

MARKET OUTLOOK POST GENERAL ELECTIONS RESULT 2009 (16th May 2009)

GENERAL ELECTIONS RESULT 2009

PARTY	WIN	LEAD	WIN+ LEAD	SEAT CHANGE
UPA	18	232	250	68
NDA	11	146	157	-13
THIRD FRONT	5	71	76	-26
FOURTH FRONT	0	23	23	-38
OTHER PARTIES	1	31	32	09

(16th May 2009, 4:30 PM)

TOTAL NUMBER OF SEATS: 543

NUMBER OF MAJORITY SEATS REQUIRED: 272

BREAK UP OF GENERAL ELECTIONS 2009

Finally the day that counts is here. What happens today is likely to shape the future of the nation. The UPA or the United Progressive Alliance – formed with a majority of Congress party, sprang a surprise when they snatched victory from the defeat predicted by the poll pundits. The Indian electorates have matured and they have given a result that is more or less based on performance than anything else.

India's ruling party Congress (INC) has won around 250 seats out of the 543 parliamentary seats up for grab in 2009 India Elections, beating out the main opposition bloc led by the Bhartiya Janata Party (BJP). While, short of majority the result means incumbent Prime Minister, Dr. Manmohan Singh, will form the 18th Indian government.

UPA (Total 250 seats)

Party	Win	Lead	Win Lead	Seat Change
CONG	55	142	197	52
DMK	8	10	18	2
NCP	4	5	9	0
TC	1	18	19	17
JMM	0	2	2	-3
NC	2	1	3	1
OTHERS	1	1	2	1

NDA (Total 159 seats)

Party	Win	Lead	Win Lead	Seat Change
BJP	38	80	118	-20
JD(U)	0	21	21	13
SS	1	9	10	-2
SAD	1	3	4	-4
AGP	0	2	2	0
INLD	0	0	0	0
RLD	2	2	4	1

THIRD FRONT (Total 71 seats)

Party	Win	Lead	Win Lead	Seat Change
Left	7	14	21	-32
BSP	4	20	24	5
JD(S)	3	0	3	0
AIADMK	3	4	7	7
TDP	1	4	5	0
TRS	0	2	2	-3
OTHERS	5	4	9	0

FOURTH FRONT (Total 24 seats)

Party	Win	Lead	Win Lead	Seat Change
SP	0	22	22	-14
RJD	0	2	2	-22
LJP	0	0	0	-4

OTHERS (Total 35 seats)

Party	Win	Lead	Win Lead	Seat Change
IND	0	9	9	4
HJC(BL)	0	1	1	1
SDF	1	0	1	0
PRP	1	0	1	1
AUDF	0	2	2	2
BJD	0	14	14	3
OTHERS	4	3	7	1

UPA government without support of Left & Maya

This will cheer the market. UPA may have hurdles like Mamta, Mulayam etc but in last 5 year congress managed coalition very well and expectation of stable government is already very high with increased share of congress in pie. Various legislation relating to insurance, pension, labor, banking etc which congress was willing to pass but was not able to clear because of hurdle from alliances are likely to get cleared. The expectation of managing the huge fiscal deficit by new government under the leadership of Dr. Manmohan Sing will improve. World will see more stability in India and fund will flow towards India. We have seen the appetite of foreign investor in recently concluded DLF block deal. Lot of money is waiting to enter Indian market and we may see near term strong rally not only for Monday but even thereafter.

The sectors which will be immediately gets benefit because of stable UPA government without Left support are:

Major Beneficiary	Less Beneficiary	Neutral
Construction	Steel	FMCG
Power (Construction & Eng)	Auto	Pharma
Power (Generation)	Tourism	Telecom
Infrastructure development	Textile	IT
Banking	Cement	Non Ferrous Metals
Railway	Real Estate	Entertainment
Fertilizer		
Education		
Government company with Dis-investment possibilities		

Our top picks are: Reliance Industries, Reliance Infra, ICICI Bank, Axis Bank, Bank of Baroda Canara Bank, IDFC, Patel Engineering, Shiv-Vani Oil, Lanco Infra, Sterlite Technology, & Sintex Industries.

