

Morning Mantra 1st April, 2016

The Indian markets are likely to start new series and fiscal in negative territory tailing the weakness in the other global markets.

There will be some support with reverse of a three-month decline in industrial production, eight core sector industries surged to a 15-month high of 5.7% in February, almost double the 2.9% of January.

Traders will also be getting some comfort with Finance Minister Arun Jaitley pegging India's GDP growth rate at 7.6% for the fiscal 2015-16 and expressing hope for better numbers next year.

There will be some buzz in the oil & gas sector, as the government has announced a ceiling price of \$6.61/mBtu on gross calorific value basis for domestic natural gas produced from difficult areas for six months starting April 1. ONGC and Reliance Industries have discoveries in such areas and hence, stand to benefit from the new policy, though it may not come immediately.

The auto sector too will be in action with announcement of their monthly sales numbers.

Nifty Levels

| | | | | |
|-------------------|------|------|------|------|
| Close | 7738 | | | |
| Support | 7690 | 7650 | 7605 | 7679 |
| Resistance | 7760 | 7799 | 7835 | 7870 |

Global Indices –31st March, 2016
Institutional Activities – 31st March, 2016

| | | | |
|--------------------------|----------------|--------------------|-------------|
| Dow | -31.57(-0.18%) | FII Cash | +4056.62crs |
| Nasdaq | +0.56(+0.01%) | DII Cash | -2890.57crs |
| S&P500 | -4.21(-0.20%) | FII F&O | +1244.62crs |
| SGX Nifty (Today) | -46.00(-0.59%) | | |

US. Markets

The US markets made a mixed closing in last session, as traders seemed reluctant to make significant moves ahead of the release of the Labor Department's closely watched monthly jobs report on Friday.

Other Information

The Asian markets have made a weak start led by the Japanese market which is down by over two percent as the yen resumed gain and the Japanese 'tankan' manufacturing confidence index came in worse than expected. However, there were some gains in metals after a gauge of Chinese manufacturing expanded for the first time since July.

NY Crude Oil \$38.95/barrel Rs./\$ - 66.43

F&O Ban

NIL

Corporate/Media News

- KEC International has bagged new orders worth Rs 836 crore in segments including transmission and distribution.
- Dishman Pharmaceuticals and Chemicals has acquired further 50% stake in Schutz Dishman Biotech Ltd., a Joint Venture Indian Company, from the existing JV Partner i.e. Schutz & Cco Beteiligungsgesellschaft MBH, Germany for a consideration of EURO 300,000.
- JP Associates announced the part sale of its cement business to the Kumarmangalam Birla-led Ultratech for Rs 15,900 crores, marking the biggest consolidation in the cement sector.
- Tata Motors has divested its entire stake in wholly-owned subsidiary Sheba Properties to another group firm Tata Motors Finance for Rs 405.37 crore.
- Mahindra and Mahindra's farm equipment division has picked up 35% stake in Finland's Sampo Rosenlew, a combined harvester specialist, for 18 million.
- IDBI Bank has sold a 2% stake in the National Stock Exchange (NSE) to Life Insurance Corp. of India (LIC), as part of the debt-laden bank's turnaround plan, said a media report.
- IVRCL Ltd: Terming the mishap as "unfortunate", infrastructure major IVRCL said it will cooperate with the state authorities probing the collapse of an under-construction flyover in Kolkata.
- Syndicate Bank has raised Rs.870 crores from Tier I bonds to meet Basel III norms. The fund has been raised from unsecured perpetually fully paid-up non-convertible Basel III compliant additional Tier I bonds 2015-16.
- Public Sector Banks: A host of banks, including SBI, HDFC Bank, PNB, Canara Bank and BoB, Thursday announced lending rates based on marginal cost of funds, a new methodology that will take effect from Friday, said a media report.
- ICICI Bank Ltd: Private sector ICICIBank has cut interest rate on fixed deposit rates by up to 0.55 per cent on bulk deposit rates of over Rs 1 crore.
- Uttam Galva Steels Ltd: Debt-laden Uttam Galva Steels Ltd has hired SBI Caps, the investment banking arm of State Bank of India, to fetch an investor after its lenders insisted on fresh investment before a debt recast, said a media report.
- Shriram Transport Finance Company Ltd: The company announced that the Hon'ble High Court of judicature at Madras, pursuant to the court hearing on 31 March 2016, has sanctioned the Scheme of Amalgamation for the merger of Shriram Equipment Finance Company with Company and is expected to issue the final certified copy of order shortly.
- Prestige Estates Projects Limited: The company has announced that the Board of Directors of the Company at its meeting held on March 31, 2016, has considered and approved the Scheme of Amalgamation of Downhills Holiday Resorts Private Limited, Foothills Resorts Private Limited, Pennar Hotels and Resorts Private Limited and Valdel Xtent Outsourcing Solutions Private Limited with Prestige Estates Projects Limited (PEPL) and their respective shareholder.
- Sun Pharma Ltd: Drug companies, still reeling from a recent health ministry ban on some of India's most popular antibiotics and cough syrups, may be facing another stiff challenge with a regulatory notice threatening the Rs 20,000-crore nutraceuticals industry, the leading lights of which include Sun Pharma, Abbott Nutrition and GlaxoSmithKline.

