

**Morning Mantra 29<sup>th</sup> February, 2016**

The Indian markets are likely to get a cautious start, with all eyes on the Union Budget for 2016-17.

The Finance Minister Arun Jaitley while presenting his third and challenging Budget will have to give equal importance to the farm sector as well as the industry, amid back-to-back droughts and high industry expectation. Jaitley will be announcing details of the gradual reduction of corporate tax from 30% to 25% over four years. The budget may also look into retrospective taxation and may have some provisions for the legacy issues.

The Chief Economic Adviser Arvind Subramanian has said that government is open to the idea of going in for higher fiscal deficit to propel growth in the upcoming Budget and will take a balanced view after considering various factors.

Markets may get some support with the report that foreign direct investment (FDI) into the country increased by 40% to \$29.44 billion during April-December in the current fiscal.

Power sector stocks will be in action, as the Prime Minister Narendra Modi has asked the Power Ministry to target electrification of around 200 villages every week by holding regular follow ups with the state implementing

**Nifty Levels**

<b>Close</b>	7030			
<b>Support</b>	6990	6945	6900	6865
<b>Resistance</b>	7065	7110	7170	7199

**Global Indices –26<sup>th</sup> February, 2016**
**Institutional Activities – 26<sup>th</sup> February, 2016**

<b>Dow</b>	-57.32(-0.34%)	<b>FII Cash</b>	-695.37crs
<b>Nasdaq</b>	+8.26(+0.18%)	<b>DII Cash</b>	+784.14crs
<b>S&amp;P500</b>	-3.65(-0.19%)	<b>FII F&amp;O</b>	+1725.38crs
<b>SGX Nifty (Today)</b>	-15.50(-0.22%)		

**US. Markets**

The US markets made a mixed closing in last session, after failing to sustain an initial upward move. Traders reacted to largely upbeat US economic data. While the reports eased concerns about the possibility of a recession, the data also led to renewed worries about the outlook for interest rates.

**Other Information**

The Asian markets have made a mixed start, with some indices trading in red led by Chinese market, which is down by over 3% after Group of 20 finance chiefs made only vague commitments to spur growth after talks in Shanghai. The Japanese market though was in green despite the yen rebounding from a three-day drop.

NY Crude Oil \$33.03/barrel                      Rs./\$ - 68.73

**F&O Ban**

NIL

## Corporate/Media News

**UltraTech Cement** agreed to buy 18.40 million tonne per annum (mtpa) of cement capacity from Jaiprakash Associates for an enterprise value of Rs 16,500 crores. The deal will catapult UltraTech's capacity to 90.7 million tonnes per annum from the current 68.3 mtpa, making it one of the top cement producers in the world.

**Larsen & Toubro (L&T)** is planning to sell 49% stake in its general insurance company to a foreign entity. The deal is expected to be finalized in the next three to six months.

Indorama Ventures (IVL), the Bangkok-headquartered polyester producer founded by billionaire Indian-origin businessman Alok Lohia, is close to acquiring a strategic majority stake in Kolkata-based Chandra Kumar **Dhanuka's petrochem** business.

Expanding its presence in the Gulf market, **Jet Airways** will launch a flight service to Muscat from New Delhi next month.

IndiGo announce that Airbus has confirmed that beginning with March 2016, it will deliver 24 fuel efficient A320neo aircraft by March of 2017 as compared to the original plan to deliver 26 A320neos.

Just Dial has launched a new app, 'JD' that will help consumers to buy anything from movie and flight tickets to order food online.

**RIL** is extending the Jio brand name to new businesses, the latest being a fashion ecommerce site dubbed AJIO.com.

**Reliance Communications** is planning to combine its wireless business with Aircel and both parent companies will hold 50% each, according to reports.

**Maruti Suzuki** has started shipping its premium hatchback Baleno to Europe, ahead of the formal launch of the model by its Japanese parent Suzuki Motor Corp.

**Vedanta** has bagged the prospective-cum-mining licence to mine gold from Baghmara lease in Chhattisgarh, reports a business daily.

Gammon India said three of its lenders including IDBI bank have decided to convert loans worth Rs 22.25 crores into equity.

**GAIL, IOL:** Officials from key domestic gas buyers, including Gail and Indian Oil Ltd. (IOL), are planning to visit Iran in early March to discuss the proposed undersea gas pipeline between Iran and India.

SBI has received shareholders approval to raise up to Rs. 15,000 crore by public issue or overseas issuance of shares.

**NTPC** is planning to expand its power generation capacity in southern India, NTPC's ED for South India, R Venkateswaran has been quoted as saying.

United Spirits management has said that the loan recovery process from Vijay Mallya-controlled United Breweries Holdings Ltd (UBHL) will continue.

HUL announced certain changes in its management structure. Samir Singh, currently Vice-President & ED, Personal Care, will be taking over as the global Executive Vice-President, Skin Cleansing at Unilever.

## 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	149.70	350.00
<b>GoodLuck Steel</b>	<b>03-Dec-14</b>	<b>76.15</b>	<b>78.30</b>	<b>120.00</b>
<b>Nandan Denim</b>	<b>18-Apr-15</b>	<b>77.60</b>	<b>113.20</b>	<b>180.00</b>
Uflex	04-May-15	119.00	135.55	240.00
Vindhya Telelink	03-July-15	726.25	583.50	1000.00
IG Petrochemicals	21-July-15	114.00	79.60	180.00
<b>Tinplate Company of India</b>	<b>29-July-15</b>	<b>66.00</b>	<b>57.95</b>	<b>90.00</b>
<b>Rural Electrification Corp.</b>	<b>17-Aug-15</b>	<b>259.25</b>	<b>156.55</b>	<b>337.00</b>
Aksh Optifibre	22-Aug-15	19.40	12.35	40.00
GIC Housing Finance	31-Oct-15	199.00	186.85	280.00

Sutlej Textiles	04-Nov-15	451.20	422.00	645.00
Transpek Industry	07-Dec-15	375.50	360.00	488.00
Star Paper Mills	12-Dec-15	34.30	32.05	48.00
Kalyani Steel	18-Dec-15	173.30	134.40	225.30
KNR Constructions	24-Dec-15	582.50	465.00	728.00
<b>J B Chemicals &amp; Pharma</b>	<b>04-Jan-15</b>	<b>279.15</b>	<b>244.90</b>	<b>362.90</b>
The Great Eastern Shipping Co.	09-01-16	368.70	283.30	479.30
<b>Lloyd Electric and Engineering</b>	<b>15-01-16</b>	<b>243.30</b>	<b>185.50</b>	<b>340.00</b>
Lumax Auto Technologies	27-01-16	333.00	285.00	460.00
Alembic Pharma	29-01-16	617.75	607.20	800.00
<b>State Bank of Bikaner &amp; Jaipur</b>	<b>13-02-16</b>	<b>460.00</b>	<b>457.00</b>	<b>598.00</b>
<b>Pricol</b>	<b>20-02-16</b>	<b>50.00</b>	<b>44.40</b>	<b>75.00</b>

<b>Technical Calls</b>			
<b><u>Scripts</u></b>	<b><u>CMP (Rs.)</u></b>	<b><u>TGT(Rs.)</u></b>	<b><u>SL(Rs.)</u></b>
<b><u>BUY</u></b>			
IFCI	21	23	19.2
KOTAK BANK	616	636	609
<b><u>SELL</u></b>			
JSW STEEL	1099	1055	1120

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