Sector & Companies with Positive Outlook:

Company Name	Equity	Face Value	CMP	52 L	52 H	Market Cap	Book Value	PE	P/BV	Div. Yield
Banking & Finance										
ICICI Bank	1113.3	10	575	253	955	63951	445	17.0	1.3	1.9
HDFC Bank	425.5	10	1185	774	1562	50405	344	22.5	3.4	0.7
Axis Bank	359.4	10	660	279	917	23701	284	13.5	2.3	1.5
Kotak Mah. Bank	345.7	10	506	208	779	17526	110	63.4	4.6	0.1
Federal Bank	171.0	10	193	111	256	3297	229	6.7	0.8	2.1
Yes Bank	297.0	10	95	41	174	2835	55	9.3	1.7	0.0
IndusInd Bank	355.0	10	42	26	92	1496	40	10.1	1.0	1.4
ING Vysya Bank	102.6	10	130	103	309	1335	156	7.1	0.8	1.2
Karnataka Bank	121.6	10	90	55	215	1094	113	4.5	0.8	5.6
South Ind.Bank	113.0	10	66	43	127	748	114	3.8	0.6	4.5
City Union Bank	32.0	1	16	11	34	501	18	4.0	0.9	3.2
D C B	174.3	10	27	14	95	466	36	0.0	0.7	0.0
St Bk of India	634.9	10	1314	894	1710	83312	913	9.1	1.4	1.6
Punjab Natl Bank	315.3	10	575	286	589	18131	342	6.5	1.7	2.3
Bank of India	525.2	10	247	180	362	12922	212	4.3	1.2	1.6
Bank of Baroda	367.0	10	342	181	348	12562	310	5.8	1.1	2.3
Canara Bank	410.0	10	229	135	250	9387	245	4.5	0.9	3.5
Union Bank (I)	505.1	10	175	96	183	8824	141	5.1	1.2	2.3
Indian Bank	429.8	10	102	64	148	4347	128	3.5	0.8	4.0
Indian Overseas	544.8	10	66	38	151	3596	109	2.8	0.6	5.3
Oriental Bank	250.5	10	143	95	212	3594	258	4.0	0.6	3.3
Corporation Bank	143.4	10	246	155	358	3500	341	3.9	0.7	4.3
Syndicate Bank	522.0	10	62	38	79	3210	88	3.5	0.7	4.6
Andhra Bank	485.0	10	66	35	85	3189	75	4.9	0.9	6.1
Allahabad Bank	446.7	10	60	37	92	2667	111	3.6	0.5	4.2
Central Bank	404.1	10	53	30	95	2128	86	3.7	0.6	3.8
UCO Bank	549.4	10	33	22	48	1824	51	3.8	0.7	3.0
J & K Bank	48.5	10	357	210	754	1719	470	4.4	0.8	4.4
Vijaya Bank	433.5	10	27	20	53	1188	49	4.5	0.6	7.3
Dena Bank	286.8	10	39	24	62	1116	68	2.6	0.6	2.6
Bank of Maha	430.5	10	26	19	52	1100	48	2.9	0.5	7.8
I D F C	1295.3	10	95	44	171	12286	47	16.7	2.0	1.3
H D F C	284.5	10	1939	1116	2820	55067	462	24.1	4.2	1.3
LIC Housing Fin	85.0	10	369	151	420	3131	263	5.9	1.4	2.7

