

Financial Pulse 4.0



January, 2014

2014: The year in which fortunes turned

The year 2014 turned out to be much better for financial markets and the Indian economy than what most people had anticipated in the beginning. The stock market has had its best run since 2009; current account deficit is now under control, resulting in much needed stability in the currency market; and the pace of disinflation, especially in later half of the year, has opened up the possibility of an interest rate cut, possibly in the first quarter of 2015. The biggest development of 2014, however, was the change of government at the Centre after 10 years. Read more at: http://www.livemint.com/Money/FD9CJJIwExrfPAIKMims3I/2014-The-year-in-which-fortunes-turned.html?utm_source=copy



Falling rouble and oil oil stock, currency markets

Apprehensions of a possible repeat of the 1998 Russian financial crisis following a 20% fall in the rouble, and the persistent decline in global crude oil prices to below \$60 per barrel, spooked global markets late on Monday and on Tuesday, leading to sharp cuts in world equities including in India where the Sensex plunged 538.12 points to end at 26,781.44.



Read more at: <http://www.financialexpress.com/article/markets/fall>

Commodities Trade Boards to get Facelift for Improved Efficacy

Commerce & industry minister Nirmala Sitharaman has sought more accountability and better results through amendment to the archaic Acts that govern the boards. The Centre has decided to recast the boards governing trade of commodities such as tea, coffee and spices to make them more performance-oriented and accountable at a time when global competition is fast intensifying.

Read more at: <http://epaperbeta.timesofindia.com//Article.aspx?eid=31816&articlexml=Commodities-Trade-Boards-to-get-Facelift-for-Improved-18122014008005#>



Sensex rallies over 100 points; top 20 intraday trading ideas

The S&P BSE Sensex managed to rally as much 124 points in trade on Wednesday after opening on a muted note, led by gains in ICICI Bank, RIL, Axis Bank and TCS. Tracking the momentum, the 50-share Nifty index also bounced back from lows and was trading well above its crucial psychological level of 8250, supported by gains in banks, consumer durable, metal, oil & gas and metal stocks

Read more at:



http://economictimes.indiatimes.com/articleshow/45699929.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Core growth hits 5-mth high of 6.7% | Fiscal deficit at Rs 5.25L cr

Reflecting tight financial position of the central government, fiscal deficit at Rs 5.25 lakh crore as of November-end almost touched 99 per cent of the full year target of Rs 5.31 lakh crore. As per the data released by Controller General of Accounts today, the fiscal deficit during April-November period was 98.9 per cent of the 2014-15 estimate, mainly because of subdued revenue realisation.



Read more at:

http://economictimes.indiatimes.com/articleshow/45703398.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Stock market investors richer by Rs 28 lakh crore in 2014

Stock market investors became richer by a whopping Rs 28 lakh crore in 2014 as a record market rally boosted the valuation of all listed firms to Rs 98.36 lakh crore at the end of year. This was the fourth consecutive year of rise in investor wealth. The year also saw investor wealth hitting Rs 100 lakh crore mark.

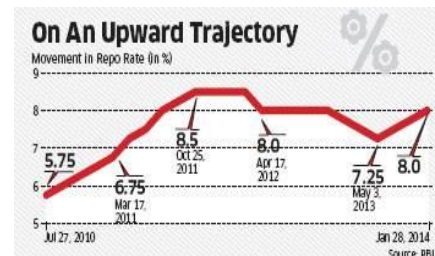
Read more at:

http://economictimes.indiatimes.com/article/show/45704841.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst



Interest rate cuts might not be imminent: Reserve Bank of India

In the report released on Monday, RBI has said, "latest projections suggest that CPI (Consumer Price Index) inflation over the next 12 months may hover around 6% if the international crude prices remain around the current levels and the monsoon next year turns out to be normal".



Read more at:

http://economictimes.indiatimes.com/articleshow/45695969.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Now, post offices can provide ATM cards, account statements

Post offices moved a step closer to becoming banks. The government has allowed certain eligible branches to issue ATM cards to their account holders and also account statements instead of giving out passbooks, as most private sector banks do. On Tuesday, the government issued a gazette notification amending the Post Office Savings Bank General Rules, 1981. The rules will come into force immediately. These facilities will be available to the branches that are working on core banking solution software, essentially branches that part of an electronic network.



Read more at:

http://economictimes.indiatimes.com/articleshow/45697591.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Founding Promoter Ajay Singh To Partner JP Morgan Chase For SpiceJet Revival

As the no-frill carrier Spicejet struggles to stay afloat, it has submitted a revival plans which would see founding promoter Ajay Singh making a come-back into his venture backed by JP Morgan Chase.

Read more at:

<http://www.dealcurry.com/2014/12/29-Founding-Promoter-Ajay-Singh-To-Partner-JP-Morgan-Chase-For-SpiceJet-Revival.htm>



After 20 years, Rs. 1 paper notes to make a comeback

The Government has notified 'Printing of One Rupee Currency Notes Rules, 2015', which will come into effect from January 1, 2015.



