

Morning Mantra 5th February, 2016

The Indian markets are likely to see a cautious but positive start as the global cues are mixed and traders will prefer to remain on sidelines ahead of US employment data and crude oil after a day of surge has lost momentum.

There will be some cautiousness with a survey conducted by the Reserve Bank of India stating that Indian households expect inflation at over 10% in the year ahead, twice as much as RBI's retail inflation target of 5% by March 2017. In general, a majority of the respondents expect prices to increase over the next three months and a year ahead.

There will be some support to the markets with foreign direct investment (FDI) in the country more than doubling to about \$ 4.5 billion in December 2015. In December 2014, India had received \$2.16 billion.

There will be some somberness in the IT sector stocks, with industry lobby group Nasscom reporting that Indian IT services exports are likely to grow at a slower pace next fiscal year than in the recent past as global clients rein in technology spending.

There will be lots of earnings announcements too, to keep the markets in action.

Nifty Levels

Close	7362			
Supports	7320	7290	7266	7210
Resistances	7396	7420	7465	7499

Global Indices –4th February, 2016
Institutional Activities – 4th February, 2016

Dow	+79.92(+0.49%)	FII Cash	-195.92crs
Nasdaq	+5.32(+0.12%)	DII Cash	+476.44crs
S&P500	+2.92(+0.15%)	FII F&O	+1501.67crs
SGX Nifty (Today)	(%)		

US. Markets

The US markets ended the choppy session on modestly positive note, as traders kept a close eye on the price of crude oil, which showed some wild swings as the day progressed, while traders were reluctant to make any significant moves ahead of the release of the Labor Department's monthly jobs report on Friday.

Other Information

The Asian markets have made a mixed start, with some of the indices trading in red led by Japanese market which has lost over a percent after the yen strengthened against the dollar which was down on bets that the Federal Reserve will hold interest rates unchanged this year.

NY Crude Oil \$31.76/barrel

Rs./\$ - 67.65

F&O Ban

NIL

Important Results Today

3MINDIA, AARTIDRUGS, BOSCHLTD, CADILAH, CAPPL, CARBORUNIV, CAREERP, CLARIS, COX&KINGS, DEEPAKNI, DISHMAN, DIVISLAB, EICHERMOT, ELGIEQUIP, GOODYEAR, LUPIN, MCDHOLDING, MUNJALSHOW, NITCO, NRB BEARING, PTC, RADICO, RICOAUTO, SONASTEER, TAKE, TATAPOWER, UBHOLDINGS, VIJAYABANK etc.

Corporate/Media News

Reliance Infrastructure has agreed to sell its cement business to Birla Corporation Ltd for 48 billion rupees (\$710 million), as part of its efforts to reduce debt, said a media report.

Torrent Pharma Ltd: Drug firm Torrent Pharma reported around three-fold jump in consolidated net profit at Rs 483 crores for the December quarter.

Mphasis reported a 7.2% increase in consolidated net profit at Rs 173.6 crores for the quarter ended December.

Astra Microwave Products Limited: The company informed the Exchange that M/s ASTRA Microwave Products Ltd., India and M/s. Unique Broadband Systems Ltd., Canada has entered into a shareholders agreement to form a 50:50 joint venture company with an initial investment of \$100,000.

Sanofi India reported 29.94% rise in standalone net profit at Rs 120.2 crores for the fourth quarter ended December.

JK Lakshmi Cement Ltd: The cement major reported a net loss of Rs 3.67 crores for the December quarter hit by interest and depreciation costs in commissioning of Durg plant and sharp fall in sales realisation.

Coal India Ltd: The government is looking to raise about Rs 6,000 crores by getting Coal India Ltd to buy back a fourth of its paid-up share capital at a premium but the state-owned company may only be able to comply with this by August, which means the Centre won't be able to use this money to cover the shortfall from disinvestment proceeds for FY16.

MCX Ltd: Leading commodity bourse Multi Commodity Exchange (MCX) on Thursday reported 22 per cent drop in net profit at Rs 17.95 crore for the quarter ended December 2015, on higher operational expenses and transfer of some fund for investor protection.

Fortis Healthcare Ltd: The company said it will acquire 51% stake in Fortis Hospital Ltd, a subsidiary of Religare Health Trust (RHT), for Rs 970 crores.

Tata Steel reported a consolidated net loss of Rs. 2127.23 crores for the quarter December compared with a net profit of Rs. 157.11 crores in the year-ago quarter, as competition from Chinese imports, continue to drive down prices.

TTML Ltd: Tata Teleservices (Maharashtra) Limited (TTML) reported narrowing down of its net loss at Rs 79.64 crores for the quarter ended December 2015.

TBZ Ltd: The company's net Profit for the quarter ended December 31 came at Rs. 3.2 crore compared to Rs. 6.5 crores reported in the year-ago period.

Fundamental Calls

<u>Scripts</u>	<u>Initiation Date</u>	<u>Initiation price (Rs.)</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>
Suven Life Science	06-Aug-14	122.00	205.00	350.00
GoodLuck Steel	03-Dec-14	76.15	97.40	120.00
Nandan Denim	18-Apr-15	77.60	131.10	180.00
Uflex	04-May-15	119.00	158.45	240.00
Vindhya Telelink	03-July-15	726.25	690.00	1000.00
IG Petrochemicals	21-July-15	114.00	107.40	180.00
Tinplate Company of India	29-July-15	66.00	68.45	90.00
Rural Electrification Corp.	17-Aug-15	259.25	182.30	337.00
Aksh Optifibre	22-Aug-15	19.40	14.20	40.00
GIC Housing Finance	31-Oct-15	199.00	211.50	280.00

Sutlej Textiles	04-Nov-15	451.20	466.00	645.00
Transpek Industry Ltd.	07-Dec-15	375.50	387.00	488.00
Star Paper Mills	12-Dec-15	34.30	34.80	48.00
Kalyani Steel	18-Dec-15	173.30	142.50	225.30
KNR Constructions	24-Dec-15	582.50	491.10	728.00
J B Chemicals & Pharma	04-Jan-15	279.15	268.15	362.90
The Great Eastern Shipping Co.	09-01-16	368.70	336.15	479.30
Lloyd Electric and Engineering	15-01-16	243.30	225.00	340.00
Lumax Auto Technologies Ltd.	27-01-16	333.00	307.00	460.00
Alembic Pharma	29-01-16	617.75	633.10	800.00

Technical Calls			
<u>Scripts</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>	<u>SL(Rs.)</u>
<u>Buy Call</u>			
Bank of Baroda	122.80	130.00	119.00
<u>Sell Calls</u>			
Arvind Ltd.	288.00	269.00	293.00
NTPC	126.00	117.00	130.00

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