



ARIHANT capital markets Ltd.

WHATS IN - WHATS OUT? MUTUAL FUND UPDATE



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MUTUAL FUNDS: What's in What's out - May'07

This report is the analysis of portfolio change by mutual funds in the month of April 2007. The analysis is undertaken on equity and mid-cap fund portfolio. Equity portfolio comprises all existing equity funds whereas the mid-cap portfolio comprises all major mid-cap funds.

What's in – What's out

Top new stocks added in equity fund's portfolio

Company Name	Market Value (Rs. in crores)	No. of shares
Meghmani Organics Ltd	11.68	4500000
Time Technoplast Ltd	74.42	1296810
Raipur Alloys & Steel Ltd	25.15	1258184
DLF Universal Ltd	321.84	341275
Vishal Retail Ltd	14.37	144874
Shree Renuka Sugars Ltd.	8.76	134350

Complete exit from the equity fund's portfolio

Company Name
Goodlass Nerolac Paints Ltd
C M C Ltd
Netfliar Technologies
Gati Corporation Ltd
IL&FS Investsmart Ltd.
IBP Ltd
Dongfang Electrical Machinery

Other new additions in equity portfolio include Disa India, Granules India, Shree ran urban Infra, Renewable Energy systems.

Mid-cap Fund Portfolio

Some new stocks that have been added in the mid-cap portfolio include: Advanta India, Canara Bank, Country Club (India), Dish TV, Balaji Films, Shrinagar Cinema, Bombay Rayons Fashions.

Top IPO picks in April

Among the four IPOs that listed in April, Orbit Corporation was the top pick with two of the top 10 MFs purchasing over 16 lakh shares of the company. ICICI Prudential MF was the top buyer with a purchase of almost 12.7 lakh shares followed by SBI MF with over 3.4 lakh shares. Birla MF was the top buyer of ICRA with a purchase of about 90,000 shares, while Tata and UTI MF together picked over 7,000 shares of ICRA. Tata MF bought 72,910 shares of chemical stock Advanta India. Meanwhile, Gremach Infrastructure Equipments IPO failed to attract funds.

Top picks of the month

Top additions to the existing holdings of equity fund's portfolio

Company Name	No. of shares added	Total no. of shares held	Market Value of total shares (Rs. in cr)
Dish TV India Ltd	2,84,43,895.5	3,19,10,363	341.21
Mirza Tanners Ltd	1,77,84,901	2,21,94,255	84.89
Tata Teleservices (Maharashtra) Ltd.	1,35,08,866	2,84,73,592	82.29
Reliance Petroleum Ltd	1,32,42,316	1,98,02,854	160.3
Exide Industries Ltd	1,17,37,526	12,87,58,456	560.59
Ranbaxy Laboratories Ltd	94,04,199	2,53,98,327	944.66
HT Media Limited.	85,83,288	2,92,53,672	557.62
Industrial Finance Corporation of India Ltd	84,16,524	4,50,49,055	201.59
HCL Technologies Ltd.	83,21,247	5,66,36,501	1,893.06
Coromandel Fertilisers Ltd	78,76,079	1,72,66,121	126.73
Ansal Properties & Industries Ltd	72,54,326	1,84,82,582	531.68
Sun Pharma Advance Research Co Ltd	61,91,425	61,91,425	101.56
Sterlite Industries (India) Ltd	59,79,842	2,15,86,664	1,124.34
Oil & Natural Gas Corpn Ltd	42,34,503	5,36,33,505	4,742.47

The top ten mutual funds which are Reliance, ICICI Prudential, UTI, HDFC, Templeton, Birla SunLife, SBI, Standard Chartered, Kotak, and Tata Mutual Fund bought huge chunks of pharma major Ranbaxy Laboratories, while continued to dilute their exposure to auto major Ashok Leyland, and FMCG major ITC, in their equity portfolio.

Ranbaxy Laboratories - the top bought stock (based on volume) was purchased by six out of the top ten funds. Reliance MF was the top buyer of the stock with over 21 lakh shares bought. ICICI Pru, HDFC, SBI, UTI, and Tata MF also added to its investments in the stock, while Standard Chartered, and Templeton MF slashed exposure to it. Among other pharma stocks, Dabur Pharma was bought, while FDC, Alembic, Dr Reddy's Labs, and Kopran were among the top sells.

Power equipment manufacturer **BHEL** was the top buy in terms of value. It was bought by five MFs. HDFC MF was the top buyer with almost 4.5 lakh shares bought. Among other utility stocks, Tata Power, and CESC were bought, while NTPC, and Reliance Energy were among the top sells.