Due to higher cost and for freeing capacity to print higher denomination notes, printing Rs. 1 note was discontinued in November 1994, followed by Rs. 2 in February 1995, and Rs. 5 in November 1995.

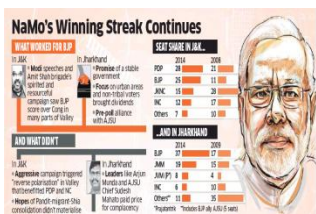
However, old notes are still in circulation and remain legal tender.

Read more:

<http://www.thehindubusinessline.com/todays-paper/after-20-years-rs-1-paper-notes-to-make-a-comeback/article6726253.ece>

Modi Takes Jharkhand But Doesn't Go Beyond Jammu

Prime Minister Narendra Modi's winning streak seems to be continuing -BJP has emerged as the biggest party in terms of vote share in the hung assembly of Jammu & Kashmir and won a majority in Jharkhand along



with pre-poll ally, the All Jharkhand Students Union.

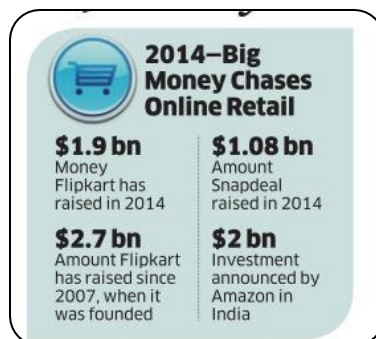
Read

more:

<http://www.thehindubusinessline.com/todays-paper/bjp-bags-jharkhand-makes-a-mark-in-jk/article6720686.ece>

Flipkart collects \$700 million more, closes year with \$1.9 billion

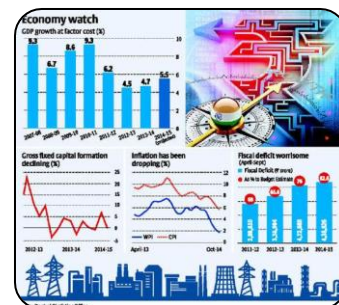
Flipkart has raised \$700 million (~4,300 crore), less than six months after the country's largest e-tailer surprised with the largest fund-raising so far - \$1 billion - by an Indian online retailer, reflecting the investor confidence in the fiercely competitive e-commerce space.



Significantly, this latest round of raising funds -which the company closed on Saturday and saw participation from five new global investors -also underlines e-commerce companies' desire to seek funds to keep up with their discount-led pricing model. Read more at: <http://epaperbeta.timesofindia.com//Article.aspx?eid=31816&articlexml=Flipkart-collects-700-million-more-closes-year-with-21122014002016>

Meeting fiscal deficit target a challenge, says FinMin report

The Finance Ministry's *Mid-Year Economic Analysis* has stated that meeting the 4.1 per cent fiscal deficit target for 2014-15 is a "major challenge". However, the Centre said it was "committed" to achieving the target despite challenges such as weaker economic growth and lower-than-anticipated revenue collections so far this fiscal year. "The



overall economic outlook has improved (in recent weeks). We are committed to achieving the 4.1 per cent fiscal deficit target despite unusual challenging circumstances,” Arvind Subramanian, Chief Economic Advisor, told the media on Friday after Finance Minister Arun Jaitley had tabled the *Mid-Year Economic Analysis 2014-15* report in the Lower House. Read more at: <http://www.thehindubusinessline.com/todays-paper/meeting-fiscal-deficit-target-a-challenge-says-finmin-report/article6709668.ece>

Myntra Bets on 'McKinsey Talent' to Up Market Share

Execs to increase sale of 10 in-house brands, raise online market share from present 30%. Myntra, India's leading online fashion store, has reposed its faith in former McKinsey executives to garner a larger share of the rapidly growing market for online fashion retail. The Bengaluru-based retailer, which has been acquired by Flipkart, has rewarded some of these executives with plum salaries and designations, including senior vice president, according to people familiar with the matter.



Read more at:

<http://epaperbeta.timesofindia.com//Article.aspx?eid=31816&articletext=Myntra-Bets-on-McKinsey-Talent-to-Up-Market-19122014006005>

The deadline for exchanging pre-2005 currency notes of various denominations, including Rs 500 and Rs 1,000, has been extended by another six months till June, 30, 2015.

Barely a month after selling its hydropower projects, debt-ridden **Jaiprakash Associates Ltd** on Tuesday sealed a deal with **UltraTech Cement** to divest two of its cement units in Madhya Pradesh. The enterprise value of the deal is Rs. 5,400 crore.

For infra sector, 5:25 rule comes as a breath of fresh air

Amid stalled projects, mounting bad loans and bleak signs of economic recovery, banks and corporates have some reason to cheer as the Reserve Bank of India eased norms on infrastructure loans this week. In order to tide over stressed assets, including restructured loans estimated at Rs. 6 lakh crore, or nearly a tenth of total loans, the RBI on Monday relaxed norms for structuring of existing long-term project loans to infrastructure and core industries. Read more at: <http://www.thehindubusinessline.com/todays-paper/tp-money-banking/for-infra-sector-525-rule-comes-as-a-breath-of-fresh-air/article6698937.ece>

AGI Infra Plans SME IPO

Punjab based AGI Infra is planning to raise R14.99 Cr by issuing 27.76 Lakh equity shares to the public at a unit price of R54. Aryaman Financial Services is managing the issue for AGI Infra. With the IPO proceeds, the company plans to finance the construction of 215 residential flats in its ongoing project Jalandhar Heights and repaying part of its debt.

