

Markets at a glance

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Favourable global cues as well as better industrial numbers lifted market sentiment. Sensex rose 173 points or 1 per cent to 17,022 for the week, while Nifty rose 54 points or 1.1 per cent to 5,052. The recovery in the European bourses from lower levels was taken as a positive by the domestic markets.

Industrial data expanded to 9.1 per cent in September 2009 indicating that stimulus measures were producing results. Markets also extended their winning streak on sustained buying by foreign funds to the tune of of Rs 1,800 crore in the first three days of the week, while mutual funds were in the selling mode. Friday's recovery was aided by talks that capital flows might not be taxed.

What to expect this week

Equities could remain volatile ahead of the settlement of contracts. The ongoing recovery phase as well as the assuring words of the finance minister that stimulus packages are unlikely to be withdrawn should sustain stock prices. Improving prospects would perk-up business confidence.

In fact, the business confidence index survey prepared by NCAER and MasterCard went up 21 per cent in October to 143.7 points as compared to 119.9 in October 2008. The strong global liquidity situation could also support equities. Investors would also watch out for the introduction of bills in the parliamentary session.

Stock to watch

GVK Power & Inf

Last week's close (Rs) 51.90

Prev. week's close (Rs) 51.90

Week's high (Rs) 52.70

Week's low (Rs) 48.80

Last week's ave. daily turnover (Rs cr) 86.09

Prev. week's ave. daily turnover (Rs cr) 108.65

Number of up/down move 5/0

The GVK Power & Infrastructure stock could come into play as the company received shareholder's approval to raise Rs 1,800 crore in capital to fund its growth plans.

Experts believe that these funds could be invested in the expansion of its existing projects or new projects that are being implemented; some proceeds could also be used to meet its financial obligations.

The management hinted that its subsidiary (GVK Airport) could consider increasing its stake in the Bangalore International airport from 12 per cent currently. It is also reported that the company is in talks with Bidvest, its South African partner in Mumbai.