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 | 192.80 | 350.00 |
| GoodLuck Steel | 03-Dec-14 | 76.15 | 95.35 | 120.00 |
| Nandan Denim | 18-Apr-15 | 77.60 | 118.40 | 180.00 |
| Uflex | 04-May-15 | 119.00 | 174.25 | 240.00 |
| Vindhya Telelink | 03-July-15 | 726.25 | 622.00 | 1000.00 |
| IG Petrochemicals | 21-July-15 | 114.00 | 102.55 | 180.00 |
| Tinplate Company of India | 29-July-15 | 66.00 | 66.15 | 90.00 |
| Rural Electrification Corp. | 17-Aug-15 | 259.25 | 166.10 | 337.00 |

| | | | | |
|---|------------------|---------------|---------------|---------------|
| Aksh Optifibre | 22-Aug-15 | 19.40 | 13.08 | 40.00 |
| GIC Housing Finance | 31-Oct-15 | 199.00 | 246.50 | 280.00 |
| Sutlej Textiles | 04-Nov-15 | 451.20 | 458.00 | 645.00 |
| Transpek Industry | 07-Dec-15 | 375.50 | 400.00 | 488.00 |
| Star Paper Mills | 12-Dec-15 | 34.30 | 34.50 | 48.00 |
| Kalyani Steel | 18-Dec-15 | 173.30 | 168.50 | 225.30 |
| KNR Constructions | 24-Dec-15 | 582.50 | 510.00 | 728.00 |
| J B Chemicals & Pharma | 04-Jan-15 | 279.15 | 248.00 | 362.90 |
| The Great Eastern Shipping Co. | 09-01-16 | 368.70 | 310.20 | 479.30 |
| Lloyd Electric and Engineering | 15-01-16 | 243.30 | 244.10 | 340.00 |
| Lumax Auto Technologies | 27-01-16 | 333.00 | 313.00 | 460.00 |
| Alembic Pharma | 29-01-16 | 617.75 | 600.60 | 800.00 |
| State Bank of Bikaner & Jaipur | 13-02-16 | 460.00 | 505.00 | 598.00 |
| Pricol | 20-02-16 | 50.00 | 43.05 | 75.00 |
| NGL Fine-Chem | 05-03-16 | 198.00 | 228.40 | 278.00 |
| Balmer Lawrie & Company Ltd. | 12-03-16 | 540.00 | 574.95 | 756.00 |
| Ramco Cements Ltd. | 19-03-16 | 396.00 | 400.45 | 516.00 |
| Oriental Carbon & Chemicals Ltd. | 26-03-16 | 486.00 | 506.75 | 630.00 |

| Technical Calls | | | |
|-----------------|------------------|-----------------|----------------|
| <u>Scripts</u> | <u>CMP (Rs.)</u> | <u>TGT(Rs.)</u> | <u>SL(Rs.)</u> |
| <u>BUY</u> | | | |
| MOTHERSON SUMI | 266 | 280 | 258 |
| ALLAHABAD BANK | 54.85 | 58 | 52.6 |
| <u>SELL</u> | | | |
| WIPRO | 564 | 553 | 570 |

Disclaimer: This document has been prepared by SATCO Capital Market Ltd., a registered broker dealer, and is being distributed to its clients. The information in the document has been compiled by the research department. Due care has been taken in preparing the above document. However, this document is not, and should not be construed, as an offer to sell or solicitation to buy any securities. Any act of buying, selling or otherwise dealing in any securities referred to in this document shall be at investor's sole risk and responsibility. This document may not be reproduced, distributed or published, in whole or in part, without prior permission from the Company. @ Satco Capital Markets Ltd.