

Morning Mantra 8th March, 2016

The Indian markets are likely to be cautious tailing the somber global cues.

There will be some concern with the MNI Consumer Sentiment index falling to 108.9 in February from 109.8 in January, indicating sluggish sentiment among end consumer as they grapple with volatile markets and deteriorating personal finances.

However, the markets may get some support with international rating agency Fitch maintaining India's growth forecast at 7.5% for FY16 and projecting the GDP growth of 7.7% for FY17, which is 0.3% lower than its December forecast of 8%, but much in line with the government's projection. The agency also sees RBI cutting key policy rates by 25 basis points and brushes off concerns over global recession.

There will be some buzz in the steel stocks on report that domestic steel output fell despite rise in consumption. Domestic steel consumption grew by 4.3% during the April-February period of the current financial year, while production of domestic industry fell by 1.9%.

Mining and mineral stocks too may see some action, as the Cabinet is likely to consider mines ministry's proposal to allow auction of 100 mineral blocks for exploration as early as this week.

Nifty Levels

Close	7485			
Support	7405	7356	7300	7264
Resistance	7501	7545	7596	7630

Global Indices – 4th March, 2016**Institutional Activities – 4th March, 2016**

Dow	+67.18(+0.40%)	FII Cash	+671.57crs
Nasdaq	-8.77(-0.19%)	DII Cash	-533.10crs
S&P500	+1.77(+0.09%)	FII F&O	+203.74crs
SGX Nifty (Today)	-27.50(-0.37%)		

US. Markets

The US markets extended their gaining streak with the help of surge in energy stocks and the Dow rose for a fifth consecutive session.

Other Information

The Asian markets have made mostly a weak start led by the Chinese market which has tumbled over two percent ahead of the release of trade data that may show a deepening slump in the nation's trade. Also, the Chinese foreign-exchange reserves fell by \$28.6 billion to \$3.2 trillion last month.

NY Crude Oil \$34.49/barrel Rs./\$ - 67.21

F&O Ban

JISLJALEQS

Corporate/Media News

Ajanta Pharma received final approval for its generic version of acute migraine pain relief drug almotriptan malate tablets from the US health regulator.

Jain Irrigations got CCI approval for selling its stake worth Rs 792 crores in the company and its food subsidiary JFFFL to agri-business funding firm Mandala Capital.

Siemens agreed to sell its healthcare business for a consideration of Rs 3,050 crores, to its German parent's wholly owned subsidiary in India.

L&T has decided to sell its casting manufacturing unit at Coimbatore to Bradken Limited for Rs 163 crores. L&T said revenue of the foundry unit for the fiscal 2015 was Rs 122 crores and the percentage contribution of the unit by revenue and net worth is less than 1%.

NALCO will invest around Rs 900 crores in Kakrapar Atomic Power project to acquire 26 per cent stake in the plant and plans to increase it to 49% later.

HPCL plans to invest Rs 45,000 crores by 2020 in capacity expansion of its Mumbai and Visakhapatnam refineries, along with augmenting of its marketing infrastructure.

Allahabad Bank will raise Rs 58 crores by issuing over one crore shares to LIC on preferential basis.

Yes Bank's proposal to hike FDI limit was cleared by the Board. In November 2015, the government had removed sub-limit restrictions for foreign investments in private sector banks within the overall sectoral limit of 74%.

Indian Overseas Bank said it will raise Rs 200 crores by issuing over eight crore shares on preferential basis to LIC to meet the Basel III capital requirement.

United Spirits Ltd: In a major setback for liquor baron Vijay Mallya, the Debt Recovery Tribunal (DRT) barred him from accessing USD 75 million (Rs 515 crores) exit payment from Diageo till the loan default case with State Bank of India is settled.

Sterlite Technologies, which is rolling out a fibre-to-the-home (FTTH) network in the country, has signed partnership deals with mobile carriers Bharti Airtel and Tata Teleservices, and internet service provider Spectranet, according to people aware of the development.

JB Chemicals & Pharmaceuticals has filed the review petition before the National Green Tribunal, Pune and the direction regarding the closure of bulk drugs plant of the Company has been stayed upto March 08, 2016.

Asian Paints informed the BSE that they have issued a notice to Sharepro Services (India) Pvt. Ltd for termination of the Agreement entered into with Sharepro Services, with effect from 1st April, 2016.

GVK Power and Infrastructure Ltd: The promoters G V Sanjay Reddy and Krishnaram Bhupal have transferred a total of 1.63 per cent stake in the firm to another promoter group entity Vertex Projects LLP.

Indiabulls Real Estate will raise Rs 300 crores through private placement of non-convertible debentures. The proposed issue of Rs 300 crores, at a coupon rate of 11%, would open and close on March 10.

Sobha Ltd. has raised Rs 25 crores through private placement of non-convertible debentures to replace costlier debt.

Tech Mahindra informed BSE that the High Court of Bombay has on March 04, 2016 orally pronounced an Order, approving the Scheme of Amalgamation of Tech Mahindra BPO Limited and New vC Services Private Limited with Tech Mahindra Limited.

Fundamental Calls

Scripts	Initiation Date	Initiation price (Rs.)	CMP (Rs.)	TGT(Rs.)
Suven Life Science	06-Aug-14	122.00	196.65	350.00
GoodLuck Steel	03-Dec-14	76.15	90.80	120.00
Nandan Denim	18-Apr-15	77.60	120.70	180.00
Uflex	04-May-15	119.00	149.40	240.00
Vindhya Telelink	03-July-15	726.25	634.00	1000.00
IG Petrochemicals	21-July-15	114.00	93.50	180.00

Tinplate Company of India	29-July-15	66.00	65.20	90.00
Rural Electrification Corp.	17-Aug-15	259.25	171.80	337.00
Aksh Optifibre	22-Aug-15	19.40	13.85	40.00
GIC Housing Finance	31-Oct-15	199.00	216.00	280.00
Sutlej Textiles	04-Nov-15	451.20	450.20	645.00
Transpek Industry	07-Dec-15	375.50	380.00	488.00
Star Paper Mills	12-Dec-15	34.30	34.00	48.00
Kalyani Steel	18-Dec-15	173.30	151.80	225.30
KNR Constructions	24-Dec-15	582.50	505.00	728.00
J B Chemicals & Pharma	04-Jan-15	279.15	265.65	362.90
The Great Eastern Shipping Co.	09-01-16	368.70	300.00	479.30
Lloyd Electric and Engineering	15-01-16	243.30	209.10	340.00
Lumax Auto Technologies	27-01-16	333.00	299.50	460.00
Alembic Pharma	29-01-16	617.75	639.00	800.00
State Bank of Bikaner & Jaipur	13-02-16	460.00	512.00	598.00
Pricol	20-02-16	50.00	44.95	75.00
NGL Fine-Chem	05-03-16	198.00	198.00	278.00

Technical Calls			
<u>Scripts</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>	<u>SL(Rs.)</u>
<u>BUY</u>			
AJANTA PHARMA	1397	1480	1360
<u>SELL</u>			
INDUSIND BANK	916	895	925
YES BANK	759	730	766

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