

Morning Mantra 1st March, 2016

The Indian markets are likely to remain cautious and traders after analyzing the impact of the budget proposals will be taking selective bets.

The Finance Minister Arun Jaitley has said that there are serious challenges as far as agrarian sector is concerned and this Budget is a combination of several things. In addition to priority to agriculture and to rural sector, I am putting in place targeting of subsidies through a legislation which I would introduce immediately.

India Inc has lauded the budget proposals to boost rural and infrastructure sectors, saying they will have a multiplier effect on the economy. Though, they expressed dissatisfaction on the corporate taxation front, which was expected to see phased reduction to 25% from 30%. Jaitley also reiterated his commitment to implement General Anti Avoidance Rules (GAAR) from April 1, 2017, that can give some respite to the FIIs about the clarity. The rules are aimed at minimising tax avoidance for investments made by entities based in tax havens.

There will sectoral impact and apart from the additional cess, Aviation sector will have to face a hike of 6% in excise duty on jet fuel. On the same time car companies are likely to feel the heat of an additional percent of cess hike.

Nifty Levels

Close	6987			
Support	6945	6900	6865	6820
Resistance	7010	7065	7110	7170

Global Indices – 29th February, 2016
Institutional Activities – 29th February, 2016

Dow	-123.47(-0.74%)	FII Cash	-2018.02crs
Nasdaq	-32.52(-0.71%)	DII Cash	+1445.25crs
S&P500	-15.82(-0.81%)	FII F&O	+1296.68crs
SGX Nifty (Today)	+46.50(+0.66%)		

US. Markets

The US markets ended lower in last session, with downbeat economic news renewing fears of a US economic slowdown. Pending home sales index slumped 2.5 percent to 106.0 in January, also there was an unexpected contraction in Chicago-area business activity in the month of February.

Other Information

The Asian markets have made a mixed start and some of the indices are in red after a gauge of Chinese manufacturing declined, matching its lowest level of the past seven years that weighed on crude oil and copper. Japanese market too was down on strength in yen.

NY Crude Oil \$68.25/barrel

Rs./\$ - 33.03

F&O Ban

NIL

Corporate/Media News

IOC, BPCL, HPCL: State-run Indian Oil Corporation slashed petrol prices by Rs.3.02 a litre, but raised diesel by Rs.1.47, both in Delhi, with corresponding changes in other states.

Jaiprakash Power Ventures has commenced commercial operations at Unit -1 of 660 MW of Bara Super Critical Thermal Power Project on February 28, 2016.

Kotak Mahindra Bank: More than Rs 2000 crores worth of Kotak Mahindra Bank shares are set to change hands later tonight as a large institutional investor plans to offload its stake in the lender.

Axis Bank has bought 4.99% stake in Max Life Insurance for Rs 95.75 crores. The bank now owns 5.99% stake in Max life Insurance.

Piramal Enterprises has informed BSE that the Committee approved the issue of secured non-convertible debentures (NCDs) aggregating up to Rs. 1,000 crores on a private placement basis to be issued in one or more tranches from time to time.

Lupin said its wholly-owned Japanese subsidiary, Kyowa, plans to set up a manufacturing plant at Tottori, Japan as part of expansion plans in the country.

Syndicate Bank has informed BSE that the Board of Directors of the Company has considered and approved the issue of 4,13,12,457 equity shares of the face value of Rs.10 each for cash at Rs 52.51 aggregating to Rs 216.94 Crores on a preferential basis to LIC of India.

BEML has bagged the prestigious order valued at Rs 900 crores for the supply of Metro Coaches to Kolkata East-West Metro Line.

Sadbhav Infrastructure Project has informed BSE regarding receipt of Rs.72 Crores from Sadbhav Engineering Limited against stake of 20% held in Mumbai Nasik Expressway Limited (MNEL).

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	152.30	350.00
GoodLuck Steel	03-Dec-14	76.15	79.40	120.00
Nandan Denim	18-Apr-15	77.60	115.20	180.00
Uflex	04-May-15	119.00	134.20	240.00
Vindhya Telelink	03-July-15	726.25	580.25	1000.00
IG Petrochemicals	21-July-15	114.00	84.90	180.00
Tinplate Company of India	29-July-15	66.00	57.90	90.00
Rural Electrification Corp.	17-Aug-15	259.25	156.15	337.00
Aksh Optifibre	22-Aug-15	19.40	12.30	40.00
GIC Housing Finance	31-Oct-15	199.00	196.60	280.00
Sutlej Textiles	04-Nov-15	451.20	420.00	645.00
Transpek Industry	07-Dec-15	375.50	370.00	488.00
Star Paper Mills	12-Dec-15	34.30	32.05	48.00
Kalyani Steel	18-Dec-15	173.30	133.90	225.30
KNR Constructions	24-Dec-15	582.50	465.20	728.00
J B Chemicals & Pharma	04-Jan-15	279.15	242.65	362.90
The Great Eastern Shipping Co.	09-01-16	368.70	282.50	479.30
Lloyd Electric and Engineering	15-01-16	243.30	177.50	340.00
Lumax Auto Technologies	27-01-16	333.00	282.80	460.00
Alembic Pharma	29-01-16	617.75	616.95	800.00
State Bank of Bikaner & Jaipur	13-02-16	460.00	469.25	598.00
Pricol	20-02-16	50.00	40.55	75.00

Technical Calls			
<u>Scripts</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>	<u>SL(Rs.)</u>
<u>BUY</u>			
TVS MOTOR	268	275	262
APOLLO HOSP	1464	1530	1435
<u>SELL</u>			
OIL	309	300	313

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