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WEEKLY


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Weekly Market Perspective

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NIFTY Slips below 5000

Key benchmark indices slumped as macroeconomic worries and weak global stocks hurt investor sentiment. The 50-unit S&P CNX Nifty fell below the psychological 5,000 mark. The market fell in four out of five trading sessions in the week ended Friday, 11 May 2012. The latest domestic data showed industrial production contracted 3.5% from a year earlier in March as manufacturing output shrank, deepening worries of a slowdown in the economy. The last time industrial output contracted was in October 2011, when production fell 5%. Economic uncertainty in the Euro zone returned as Greece has been unable to form a government since May 6 elections and Spain took control of the nation's fourth- biggest bank this week, putting the country at risk of bankruptcy. The 50-unit S&P CNX Nifty dropped 157.95 points or 3.1% to 4,928.90, its slowest closing level since 16 January 2012. The BSE Mid-Cap index fell 2.49% and the BSE Small-Cap index shed 2.93%. Both these indices outperformed the Sensex. Among the data to watch for next week, the government will announce inflation data for the month of April 2012 on Monday, 14 May 2012. The annual rate of inflation based on the Wholesale Price Index (WPI) is seen easing to 6.6% in April 2012

DOW logs worst week in 2012

US markets fell last week on European worries. Materials led the weekly decliners, while telecom finished higher among the key S&P sectors. Result season remains good with 66.4 percent of companies exceeding estimates according to Thomson Reuter's data among 450 of the S&P 500 companies. Face book IPO is oversubscribed and likely to get listed on May 18. JP Morgan shares were under pressure after the company report \$2 Billion loss due to failed hedging strategy on its proprietary trading book. Markets will take leads from Euro zone development next week and individual companies will be reacting to their results.

MARKET SYNOPSIS**WEEKLY INDICES CHANGE**

BSE	16292.98	▼538.10
NSE	4928.90	▼157.95

INSTITUTIONAL INVESTMENTS

DATE	FII (Net) ₹ Cr	MF(Net) ₹ Cr
07/05	-830	+273
08/05	-398	+257
09/05	-376	+162
10/05	+317	-143
11/05	+158	-243

Ex-Date	Company	Corporate Action
16/05	Raymond	Div Rs 2.50
17/05	DIC India	Div Rs 4
24/05	Oil Country Tubular	Div Rs 2
24/05	Infosys	Div Rs 32
28/05	RIIL	Div Rs 3.50
30/05	VTM	Div Rs 4.00
31/05	ICICI Bank	Div Rs 16.50
31/05	Reliance Industries	Div Rs .50
06/06	Gruh Finance	Div Rs 11.5
07/06	Navin Fluorine Internat	Div Rs 66.5

DATA TO BE WATCHED

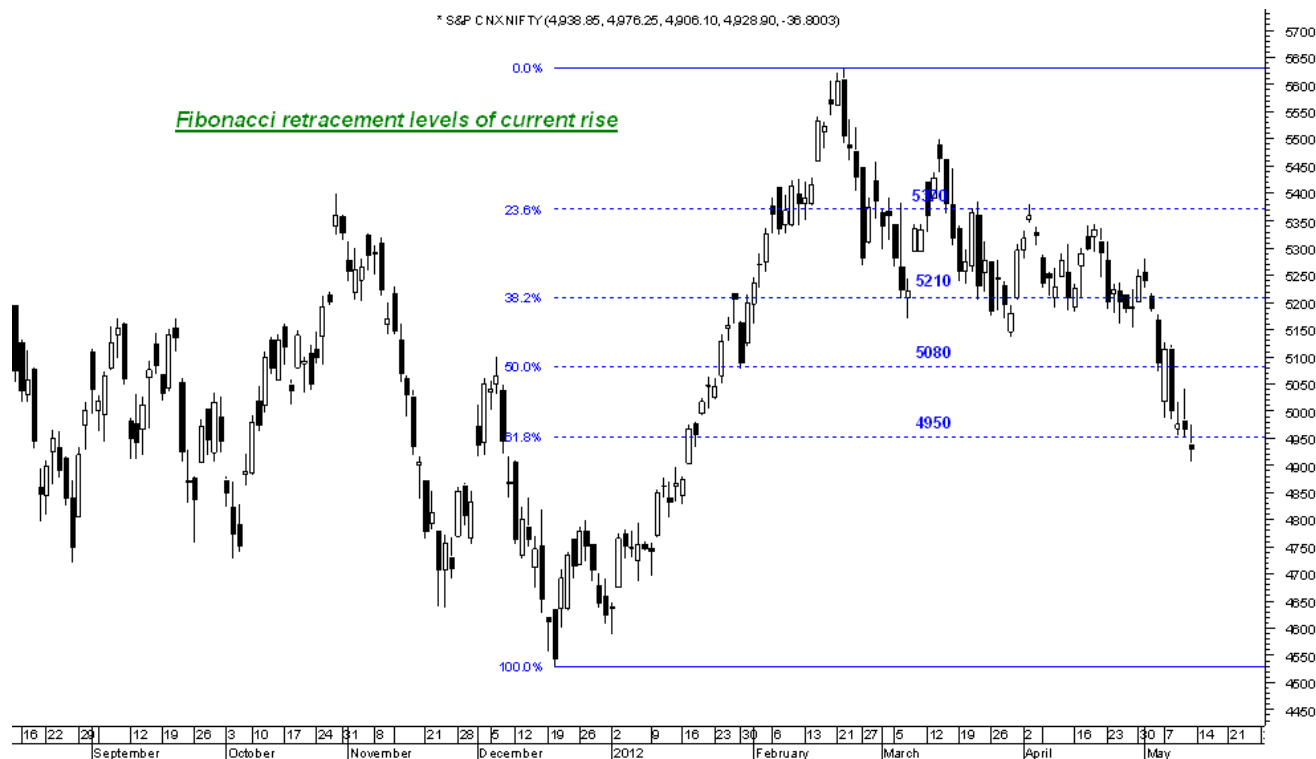
14May	Monthly Inflation	India
15May	Q1 GDP	Germany
15May	Consumer Price Index	U.S
15May	Manufacturing Index	U.S
15May	Business Inventories	U.S
15May	Retail Sales	U.S
16May	Mortgage Applications	U.S
16May	Industrial Production	U.S
16May	Crude Oil Stocks change	U.S
17May	Leading Indicators	U.S
17May	Manufacturing Survey	U.S
18May	Producer Price Index	U.S

Technical Outlook- Nifty

* S&P C NX NIFTY(4938.85, 4978.25, 4906.10, 4928.90, -38.8003)



- In 2011 down trend, Nifty was moving within a channel and during February 2012, the market gave an upward breakout from the channel.
- The upper band of the channel around 4920-4930 may act as a strong support in further down move.
- Fibonacci retracement sketched in Nifty between 6338 levels and 4531 levels (2011 fall), suggests the crucial 38.2%,50% and 61.8% retracement levels will come around 5220,5440 and 5650 respectively may act as next resistance.
- Fibonacci retracement levels of recent rise may act as a support in a down move. The relative values are as follows.
 - 0% : 5630
 - 23.6% : 5370
 - 38.2% : 5210
 - 50% : 5080
 - 61.8% : 4950
 - 100% : 4531



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