



**NIRMAL BANG**  
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# Time to book profit

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## Market Driving Factors

***1. Fundamental***

***2. Liquidity***



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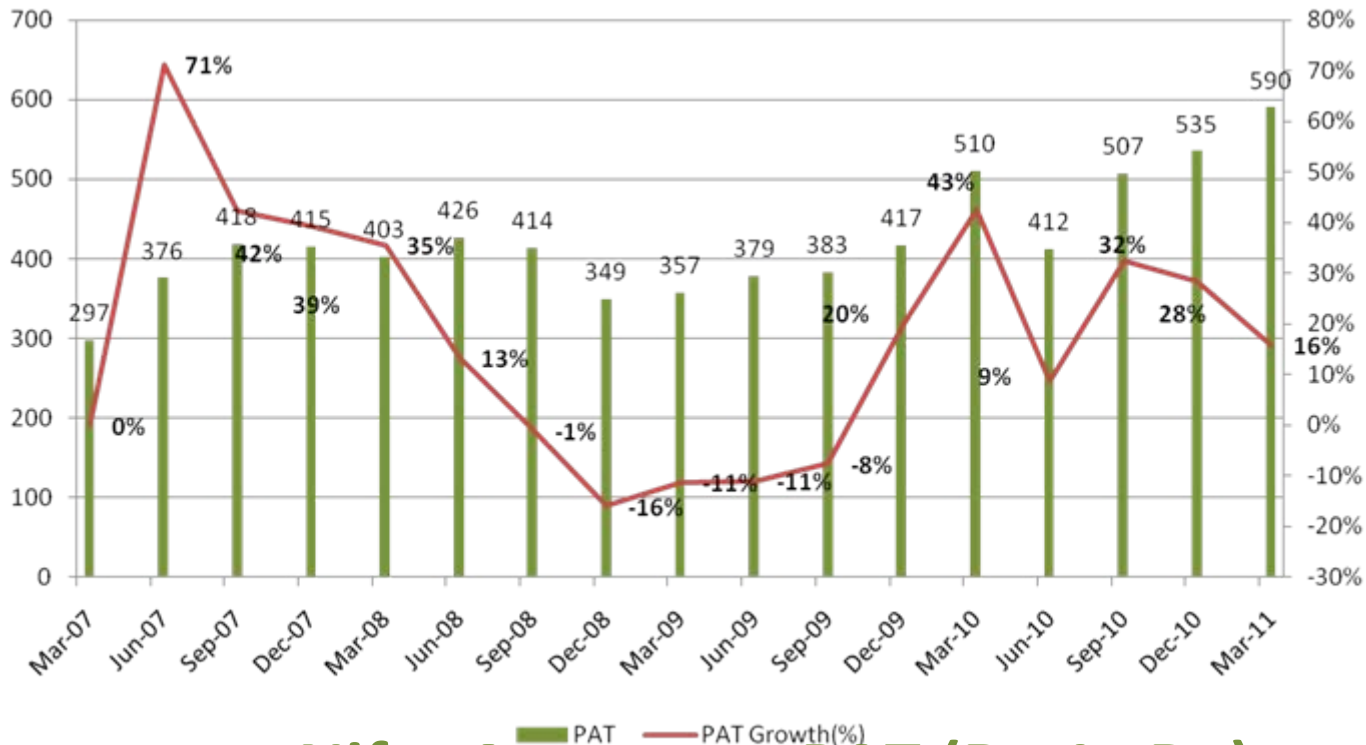
## Fundamental

*Expected Nifty Result – Growth Not so rosy YOY growth cooling off*

No of company (Nifty)	50
Expected PAT (Rs. Bn)	590.1
YoY Increase	15.7%
QoQ increase	10.2%



## Fundamental – Nifty Result – Higher base for next year



**Nifty Aggregate PAT (Rs. In Bn)**



## Fundamental - Q1 is likely to see margin pressure

Sector	Weightage	Q4FY11	Q1FY12
Financials	26.54	Neutral	Negative
Oil	14.58	Neutral	Neutral
IT	14.30	Positive	Neutral
Metal	8.10	Positive	Negative
Auto	7.39	Neutral	Negative
FMCG	7.18	Negative	Negative
Construction	6.26	Neutral	Neutral
Power	3.80	Negative	Neutral
Pharma	3.43	Negative	Neutral
Telecom	2.90	Positive	Positive
Capital goods	2.75	Negative	Negative
Cement	2.24	Neutral	Negative
Real Estate	0.54	Neutral	Neutral
Total	100	4	6



