



Press Release

“Investment Opportunities - Angel Broking” The art of Managing & Growing Wealth in 2010

Pune, May 8, 2010: Angel Broking, the market leaders in Investor Education, played host to a grand Seminar on Investment Opportunities, 2010. The Group believes that the markets have now given an excellent time for Institutions & retail Investors to consider broadening their exposure in the equity markets & hence organized this seminar to enlighten the importance of Wealth Management & Creation

The seminar was a part of Angel's continued efforts to create awareness and understanding regarding the financial market. The event is one of Angel Broking's unique projects at which individuals seeking knowledge about financial education & wealth creation can receive assistance from the known Experts of the market. The idea of conserving & creating wealth in a volatile market can be daunting but through this seminar the firm aimed at abridging the misconceptions. The seminar received an overwhelming response and was attended by more than 400 Investors. The event was a groundbreaker. Leading experts from the Fundamental & Technical Team came together to discuss the importance of wealth conservation and its effects on financial planning.

International Finance Corporation (IFC), a World Bank group subsidiary, has a 12.35% stake in Angel Infin, the holding company of the Angel Group. This is the first time ever that IFC has invested in the equity broking & wealth management space, with the firm conviction that Angel's vision & business focus gels well with their own philosophy of spreading investor education.

Speaking on the Occasion, Mr. Lalit Thakkar, MD - Institution, Angel Broking said, “After a stellar performance in 2009, the Equity markets have been range-bound in the year 2010. While subsequent to the recent correction, the valuations are in comfort zone, however investors have become myopic in their view with respect to investments and are still hesitant to take exposure in Equities. It is the rumblings that they hear on economic front that have made the investors jittery.

Though events that have unfolded in 2008 are one off and unprecedented in nature and had economic impact on the developed world, the emerging economies like India have remained resilient to the same. In fact, India would be able to grow its GDP at respectable +8% in FY2011. Going forward while there are still concerns on a full blown recovery for the developed world, which so far has been growing on back of innovation, the developing economies like India can easily sustain an 8-9% growth on back of the huge disparity that exists between the developed and developing economies coupled with favorable demographics, high domestic savings, a scope for rapid productivity improvement, and sustained policy reforms. Thus, given the overall prospects these economies would seldom be available at throw away valuations, and would trade mostly near their fair valuations or at premium to the fair valuations, as has been the case with China, though cases of any extreme exuberance or pessimism should be used as the exit or entry points respectively.

In conclusion, I believe that the current correction in the markets provide an opportunity for investors to gain exposure to the markets , as the medium to long term view on the markets remains positive and we expect the markets to gain over the same period.”



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Shared Mr. Rajen Shah, (Chief Investment Officer), “The Year 2009 was an extremely rewarding year for Equity Investors with Small & Mid-cap space significantly out-performing the front-line stocks. A significant part of the “*easy money*” has already been made. Hence the year 2010 is going to be an extremely challenging year, One needs to be very disciplined and extra ordinarily talented to succeed in this year. One can expect about 13-15% kind of returns in this calendar year. However, the big opportunity lies in the Small & Mid-cap space. If one cherry picks well, 25-30% returns cannot be ruled out. Hence focus should be on quality Small & Mid-cap companies which may be good asset plays, value picks, underowned, unfancied but holding promising prospects and available at compelling valuations. Because as and when the market realizes their potential, a significant outperformance from them cannot be ruled out and this being a challenging year many smart players may have already started eyeing such companies!!”

Speaking on the Banking sector Mr. Vaibhav Agrawal (VP – Research, Banking) said, “The Banking sector in India is one of the strongest long-term growth stories, given the significant demand for loans on the one hand and a large, young population of savers on the other. Going forward, with GDP growth reviving, loan growth is expected to once again come back to 20% levels. At the same time, NPA losses are also expected to decline.

