

**Morning Mantra 24<sup>th</sup> June, 2016**

**The Indian markets are likely to be very weak tailing the slump in the regional markets.** If the verdict is of Brexit, markets will take even harder knock, while the results turning other way may give a mega boost to the bourses. Traders will be worried about the rupee as the Brexit will be having greater impact on it.

The consumer goods and auto sector will be in action, on some reports that the central government employees and pensioners are likely to get their 6 months of arrears in October.

Manufacturing sector will be getting some support with Finance Minister Arun Jaitley's statement that the country wants manufacturing sector to grow, offer jobs. Finance Minister is on a five-day visit to China, meeting bankers and wealth fund managers there to pitch for more investments in India.

The aviation stocks too may see some upmove, with Civil Aviation Minister Ashok Gajapathi Raju stating that to deal with steep rise in airfares, capping would not be the answer as it would also push the floor prices.

**Global Indices –23<sup>rd</sup> June, 2016**
**Institutional Activities –23<sup>rd</sup> June, 2016**

<b>Dow</b>	+230.24(+1.29%)	<b>FII Cash</b>	+81.87crs
Nasdaq	+76.72(+1.59%)	<b>DII Cash</b>	+203.56crs
S&P500	+27.87(+1.34%)	<b>FII F&amp;O</b>	+1129.32crs
<b>SGX Nifty (Today)</b>	-234.00(-2.9%)		

**US. Markets**

The US markets ended with good gains in last session, offsetting the modest pullback seen in the previous session on optimism that voters will oppose the so-called Brexit and shrugged off a batch of U.S. economic data, including a Commerce Department report showing a pullback in new home sales in May.

**Other Information**

The Asian markets have made a weak start and some of the indices are down by over two percent, jolted by early results from Britain's referendum on membership of the European Union that put the "Leave" camp ahead.

NY Crude Oil \$47.71/barrel

Rs./\$ -67.95

**F&O Ban**

CEATLTD, IBREALEST, INDIACEM, JETAIRWAYS, JPASSOCIAT and RCOM

**Corporate/Media News**

**Brexit related stocks: Tata Motors, Tata Steel, Bharat Forge, Kitex Garments, KPR Mill, Wockhardt and Torrent Pharma have considerable exposure to European markets. Bharat Forge generates around 30 per cent of its consolidated sales from EU.**

Sun Pharma's board of directors approved a share buyback plan at Rs 900 per share through a tender offer for a maximum of 7.5 million equity shares. The plan will roughly cost the company Rs 675 crores.

HDFC Ltd: HDFC Ltd has invoked 35,000 shares of United Spirits pledged to it by Kingfisher Finvest India, a firm promoted by embattled businessman Vijay Mallya.

State Bank of India: Country's largest bank, State Bank of India said that it would raise \$ 1.5bn in this fiscal year by issuing dollar denominated bonds. In a statement issued to the Bombay Stock Exchange, the bank said that the executive committee of the central board will meet on June 29 to consider this proposal.

Glenmark Pharma: The Foreign Investment Promotion Board (FIPB), is scheduled to meet on July 5 to consider about 15 foreign investment proposals including that of Sistema Sistema Shyam, Glenmark Pharma, Morgan Stanley India will come up for consideration.

Tata Motors: Tata Motors-owned Jaguar Land Rover (JLR) on Thursday began recalling more than 11,000 vehicles in China due to faulty crankshaft sensors, China's quality watchdog said.

Allahabad Bank: State-run Allahabad Bank is aiming to grow its retail lending book by one-fifth this fiscal, expecting a consumption-led economic growth this fiscal with higher government's spending on salaries.

JSW Energy: Months after initial discussions fell through, Sajjan Jindal-controlled JSW Energy is said to have reopened talks with the Jaypee Group on acquiring three power assets.

ONGC, IOC, HPCL, BPCL: Indian state oil firms may buy a stake in Russian oil major Rosneft, oil minister Dharmendra Pradhan said, signaling a move that would hoist the country's overseas energy portfolio to a new high as the company pumps more oil than ExxonMobil.