## Interest rate will continue to remain high

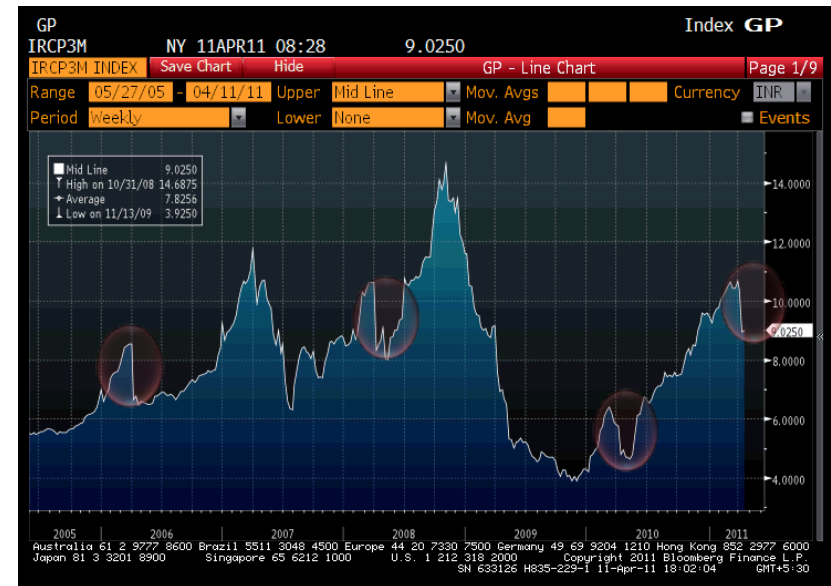
> *At current Crude oil price the oil subsidy burden will be over Rs.150000cr and against this only Rs.21000cr has been provided in budget*

➤ *RBI is further likely to increase policy rates*

➤ *Food inflation continue to remain high*

➤ *Manufacturing inflation has also started increasing.*

➤ *Recent decline in interest rate is only year end correction.*



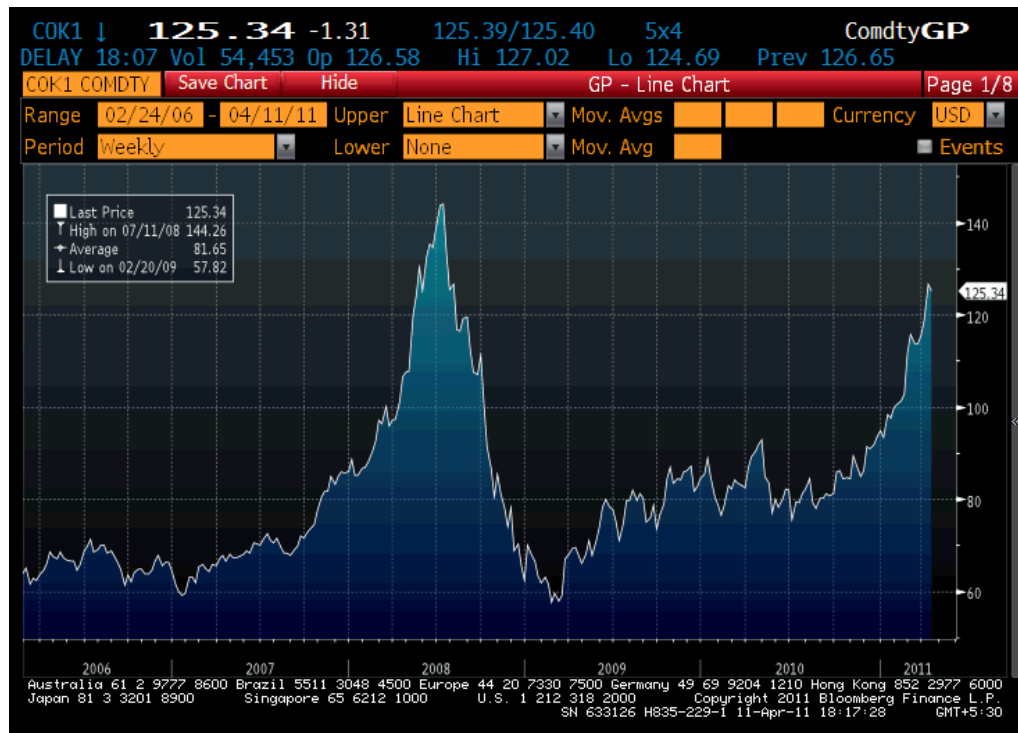


## Oil is again boiling

2/3 of India import is Crude Oil

Oil is moving up more because of dollar depreciation and US growth than geo-political issue.

Oil is likely to disrupt fiscal deficit and increase inflation





## Liquidity

- > *Liquidity has come in due to dollar depreciation*
  - *All other Central Bank have started increasing interest rate except US, UK, & Japan*
  - *for time being dollar looks over sold and can bounce back*
  - *Liquidity has also flown into Crude oil*
  - *Crude oil is at a level not desirable for India*



Dollar ↓ Oil up ↑ Indian Equity → or ↓

Dollar ↑ Indian equity ↓



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# THANK YOU

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