In this backdrop, the large private banks viz., HDFC Bank, Axis Bank and ICICI Bank, offer one of the best blue-chip investment opportunities. Set to grow at 25%+, one of the biggest strengths of these banks is that a large part of their lending is funded by low-cost current and savings accounts that are growing rapidly due to aggressive branch expansion. Secondly, these banks also earn much more Fee income than their PSU counterparts. Thirdly, PSU Banks had done a lot of restructuring in the last one year and there is a risk of large amount of NPAs from those accounts; on the other hand, private banks are expected to see declining NPA costs soon. Moreover, in an environment of rising interest rates, the private banks will get the benefit of rising lending rates even as the cost of their current and savings accounts (CASA) remains fixed. Amongst, PSU Banks, SBI is the best pick, due to its higher share of CASA and Fee income, better risk profile and attractive valuations. For these reasons, we believe that at current prices these banks offer as high as 20-30% returns by March 2011.”

Mr. Shardul Kulkarni (Sr. Technical Analyst) said: Greek and Spain have been on the radar of global investors for the past couple of days and there is panic amongst the trader fraternity. With the DOW JONES INDEX plunging 1000 points in intraday trade, there clearly seems a bias to take profits off the table. In India however, we feel that this will provide a golden opportunity to buy into good stocks and take advantage of the BULL MARKET.

Technically speaking, the neckline of the “Inverted Head and Shoulder” breakout on the weekly charts of the Sensex is at around the 15300 levels. Also the previous important bottom in the higher top higher bottom cycle is at the 15600 level. Thus so long as 15600 holds on the index, traders should be bullish. A closing below the 15600 level would lead to a greater fall and would then imply that the mentioned pattern is negated, eventually delaying the rally towards a new high on the index.

The US DOLLAR INDEX is showing strength and has a target of 86. Looking at this scenario the commodity sector looks under threat as the US dollar index has an inverse correlation with the commodity



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stocks across the globe. As a result, we feel that the Commodity stocks, Esp. METAL SECTOR should be avoided for the near term. We are looking at buying the sugar stocks as the markets have shown extreme pessimism towards these counters.

About Angel Broking

Mr. Dinesh Thakkar established Angel Broking in 1987, and today it is one of the leading Indian stock broking and wealth-management houses, with a focus on retail business and a commitment to provide “real value for money” to its clients. The Angel Group is a member of the Bombay Stock Exchange, the National Stock Exchange, and the country’s two leading commodity exchanges, the NCDEX and MCX. Angel is also registered as a Depository Participant with CDSL.

Angel provides a wide range of personalized wealth-management and investment services to its retail clients. These include Stock and Commodity Trading, Portfolio Advisory and Management Services, Investment Advisory Services, distribution of Mutual Funds, IPOs, Personal Loans and Insurance, as well as E-broking & Depository services – all supported by intensive research and a six sigma-backed Quality Assurance program.

The Angel Group provides its value-added services to over 7 lakh individual retail investors through its nationwide network of 203 branches, including 21 regional hubs & 30 Distribution offices, 9200+ sub-brokers/business associates and an all India employee strength of 5800+. Angel Broking has one of the largest trading terminal bases (18,190 terminals) in the country, and the largest sub-broker network on the NSE.

With over 1,500 outlets connected through its state-of-the-art IT network, Angel offers personalized and world-class services. The company has top-quality, retail-focused research, as well as expert dealing facilities. Modern, centralized helpdesks answer investor queries and address any concerns 24x7. Angel’s Web-enabled, value-added back office is staffed by a brilliant team of experts for Quality Assurance.

More information is available on www.angelbroking.com.

About International Finance Corporation (IFC)

Washington- based International Finance Corporation or IFC is the private sector arm of the World Bank Group. IFC invests in companies and financial institutions in emerging markets, and helps them create jobs, generate tax revenues, improve corporate governance and environmental performance, and contribute to their local communities. IFC’s goal is to improve lives, especially for the people who most need the benefits of growth

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