The top sold stock in terms of volume - **Ashok Leyland** was sold by six out of the top ten funds. Templeton MF was the top seller of the stock with over 52.8 lakh shares sold. HDFC, Tata, Stanchart, UTI, and Reliance MF also slashed their exposure to the stock, while SBI, and Birla MF bought it. **Tata Motors**, yet another auto major was the top value sell. It was sold by eight MFs. Reliance MF was the top seller with over 18 lakh shares sold. Among other auto stocks, TVS Motor, Rane Madras, and Maruti were sold, while Eicher Motors, and Exide Industries were among the top buys.

Heavy selling was seen in IT stocks by MFs. Satyam, Firstsource Solutions, Wipro, and TCS were sold by funds, while HCL Technologies, Spanco Telesystems, and Infotech Enterprises were bought.

Major Reductions

Top reductions from equity fund's portfolio

Company Name	No. of shares reduced
Ashok Leyland Ltd	-2,56,04,360
ITC Ltd	-2,26,93,425
TVS Motor Company	-1,77,42,449
Gujarat Ambuja Exports Ltd	-1,57,87,984
NTPC Limited.	-1,54,33,821
Satyam Computer Services Ltd	-1,50,23,317
Steel Authority of India Ltd	-1,42,30,533

Company Name	No. of shares reduced
Power Finance Corporation Ltd	-1,41,82,276
Triveni Engineering & Industries Ltd	-1,41,63,867
Industrial Development Bank of India Ltd	-1,39,91,969
Bank of Baroda	-1,35,42,561
Gabriel India Ltd	-1,34,78,337
Tata Motors Ltd	-1,34,44,922
Indian Hotels Co Ltd	-1,34,15,432

Popular stocks across funds

Reliance Industries and Infosys Technologies Ltd. Continue to remain amongst the most popular stocks amongst mutual funds. In the month of April'07, 11 more schemes have added Reliance Industries to their portfolio, making it the most popular stock held by 203 schemes in total. Infosys is the second most popular stock.

Stocks held by most of the equity schemes

Company Name	No. of schemes	No. of shares	Market Value (in crores)
Reliance Industries Ltd	203	66997245	10457.14
Infosys Technologies Ltd	192	35171010	7212.28
Bharati Tele - Ventures	184	80377308	6524.81
Larsen & Toubro Limited	166	23717187	4027.47
Reliance Communication Ventures Ltd.	165	99885553	4765.54
Oil & Natural Gas Corpn Ltd	131	58156742	5157.4
ICICI BANK LTD.	148	46522330	4028.18
Bharat Heavy Electricals Ltd	161	18272308	4545.77
Tata Consultancy Services Ltd.	146	36040231	4562.51
State Bank of India	143	45462607	5010.97

Company Name	No. of schemes	No. of shares	Market Value (in crores)
Hindustan Lever Ltd	149	110463130	2201.78
ITC Ltd	137	166642696	2673.92
Siemens Ltd	128	29140205	3429.56
Satyam Computer Services Ltd	140	59221846	2802.5
Mahindra & Mahindra Ltd	123	24451137	1901.59
Grasim Industries Ltd	123	15563856	3806.86
JaiPrakash Associates Ltd.	101	58008009	3505.94
Crompton Greaves Ltd	77	141911996	3128.44
Maruti Udyog Ltd	108	23825809	1919.04
Tata Motors Ltd	104	31117901	2338.56

Cash Rich Funds

MF schemes having more cash compared to other schemes, waiting to be invested in the market.

Taurus Infra Tips, launched in February, is holding 72.59% AUM in cash. Other schemes having high cash-levels include Lotus India Contra fund (37.35%), SBI Magnum Sector Umbrella (26.33%) and SBI Magnum Tax Gain Scheme (24.45%)

Scheme	Equity (%)	Debt (%)	Cash & equivalent (%)
Taurus INFRA TIPS	20.70	6.71	72.59
UTI Long Term Advantage Fund	32.02	13.48	54.50
ICICI Prudential Fusion Fund - Series II	53.46	1.22	45.32
ABN AMRO Sustainable Development Fund	57.69	0.00	42.31
Reliance Long Term Equity Fund	58.45	0.00	41.55

Mutual funds are subject to market risks. Past performance may or may not be sustained in the future. Please read the offer document carefully before investing.

Want to invest in Mutual Funds?

Contact our mutual fund desk through: **Email:** mutualfund@arihantcapital.com or **Phone:** 022-67664843-44

For more information on Mutual Funds like New Fund Offerings, Latest Fund NAV's, Dividend details, Selected Scheme details (scheme Profile, holdings, performance history with charts, investment details, asset allocation, etc.) log on to: <http://www.arihantcapital.com/mutualPD.asp?id=8>

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