Read more at:

<http://www.dealcurry.com/20141230-AGI-Infra-Plans-SME-IPO.htm>

Government to take up 36 FDI proposals on January 22

The first meeting of the Foreign Investment Promotion Board this year, to be held on January 22, will see 36 FDI proposals being considered including those of Indian Energy Exchange, Viacom 18 Media, Glenmark Pharmaceuticals and Johnson & Johnson. Recently, the government has taken several steps to boost FDI inflow into the country. It has de-licensed several defence products for private players, besides hiking the foreign investment cap to 49 per cent in the sector.

FINANCIAL PULSE 4.0

Top Performers (All Companies)

Company	CMP	Gain Percent
Max India	465.20	18.73%
Aban Offshore	593.60	15.20%
Aarti Drugs	1000.00	14.25%
MPS	844.00	11.46%
8K Miles Soft	807.00	11.09%

Worst Performers (All Companies)

Company	CMP	Loss percent
HOEC	29.00	20.77%
20 Microns	26.00	15.03%
HimadriChem	20.55	16.63%
MTNL	24.05	13.02%
Allahabad Bank	119.00	11.26%

Top Performing sectors

Sector	Gain percent
Airlines	4.79%
paint	4.33%
rubber	3.80%
shipping	3.13%
Printing and stationary	2.91%

Worst Performing Sectors

Sector	Loss percent
hotels	1.07%
petrochemicals	0.20%

Healthcare

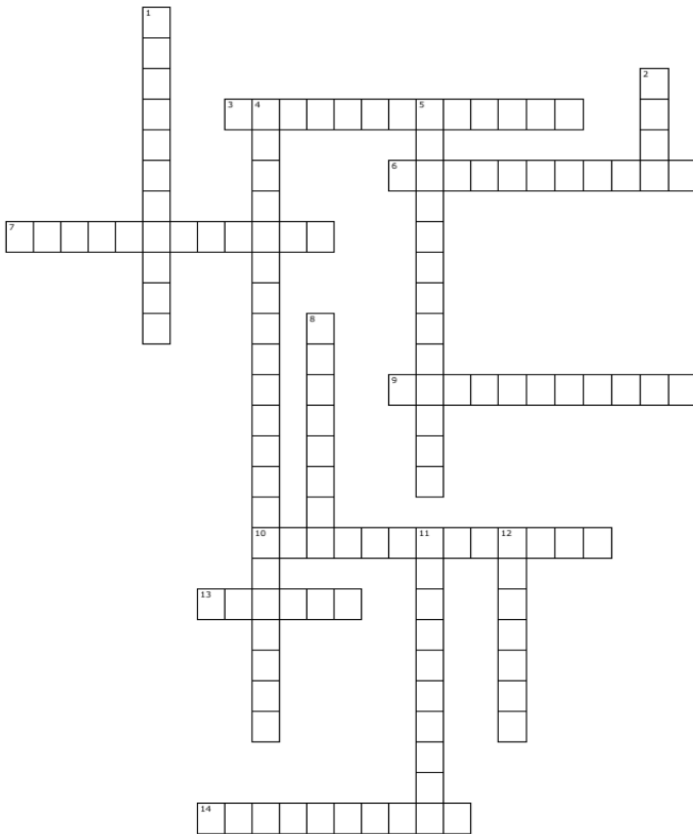
0.10%

Exchange Rates

	Indian Rupee
US dollar	63.28
Euro	75.94
British Pound	97.00
Australian dollar	51.22
Canadian dollar	53.70
Emirati dirham	17.23
Swiss franc	63.18
Chinese Yuan	10.19
Malaysian ringgit	17.99

Commodities

	Price	Unit
Gold	26,730.00inr	10 gm
Silver	36,235.00 inr	1 Kg
Crude oil	\$52.64	1 barrel



**Last Edition Crossword
Winner:**

Deepshikha

(MBE 2013-15)

**Send us in your answers latest by January 8'
2015.**

Winner would be declared in the next issue.

Across

- 3. Selling of shares of PSUs to private sector
- 6. A situation where a business funds growth purely through personal finances and revenue from the business
- 7. The process of expensing for intangible assets over a period of time
- 9. A Financial Record
- 10. An over-the-counter marketplace that sets the price of a financial instrument or asset for future delivery
- 13. Break a promise or contract
- 14. An asset that is currently being used as security or collateral for a loan

Down

- 1. Central bank of Japan
- 2. An exchange of one financial instrument for another between the parties concerned at a predetermined time
- 4. The first sale of stock by a private company to the public
- 5. where shares are bought and sold
- 8. Total sales of a company
- 11. A company's attempt to decrease its financial debt
- 12. Money paid to owner of copyright or patent