Company Name	Equity	Face Value	CMP	52 L	52 H	Market Cap	Book Value	PE	P/BV	Div. Yield
Construction										
Larsen & Toubro	117.1	2	989	557	1523	57876	163	23.4	6.1	1.7
Jaiprakash Assoc	236.8	2	141	47	272	16644	43	18.9	3.3	0.7
Punj Lloyd	60.7	2	132	67	356	4003	79	10.4	1.7	0.3
IRB Infra	332.4	10	110	65	213	3648	41	477.2	2.7	0.0
IVRCL Infrastruc	26.7	2	162	57	440	2169	120	9.8	1.4	0.9
Nag. Constructn.	45.8	2	83	34	208	1908	68	11.3	1.2	1.6
Hind.Construct.	25.6	1	61	29	139	1568	39	12.5	1.6	1.3
Patel Engg.	6.0	1	218	103	585	1299	141	8.5	1.5	0.7
Era Infra Engg	28.7	2	75	62	131	1078	62	5.3	1.2	0.5
Gammon Infra	144.4	10	72	35	176	1049	33	90.8	2.2	0.0
Simplex Infra	9.9	2	217	102	630	1045	148	8.4	1.4	0.9
Gammon India	17.5	2	95	47	430	832	112	15.8	0.8	0.5
Sadbhav Engg.	12.5	10	483	220	1080	608	226	10.3	2.2	0.8
C C C L	37.0	10	141	105	685	526	138	7.6	1.0	1.8
B.L.Kashyap	10.3	5	248	86	1550	513	195	4.6	1.3	1.6
Himadri Chemical	31.9	10	128	67	460	407	101	4.5	1.3	1.6
Madhucon Project	7.4	2	87	42	525	319	146	6.5	0.6	0.7
Unity Infra	13.4	10	131	67	575	175	266	2.5	0.5	3.1
Education										
Educomp Solution	17.3	10	2376	1331	4185	4111	233	32.1	10.2	0.1
Aptech	46.5	10	117	51	268	541	35	21.7	3.3	0.0
Everonn Systems	15.1	10	166	79	857	251	123	9.7	1.4	0.0
Fertilizer										
Chambal Fert	416.2	10	48	30	96	1987	30	8.9	1.6	3.8
Coromandel Fert	28.0	2	140	74	200	1961	81	4.9	1.7	2.5
Nag. Fert & Chem	428.2	10	24	13	52	1015	21	31.2	1.1	0.0
Zuari Inds.	29.4	10	215	113	347	633	315	6.8	0.7	1.4
Deepak Fert	88.2	10	69	40	116	609	79	4.3	0.9	5.1

Company Name	Equity	Face Value	CMP	52 L	52 H	Market Cap	Book Value	PE	P/BV	Div. Yield
Central Government Co.										
O N G C	2138.9	10	813	538	1124	173879	330	10.5	2.5	3.9
NTPC	8245.5	10	188	113	206	154685	66	20.8	2.9	1.9
NMDC Ltd	396.5	1	222	115	515	87065	21	19.9	10.5	1.8
MMTC	50.0	10	0	9125	28050	83962	230	478.6	73.0	0.1
B H E L	489.5	10	1707	984	1910	83581	220	28.8	7.8	0.9
I O C L	1192.4	10	428	299	467	51063	345	0.0	1.2	1.3
S A I L	4130.4	10	122	55	191	50515	56	7.4	2.2	3.0
Power Grid Corpn	4208.8	10	101	52	105	42404	33	32.2	3.1	1.2
GAIL (India)	1268.5	10	270	165	298	34179	103	11.8	2.6	3.7
Power Fin Corpn	1147.8	10	174	86	180	19954	100	14.7	1.7	2.0
Natl. Aluminium	644.3	10	281	108	566	17992	138	11.3	2.0	2.1
Hind.Copper	462.6	5	0	70	367	15918	11	358.4	16.3	0.0
Neyveli Lignite	1677.7	10	92	45	155	15452	54	11.0	1.7	2.2
B P C L	361.5	10	370	206	423	13390	323	0.0	1.1	1.1
Container Corpn	130.0	10	872	540	925	11293	295	13.8	2.9	2.1
Rural Elec Corpn	858.7	10	118	54	129	10059	63	11.2	1.9	2.6
Mangalore Ref.	1752.9	10	51	30	95	8984	22	11.1	2.4	2.3
H P C L	339.3	10	260	164	306	8801	311	0.0	0.8	1.2
Bharat Electron	80.0	10	993	545	1298	7890	499	9.8	2.0	2.1
Petronet LNG	750.0	10	57	30	78	4238	26	8.2	2.1	2.7
S C I	423.5	10	95	67	201	4027	133	4.2	0.7	8.9
Engineers India	56.2	10	602	300	690	3383	205	12.9	2.9	1.8
R C F	551.7	10	49	25	76	2687	28	12.0	1.7	2.1
BEML Ltd	41.6	10	541	280	1210	2253	410	10.5	1.3	2.2
IFCI	763.7	10	26	15	66	1974	29	2.5	0.9	0.0
C P C L	148.9	10	128	78	389	1894	233	0.0	0.5	13.4
Indraprastha Gas	140.0	10	119	92	132	1664	41	9.2	2.9	3.4
PTC India	227.4	10	71	43	95	1622	68	18.1	1.0	1.4
S T C	60.0	10	183	87	386	1097	96	13.5	1.9	2.6
Dredging Corpn	28.0	10	346	180	675	966	442	9.0	0.8	4.3
Infrastruture										
GMR Infra.	364.1	2	113	46	155	20601	31	164.0	3.7	0.0
GVK Power Infra	140.6	1	28	10	55	3957	12	187.7	2.3	0.0
Jai Corp	17.9	1	171	59	721	3046	143	38.8	1.2	0.6
Mundra Port	400.7	10	472	250	928	18872	65	47.1	7.2	0.3

