

Morning Mantra 19th May, 2016
Markets to make a soft start; assembly election results to give direction

Traders will be concerned with April FOMC minutes, which showed most of its rate-setting officials, were in favor of boosting borrowing costs next month should the U.S. economy continue to improve. On domestic front traders will be eyeing the state assembly election results for cues.

There will be some support with global rating agency Standard and Poor's (S&P) statement that India is likely to remain insulated from the developments in the Chinese economy provided the government carries out structural reforms to take the economy to an 8% growth path.

There will be some buzz in the pharma sector, as the government has approved three foreign direct investment proposals, all related to the pharmaceutical sector, worth Rs. 60.73 crores.

The oil & gas sector may see some action, Minister of State for Petroleum and Natural Gas, Dharmendra Pradhan stating that natural gas from coal bed methane is likely to contribute to 5% of national gas production by 2017.

Nifty Levels

Close	7870			
Support	7855	7840	7820	7790
Resistance	7895	7920	7935	7950

Important Results Today

Lupin, SpiceJet , Manpasand Beverages, Dishman Pharma, ICRA, Pidilite Industries and Rane Engine

Global Indices –18th May, 2016
Institutional Activities –18th May, 2016

Dow	-3.36(-0.02%)	FII Cash	-250.70crs
Nasdaq	+23.39(+0.50%)	DII Cash	+239.91crs
S&P500	+0.42(+0.02%)	FII F&O	-1208.61crs
SGX Nifty (Today)	-27.00(-0.34%)		

US. Markets

The US markets made a mixed closing in last session, as traders turned a bit cautious following the release of the minutes of the latest Federal Reserve meeting, which hinted strongly at the possibility of an interest rate hike next month.

Other Information

The Asian markets have made mostly a weak start, with prospect of US Fed's June interest-rate hike firming up.

NY Crude Oil \$48.28/barrel Rs./\$ - 67.18

F&O Ban

IBREALEST and JINDALSTEL

Corporate/Media News

JSW Steel reported an over two-fold jump in consolidated net profit at Rs 171.25 crores for the quarter ended March 31, mainly due to higher sales.

JK Lakshmi Cement: The cement major reported multi-fold jump in standalone net profit at Rs 48.38 crores for the quarter ending March 31, 2016, helped by better sales and cost optimisation measures.

Tata Motors: LIC has increased its shareholding in the company from 4.9% to 7.01 per cent through purchase of shares between January 8, 2013, and May 17, 2016, Tata Motors said in a regulatory filing.

RIL: Apple CEO Tim Cook and a team of top Reliance Industries executives have agreed to forge a long-term relationship which includes supplying a couple of million VoLTE iPhones that will work on Reliance Jio's upcoming 4G network.

Sun TV will be on investors radar ahead of assembly election results. The company is owned by Kalanithi Maran, the grandnephew of DMK president M Karunanidhi. DMK is the opposition party in Tamil Nadu, currently ruled by the AIADMK.

Castrol India: BP, the promoter of Castrol India, is looking to sell a stake worth up to \$287 million (nearly Rs 2,000 crores) in its Indian subsidiary through a block trade on Thursday.

PTC India: The state-owned power trading solution company reported 29.6 per cent decline in standalone net profit at Rs 39.69 crores for the quarter ended March 31, 2016.

IFB Industries: The company net profit stood at Rs. 5 crores while the total income of the company came in at Rs.368.5 crores as against Rs.326.9 crores YoY.

Crompton Greaves reported a standalone net profit of Rs 66.61 crores for the fourth quarter ended on March 31. The company had posted a net loss of Rs 1.87 crores for the corresponding quarter a year ago.

Dr Reddy's Laboratories is recalling over 50,000 bottles of Ondansetron tablets made at the company's Bachupally plant in India, on account of failed impurities and degradation specifications.

Torrent Power: The company reported a net profit of Rs 17.06 crores for the quarter ended March 2016, down 95.38 per cent compared to the year ago period.

Corporation Bank posted a net loss of Rs 510.9 crores for the last quarter of 2015-16 fiscal due to rise in provisions for bad loans.

Parag Milk Foods: The dairy firm Parag Milk Foods, which recently concluded its extended IPO, will list shares on the bourses on Thursday.

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	208.15	350.00
GoodLuck Steel	03-Dec-14	76.15	99.50	120.00
Nandan Denim	18-Apr-15	77.60	160.00	180.00
Uflex	04-May-15	119.00	182.45	240.00
IG Petrochemicals	21-July-15	114.00	142.20	180.00
Tinplate Company of India	29-July-15	66.00	72.85	90.00
Rural Electrification Corp.	17-Aug-15	259.25	162.05	337.00
Aksh Optifibre	22-Aug-15	19.40	15.97	40.00
GIC Housing Finance	31-Oct-15	199.00	257.80	280.00
Sutlej Textiles	04-Nov-15	451.20	582.30	645.00
Transpek Industry	07-Dec-15	375.50	416.00	488.00
Star Paper Mills	12-Dec-15	34.30	41.40	48.00
Kalyani Steel	18-Dec-15	173.30	159.60	225.30
KNR Constructions	24-Dec-15	582.50	524.50	728.00
J B Chemicals & Pharma	04-Jan-15	279.15	264.95	362.90
The Great Eastern Shipping Co.	09-Jan-16	368.70	306.20	479.30
Lloyd Electric and Engineering	15-Jan-16	243.30	274.70	340.00

Lumax Auto Technologies	27-Jan-16	333.00	325.00	460.00
Alembic Pharma	29-Jan-16	617.75	569.30	800.00
State Bank of Bikaner & Jaipur	13-Feb-16	460.00	494.20	598.00
Pricol	20-Feb-16	50.00	52.70	75.00
NGL Fine-Chem	05-Mar-16	198.00	221.00	278.00
Balmer Lawrie & Company Ltd.	12-Mar-16	540.00	585.00	756.00
The Ramco Cements Ltd.	19-Mar-16	396.00	488.50	516.00
Oriental Carbon & Chemicals Ltd.	26-Mar-16	486.00	480.00	630.00
Kakatiya Cement Sugar & Inds.	01-Apr-16	208.90	559.50	-----
PTC India Ltd.	08-Apr-16	62.05	65.35	80.00
Sintex Inds.	15-Apr-16	83.00	78.45	116.00
Richa Inds.	23-Apr-16	35.80	34.00	50.00
KCP Ltd.	29-Apr-16	84.00	80.30	118.00
Indraprastha Gas Ltd.	07-May-16	572.80	579.95	744.00

Technical Calls			
<u>Scripts</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>	<u>SL(Rs.)</u>
<u>BUY</u>			
CESC	547	580	533
UNION BANK	110.50	117	107
<u>SELL</u>			
ZEEL	436	410	450

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