India's forex reserves increase to \$367 billion
- ✓ India's GDP to expand by 7.9% this financial year: Goldman Sachs
- ✓ July PE investments slump as big-ticket deals vanish
- ✓ Mutual Funds asset base from small towns rise by 19% to Rs 2 lakh cr
- ✓ PE inflows in real estate up 33% at Rs 5,193 cr in January-June
- ✓ RBI allows banks to raise Masala bonds, opens up currency market
- ✓ RBI norms on corporate bonds credit positive, says Moody's
- ✓ SEBI mulling relaxed norms for REITs, InvITs, startups listing

#### International

- ✓ Japan's August manufacturing output rises for first time in six months
- ✓ UK economy suffers little immediate Brexit hit, tests to come
- ✓ US economy grew at tepid 1.1 per cent pace in spring

## Mutual Fund Debt Schemes

Liquid Funds	NAV	1 Week	AUM (Cr.)	Floating Rate - Short Term	NAV	1 Week	AUM (Cr.)
KOTAK - LIQUID (G) (SUSP)	2863.46	7.05	7644	HDFC - FR INCOME FUND STP (G) (SUSP)	26.27	7.05	12991
SUNDARAM - MONEY FUND REG (G)	32.87	6.96	6996	SBI - SAVINGS FUND REG (G)	24.31	6.35	2367
AXIS - LIQUID FUND INST (G)	1727.74	7.30	12480	CAN ROBECO - SAVINGS PLUS REG (G)	24.40	7.36	987
HDFC - LIQUID FUND - (G)	3076.51	7.32	34194	BIRLA SL - FRF STP (G)(SUSP)	256.08	7.04	3798

*"In the short run, the market is a voting machine, but in the long run it is a weighing machine."*

*-Benjamin Graham*

## Strategic Investments

### Mobile wallet firm MobiKwik raises \$40-M from South Africa's Net1

Net1, a South African payment systems company, has invested \$40 million in mobile wallet MobiKwik. With this deal, MobiKwik will be integrating Net1's virtual card technology across all its wallets and extend its wallet services to all merchants. The company said that it will be using the funding to scale up in India and grow to a user base above 150 million and sign on 500,000 merchants. MobiKwik has a user base of 32 million and 100 retailers. It's competitor Paytm has more than 125 million users and xxx merchants signed on its platform.

### Puro Wellness bags Rs 250 crore from Torrent Group

Ruchir Modi's wellness startup Puro Wellness has raised Rs 250 crore from Torrent -the holding company of Gujarat-based conglomerate Torrent Group -in its pre-revenue stage. As per some investment banking executives, Torrent has taken a significant stake in Puro Wellness, which aims to develop nutritional supplements that are meal replacements for salt, sugar, spice, rice and other products. As per the executives cited earlier, the fund is for the venture's five year growth plan, but a large chunk of it will be utilised in the first year of operations.

### Times Group, HT Media to pick stakes in dairy company Kwality

Dairy company Kwality Ltd is raising an undisclosed amount in funding from media companies Bennett, Coleman & Co Ltd (BCCL) and HT Media Ltd. This is a rare instance of the two arch rivals investing together in a company. In a disclosure to the Bombay Stock Exchange, Kwality Ltd, earlier known as Kwality Dairy India Ltd, said it will be raising the funds through an issue of preferential allotment of equity shares, convertible warrants and compulsory convertible debentures to both the companies.

## Mergers & Acquisitions

### Allcargo forms JV with CCI Logistics Group

Avvashya Group, which comprises logistics major Allcargo Logistics and ECU Worldwide, has announced a joint venture with CCI Logistics Group to consolidate its contract logistics business in India. The new entity, Avvashya CCI Logistics Private Ltd., will integrate three business entities — the Warehousing division of CCI Logistics Ltd., Hindustan Cargo Ltd. and the Contract Logistics Division of Allcargo Logistics. As per the agreement, Allcargo promoters will hold 62 per cent share and CCI promoters 38 per cent share in the joint venture company.

### CureFit invests \$3 million in fitness startup Cult

CureFit, a healthcare and fitness startup founded by former Flipkart executives Mukesh Bansal and Ankit Nagori, has invested \$3 million for a controlling stake in Cult, a company that provides training without using machines. Cult will continue to run as an independent company, officials said. Bansal had invested an undisclosed amount in Bengaluru-based Cult in a personal capacity five months ago.

### Fortis Healthcare approves demerger of diagnostics business

Fortis Healthcare Limited announced that its board has approved demerger of its diagnostic business into listed subsidiary Fortis Malar Hospitals through a composite scheme of arrangement and amalgamation. Amove aimed at creating a separate listed entities — Fortis Healthcare Limited and SRL Limited. Under the proposed scheme, SRL, which is engaged in diagnostic business and is a subsidiary of Fortis Healthcare, will be hived off and merged with Fortis Malar, which is also a majority owned by Fortis Healthcare and listed on the BSE.

### Nava Bharat divests Laos project to Chaleun Sekong Group

Nava Bharat Ventures Ltd has informed the BSE that Nava Bharat (Singapore) Pte Ltd (NBS) has exited from the Laos hydro power project by entering into an agreement with Chaleun Sekong Group of Laos for sale of entire equity stake of Nava Bharat Lao Energy Pte Ltd (an intermediate holding company of the Namphak Power Company Ltd for the Laos hydro power company). The sale process being completed in two tranches with the CS Group is seen to be profitable and is considered a step in the right direction considering the deployment of resources and capital allocations.

### Thomas Cook to buy out 24% stake held by minority promoters in Sita World Travel Lanka

Thomas Cook Lanka Pvt. Ltd. has entered into a share purchase agreement (SPA) for acquiring 24 per cent stake in Sita World Travel Lanka Pvt Ltd. The company in a communication to BSE said that "Thomas Cook Lanka (Private) Limited, a wholly owned subsidiary of Thomas Cook (India) Limited, has entered into a Share Purchase Agreement (SPA) for the purpose of acquiring 24 per cent (twenty four percent) of the issued, subscribed and paid up share capital of Sita World Travel Lanka Pvt Ltd. by way of purchase from the minority promoters. The balance 76 per cent is held by SOTC Travel Service Pvt. Ltd. which is a subsidiary of Thomas Cook (India) Ltd. and Travel Corporation of (India) Ltd.No financial details are available.