Company Name	Equity	Face Value	CMP	52 L	52 H	Market Cap	Book Value	PE	P/BV	Div. Yield
Oil & Gas										
Reliance Inds.	1573.8	10	1951	930	2675	306616	695	19.7	2.8	0.7
Aban Offshore	7.6	2	619	224	4292	2339	251	9.2	2.5	0.6
Shiv-Vani Oil Gas	43.91	10	195	88.1	681	852	159.5	10.03	1.22	0
Power & Power (Construction & eng)										
Nava Bharat Vent	15.2	2	191	91	307	1455	105	3.1	1.8	3.1
Lanco Infratech	222.4	10	235	83	589	5230	72	20.5	3.3	0.0
CESEC	124.9	10	253	165	511	3159	267	7.7	0.9	1.6
Jaiprakash Hydro	491.0	10	40	23	70	1952	22	13.3	1.8	3.8
KSK Energy	346.1	10	175	107	245	6086	15	58.8	12.0	0.0
Reliance Power	2396.8	10	129	82	309	30967	58	124.2	2.2	0.0
Tata Power Co.	221.4	10	909	532	1510	20117	365	32.6	2.5	1.2
Torrent Power	472.5	10	106	50	137	5008	61	16.0	1.7	1.1
Reliance Infra	226.4	10	820	354	1474	18538	465	16.3	1.8	0.8
Sterlite Tech	32.3	5	99	41	239	640	95	7.1	1.0	1.0
Crompton Greaves	73.3	2	176	100	278	6442	25	17.5	7.0	0.9
Areva T&D	47.8	2	241	130	366	5771	30	23.8	8.0	0.7
Bharat Bijlee	5.7	10	663	301	2350	372	298	5.7	2.2	4.6
EMCO	11.8	2	54	26	186	320	64	5.5	0.8	2.6
Indo Tech	10.6	10	263	160	547	280	116	6.0	2.3	2.3
Voltamp Trans	10.1	10	493	265	1150	498	262	4.3	1.9	2.5
Siemens	67.4	2	367	186	600	12385	61	13.0	6.0	0.8
Genus Power	14.8	10	126	59	524	186	199	3.6	0.6	1.2
A B B	42.4	2	492	344	1098	10416	99	20.6	4.9	0.4
Alstom Projects	67.0	10	347	191	660	2326	61	17.2	5.7	2.3
BGR Energy	72.0	10	198	107	480	1426	65	14.3	3.0	1.0
Thermax	23.8	2	281	151	530	3349	62	12.3	4.6	2.8
Jyoti Structures	16.3	2	86	33	153	705	42	9.0	2.1	0.9
K E C Intl	49.3	10	296	109	597	1458	117	12.5	2.5	1.7
Kalpataru Power	26.5	10	512	222	1150	1354	290	11.1	1.8	1.5
Railway										
Texmaco	11.1	1	64	36	168	719	20	8.0	3.2	1.2
Titagarh Wagons	18.4	10	247	119	830	449	183	8.2	1.3	2.1

Company Name	Equity	Face Value	CMP	52 L	52 H	Market Cap	Book Value	PE	P/BV	Div. Yield
Government Projects										
CMC	15.2	10	516	250	815	780	252	7.4	2.0	2.1
ICSA (India)	9.4	2	117	48	450	549	125	3.3	0.9	1.0
Vakrangee Soft.	21.4	10	36	19	291	77	127	1.5	0.3	5.6
KLG Systel	12.6	10	104	47	639	132	165	3.2	0.6	2.6
Sintex Inds.	27.3	2	160	70	462	2179	119	8.2	1.3	0.6
Astra Microwave	10.8	2	48	33	68	261	23	17.8	2.1	0.5
Bartronics India	29.0	10	90	55	253	261	111	5.5	0.8	0.0

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