

**Standard Portfolio – Conservative (Issue No: 20100522)****May 05, 2010**

Conservative portfolio investors would like to limit the risk and in turn have lower but steady return expectations. For conservative investors value investing is more important than momentum. These investors would not like to churn their portfolio too often. They would also like to limit the number of scrips they own and prefer not to be overweight on particular stocks or sectors. Typically their returns would be benchmarked to the Sensex / Nifty.

Recommendation made on May 04, 2010

We recommend investors to book profit / exit from the following stock / stocks – Sun TV and SKF either due to a significant run up in the stock price over the past few weeks or continuous underperformance of the stock vis-à-vis the market.

Stocks exited	Weighted Avg Price (040510)	CMP (040510)
Sun TV	425.3	420.5
SKF	464.8	464.2

We are not recommending any additions to the portfolio at this point in time and hence this will increase the cash on hand.

Current Portfolio Holding

Given below is a summary of the stocks currently held in the portfolio with their entry dates and weighted average prices on the date of entry.

Company	Industry	Entry date	Weighted Avg Price as on date of entry	Investment Value	Current Market Price (040510)	% Gain or Loss Invst
Coromandel Fert.	Fertilizers - Nitrogenous / Phosphatic	16-Sep-09	190.8	62500	360.7	89.0%
Gujarat Gas	Miscellaneous	15-Mar-10	269.6	62500	282.5	4.8%
Monnet Ispat	Steel - Sponge Iron	15-Mar-10	439.3	62500	424.9	-3.3%
Aventis Pharma	Pharmaceuticals	22-Mar-10	1823.6	62500	1870.1	2.5%
Cipla	Pharmaceuticals	22-Mar-10	335.7	62500	334.3	-0.4%
Fortis Healthcare	Healthcare	19-Apr-10	160.3	62500	163.7	2.1%
Total Cash on Hand				775098		
Short Nifty Futures		16-Sept-09	4941.3	200000	5141.9	-4.1%

Note:

The price of entry and exit for various scrips will be based on the weighted average price recorded during the day of recommendation. This should enable the portfolio to more accurately reflect actual performance (while affecting returns marginally as both the entry and exit price taken could on most occasions be adverse to the suggested action as compared to the last close). Also, the performance of the overall portfolio will be computed and sent out at regular intervals. Changes in recommendations (buy / exit) could be via an internal note while updates (like this) could be prepared once the weighted average prices are available at the end of the day of recommendation.

If the equity weight stance is overweight, no hedging position by way of Nifty future sales is recommended. In case of equal weight stance, Nifty hedge upto the extent of 20% of the portfolio is recommended. In case of underweight stance, Nifty hedge upto the extent of 40% of the portfolio is recommended. This reflects an attempt to beat benchmark indices, but could result in temporary underperformance in case the call on equity stance turns out to be incorrect. Instead of Nifty Futures hedges may be taken at times by way of Stock Futures or Nifty/Stock options. For taking Nifty Futures hedge it is assumed that margin @ 10% of the exposure is payable.

Current Value of Index	BSE Sensex – 17,137	BSE Midcap – 7,027	Nifty - 5,149
Initial Corpus assumed to be Rs. 10,00,000 (excluding margin on Nifty Futures)			
Equity Weight Stance – Equal weight			
As a matter of policy, we do not recommend group / associate company stocks.			

RETAIL RESEARCH Fax: (022) 230753435

Corporate Office

HDFC Securities Limited, I Think Techno Campus, Building - B, "Alpha", Office Floor 8, Near Kanjurmarg Station, Opp. Crompton Greaves, Kanjurmarg (East), Mumbai 400 042
 Phone: (022) 3075 3400 Fax: (022) 2496 5066 Website: www.hdfcsec.com
 Email: hdfcsecretailresearch@hdfcsec.com

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