ITC: ITC Ltd's packaged food business has crossed the Rs 7,000 crore sales mark in 2015-16, a growth of 10.7 per cent over last fiscal. With this, the company's non-cigarette FMCG brands have garnered annual consumer spend over Rs 12,000 crore, as per disclosure in the recently published annual report.

Reliance Communications: RCOM on Thursday said it expects to shortly sign a binding merger deal with the founders of Aircel, for combining the wireless businesses of both the telecom companies.

Bank of India: State-owned Bank of India said it has raised Rs 1,000 crore through bonds that comply with Basel-III norms for capital adequacy.

<b>Fundamental Calls</b>				
<b>Scripts</b>	<b>Initiation Date</b>	<b>Initiation price (Rs.)</b>	<b>CMP (Rs.)</b>	<b>TGT(Rs.)</b>
Uflex	04-May-15	119.00	229.75	240.00
IG Petrochemicals	21-July-15	114.00	142.20	180.00
Tinplate Company of India	29-July-15	66.00	80.25	90.00
Rural Electrification Corp.	17-Aug-15	259.25	167.30	337.00
Sutlej Textiles	04-Nov-15	451.20	606.40	645.00
Transpek Industry	07-Dec-15	375.50	385.00	488.00
<b>Kalyani Steel</b>	<b>18-Dec-15</b>	<b>173.30</b>	<b>185.05</b>	<b>225.30</b>
<b>KNR Constructions</b>	<b>24-Dec-15</b>	<b>582.50</b>	<b>556.00</b>	<b>728.00</b>
J B Chemicals & Pharma	04-Jan-15	279.15	238.50	362.90
The Great Eastern Shipping Co.	09-Jan-16	368.70	308.00	479.30
Lloyd Electric and Engineering	15-Jan-16	243.30	226.15	340.00
Lumax Auto Technologies	27-Jan-16	333.00	326.20	460.00
Alembic Pharma	29-Jan-16	617.75	536.55	800.00
State Bank of Bikaner & Jaipur	13-Feb-16	460.00	617.60	598.00
<b>Pricol</b>	<b>20-Feb-16</b>	<b>50.00</b>	<b>80.50</b>	<b>75.00</b>
Balmer Lawrie & Company Ltd.	12-Mar-16	540.00	594.20	756.00
The Ramco Cements Ltd.	19-Mar-16	396.00	547.10	516.00
<b>Oriental Carbon &amp; Chemicals Ltd.</b>	<b>26-Mar-16</b>	<b>486.00</b>	<b>518.50</b>	<b>630.00</b>
<b>PTC India Ltd.</b>	<b>08-Apr-16</b>	<b>62.05</b>	<b>73.10</b>	<b>80.00</b>
<b>Sintex Inds.</b>	<b>15-Apr-16</b>	<b>83.00</b>	<b>76.45</b>	<b>116.00</b>
<b>Richa Inds.</b>	<b>23-Apr-16</b>	<b>35.80</b>	<b>29.00</b>	<b>50.00</b>

<b>KCP Ltd.</b>	<b>29-Apr-16</b>	<b>84.00</b>	<b>88.00</b>	<b>118.00</b>
<b>Indraprastha Gas Ltd.</b>	<b>07-May-16</b>	<b>572.80</b>	<b>606.60</b>	<b>744.00</b>
<b>Exide Inds.</b>	<b>21-May-16</b>	<b>146.45</b>	<b>163.40</b>	<b>190.00</b>
<b>VTM Ltd.</b>	<b>20-May16</b>	<b>30.60</b>	<b>29.50</b>	<b>46.00</b>
<b>DCM Shriram Ltd</b>	<b>28-May-16</b>	<b>187.00</b>	<b>194.45</b>	<b>252.00</b>
<b>Gulshan Polyols</b>	<b>04-June-16</b>	<b>336.00</b>	<b>343.00</b>	<b>471.00</b>
<b>Finolex Industries</b>	<b>13-June-16</b>	<b>410.75</b>	<b>414.10</b>	<b>534.00</b>
<b>DTIL</b>	<b>21-June-16</b>	<b>301.00</b>	<b>297.00</b>	<b>424.00</b>

**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.**