

Morning Mantra 27th May, 2016

The Indian markets are likely to be in green and may extend the gains. All eyes will be on the Fed chief's speech at Massachusetts on Friday night to look for clues to a rate hike.

The market participants will be getting some encouragement with the global rating agency Fitch in its Global Economic outlook stating that India's economic growth will accelerate to 8% by 2018-19 fiscal as gradual implementation of structural reforms will contribute to higher growth.

The Prime Minister Narendra Modi on completion of his government's two year in office has said that his government has undertaken maximum reforms since coming to power in May 2014 and is expecting the long-pending GST bill to get passed this year.

The infra sector stocks will be in action, as the Centre has approved an investment of over Rs 5,530 crores for providing basic infrastructure in over 110 cities across six states under AMRUT scheme for the current fiscal.

Nifty Levels

Close	8070			
Support	8020	7982	7945	7902
Resistance	8085	8132	8156	8199

Global Indices –26th May, 2016

Dow	-23.22(-0.13%)
Nasdaq	+6.88(+0.14%)
S&P500	-0.44(-0.02%)
SGX Nifty (Today)	+17.50(+0.22%)

Institutional Activities –26th May, 2016

FII Cash	+581.29crs
DII Cash	+685.37crs
FII F&O	+5712.89crs

Important Results Today

SBI, BHEL, IOC, IOB, Oil India, Bharat Electronics, BEML, Canara Bank, Crompton Greaves and HPCL

US. Markets

The US markets consolidated in last session and after a volatile trade ended flat, with tech-heavy Nasdaq surging to its best closing level in over a month. Traders largely overlooked the upbeat pending home sales and initial jobless claims data.

Other Information

The Asian markets have mostly made a positive start shrugging off the lackluster session in the U.S. overnight. Though, the Chinese market was marginally in red, the Japanese market was trading higher amid speculation that weakness in economy will lead to delay in planned sales-tax increase.

NY Crude Oil \$49.15/barrel Rs./\$ - 67.00

F&O Ban

NIL

Corporate/Media News

SBI is expected to report 51 % YoY fall in the net profit to Rs 1840 crores for the quarter ended March 31 compared with 3742 crores reported in the year-ago period.

Tata Chemicals reported a net profit of Rs 242.24 crores for the quarter ended March as against a net loss of Rs 74.17 crores in the year-ago period.

Jet Airways posted its first annual net profit after eight years and its fourth straight quarterly net profit helped by lower fuel expenses and its own cost control measures.

Power Grid posted a 13.2 % jump in standalone net profit at Rs 1,599.05 crores for the March quarter on higher revenues from power transmission business.

Trent reported a standalone net profit of Rs 17.01 crores for the fourth quarter ended on March 31, 2016.

Torrent Pharma is in advanced talks to buy bulk drugs supplier Glochem Industries for about Rs 300 crores, people aware of the development said.

BPCL reported a net profit of Rs 2,549 crores for the March 2016 quarter, down over 10 % YoY compared with Rs 2,852 crores reported in the corresponding period last year.

India Cements reported a standalone net profit of Rs 51.21 crores for the fourth quarter ended March 31, 2015-16.

Novartis India reported a standalone net profit of Rs 21.53 crores for the quarter ended March 31, 2016.

ONGC's fourth quarter profit jumped 12% mainly on reversal of impairment loss as well as lower provisioning for dry wells.

Natco Pharma reported a 10.65 % increase in consolidated net profit at Rs 60.24 crores for the quarter ended March compared with Rs 54.44 crores reported in the year-ago period.

Sun Pharma said the umbrella pact and transaction agreements signed with Daiichi Sankyo and its overseas subsidiaries have been terminated due to divestment of Ranbaxy by the Japanese firm.

Deepak Fertilisers reported a 5 % decline in net profit at Rs 25.92 crores for the fourth quarter of 2015-16 financial year.

RPG Life Sciences has decided to sell its biotech unit to Intas Pharmaceuticals Ltd for an unspecified amount, said a media report.

United Spirits posted narrowing of standalone net loss at Rs 8.99 crores for the fourth quarter ended March 2016, on account of exceptional items.

Coal India intends to export coal and is in talks with power companies in Bangladesh for striking supply deals. This is for the first time CIL would be exporting the fossil fuel on a commercial basis.

Fortis Healthcare consolidated net loss of Rs 90.86 crores for the quarter ended March 31, 2016 even as the company's board decided to consider demerger of diagnostics business in addition to other options to monetise its inherent value.

Hotel Leela Venture reported a standalone net loss of Rs 228.87 crores for the fourth quarter ended March 31, 2016 as against a net profit of 43.96 crores in the year-ago period.

Fundamental Calls

Scripts	Initiation Date	Initiation price (Rs.)	CMP (Rs.)	TGT(Rs.)
Nandan Denim	18-Apr-15	77.60	152.10	180.00
Uflex	04-May-15	119.00	184.65	240.00
IG Petrochemicals	21-July-15	114.00	126.00	180.00
Tinplate Company of India	29-July-15	66.00	72.65	90.00
Rural Electrification Corp.	17-Aug-15	259.25	155.30	337.00
Sutlej Textiles	04-Nov-15	451.20	575.00	645.00
Transpek Industry	07-Dec-15	375.50	366.80	488.00
Kalyani Steel	18-Dec-15	173.30	160.80	225.30

KNR Constructions	24-Dec-15	582.50	528.00	728.00
J B Chemicals & Pharma	04-Jan-15	279.15	245.70	362.90
The Great Eastern Shipping Co.	09-Jan-16	368.70	310.10	479.30
Lloyd Electric and Engineering	15-Jan-16	243.30	267.50	340.00
Lumax Auto Technologies	27-Jan-16	333.00	316.05	460.00
Alembic Pharma	29-Jan-16	617.75	546.35	800.00
State Bank of Bikaner & Jaipur	13-Feb-16	460.00	470.20	598.00
Pricol	20-Feb-16	50.00	51.95	75.00
Balmer Lawrie & Company Ltd.	12-Mar-16	540.00	581.80	756.00
The Ramco Cements Ltd.	19-Mar-16	396.00	490.00	516.00
Oriental Carbon & Chemicals Ltd.	26-Mar-16	486.00	480.00	630.00
PTC India Ltd.	08-Apr-16	62.05	69.65	80.00
Sintex Inds.	15-Apr-16	83.00	77.60	116.00
Richa Inds.	23-Apr-16	35.80	33.90	50.00
KCP Ltd.	29-Apr-16	84.00	78.75	118.00
Indraprastha Gas Ltd.	07-May-16	572.80	569.85	744.00
Exide Inds.	21-May-16	146.45	156.00	190.00
VTM Ltd.	20-May16	30.60	29.35	46.00

Technical Calls			
<u>Scripts</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>	<u>SL(Rs.)</u>
<u>BUY</u>			
JUST DIAL	667.70	690	655
MRF	32553	33900	31500
<u>SELL</u>			
NTPC	141.20	136	143

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.