

Morning Mantra 3rd June, 2016
The Indian markets are likely to be in green on sanguine global cues.

The market participants will be getting support with the India Meteorological Department (IMD) stating that the country is all set to receive above-normal monsoon rains this year with a long-period average of 106% and monsoon would hit the Indian coast in the next 4-5 days.

There will be some encouragement with Finance Minister Arun Jaitley's statement that India will attempt to keep the proposed GST rate as moderate as possible and the government will push for passage of the bill introducing the levy in the upcoming monsoon session of Parliament.

There will be some buzz in the infra stocks, as the Reserve Bank of India (RBI) has allowed NBFCs to refinance any existing infrastructure and other project loans by way of take-out financing, without it being considered as restructuring.

On the same time good monsoon forecast will boost the consumer goods and auto stocks.

Nifty Levels

Close	8219			
Support	8170	8140	8122	8080
Resistance	8240	8277	8299	8340

Global Indices -2nd June, 2016
Institutional Activities -2nd June, 2016

Dow	+48.89(+0.27%)	FII Cash	+521.85crs
Nasdaq	+19.11(+0.39%)	DII Cash	-576.86crs
S&P500	+5.93(+0.28%)	FII F&O	+2.43crs
SGX Nifty (Today)	+31.00(+0.38%)		

US. Markets

The US markets showing another turnaround after initial fall, made a positive close in last session, with traders looking ahead to the release of the closely watched monthly jobs report on Friday. Early decline was mainly induced by the decrease in crude prices after OPEC meeting failed to result in an agreement on a new output target.

Other Information

The Asian markets have made mostly a positive start, tracking the rebound in the US markets. The Japanese market was moving higher after yen pulled back from its strongest level since mid-May.

NY Crude Oil \$67.25/barrel

Rs./\$ - 49.21

F&O Ban

NIL

Corporate/Media News

NMDC is considering a buyback of fully paid-up equity shares of the company of face value of Rs 1 each. A meeting of the board of directors of the company will be held on June 7 to decide on the proposal.

Tech Mahindra has bagged a \$75 million (over Rs 504 at \$1 is equal to Rs 67.29) contract from Nevada's Department of Motor Vehicles (DMV) as the prime integrator for a system modernization project.

Hindustan Unilever has separated its food & beverages business into two divisions. This is the second such separation of segments in nearly two years at HUL.

NHPC expects to commission nearly 610 MW hydro projects this fiscal.

Yes Bank is likely to raise USD 1 billion from overseas investors in the current fiscal as it has recently got government approval for increasing foreign investment to 74%.

Reliance Jio has begun selling its Lyf smartphones with SIM cards enabled for the high-speed service in India's bigger cities.

Jyothy Laboratories Ltd: German consumer goods major Henkel AG that exited bulk of its India business five years ago by selling the unit to Jyothy Laboratories Ltd has the option to buy as much as 26% stake in the Indian firm by March 2017.

PFC Ltd: In the wake of loan default worth Rs 700 crore, PFC has acquired over 23% stake in Shree Maheshwar Hydel Power Corp by invoking pledged shares and partially converting debt into equity.

M&M expanded its zero emission electric vehicle range with the launch of eVerito, its first electric sedan.

Electrosteel Steels: Promoters of Electrosteel Steels, at risk of losing the company to banks after defaulting on Rs 10,000 crore in loans, have asked lenders to reschedule of the loans and halt the process of taking control as higher steel prices in the past few months has helped them report net profit in the fourth quarter for the first time in five years

Fundamental Calls

<u>Scripts</u>	<u>Initiation Date</u>	<u>Initiation price (Rs.)</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>
Uflex	04-May-15	119.00	207.85	240.00
IG Petrochemicals	21-July-15	114.00	126.30	180.00
Tinplate Company of India	29-July-15	66.00	79.55	90.00
Rural Electrification Corp.	17-Aug-15	259.25	165.20	337.00
Sutlej Textiles	04-Nov-15	451.20	570.75	645.00
Transpek Industry	07-Dec-15	375.50	372.00	488.00
Kalyani Steel	18-Dec-15	173.30	185.30	225.30
KNR Constructions	24-Dec-15	582.50	577.00	728.00
J B Chemicals & Pharma	04-Jan-15	279.15	254.10	362.90
The Great Eastern Shipping Co.	09-Jan-16	368.70	310.00	479.30
Lloyd Electric and Engineering	15-Jan-16	243.30	240.30	340.00
Lumax Auto Technologies	27-Jan-16	333.00	318.45	460.00
Alembic Pharma	29-Jan-16	617.75	559.45	800.00
State Bank of Bikaner & Jaipur	13-Feb-16	460.00	475.40	598.00
Pricol	20-Feb-16	50.00	65.15	75.00
Balmer Lawrie & Company Ltd.	12-Mar-16	540.00	582.30	756.00
The Ramco Cements Ltd.	19-Mar-16	396.00	495.00	516.00
Oriental Carbon & Chemicals Ltd.	26-Mar-16	486.00	462.50	630.00
PTC India Ltd.	08-Apr-16	62.05	68.15	80.00
Sintex Inds.	15-Apr-16	83.00	79.10	116.00

Richa Inds.	23-Apr-16	35.80	31.50	50.00
KCP Ltd.	29-Apr-16	84.00	77.60	118.00
Indraprastha Gas Ltd.	07-May-16	572.80	567.95	744.00
Exide Inds.	21-May-16	146.45	159.75	190.00
VTM Ltd.	20-May16	30.60	29.05	46.00
DCM Shriram Ltd	28-May-16	187.00	195.00	252.00

Technical Calls			
<u>Scripts</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>	<u>SL(Rs.)</u>
<u>BUY</u>			
SUNTV	370	399	350
ENGINEERSIND	195	240	186
<u>SELL</u>			
CAIRN	141	132	145

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