

Morning Mantra 7th July, 2016

The Indian markets are likely to be in green after IMD stated that the Southwest monsoon rainfall has shown a marginal rise of 1% with a good amount of precipitation in several parts of the country for the period between June 1 and July 6.

The newly appointed Minister of State for Finance Santosh Gangwar has said that the government is confident of getting the much-delayed GST Bill passed in the upcoming Monsoon session of Parliament, beginning later this month.

There will be some concern with the US stating India's growth rate target of 7.5% seems "overstated" due to "depressed investor sentiment" stemming from its failure to implement crucial market reforms, but it lauded Reserve Bank governor Raghuram Rajan for his "monetary stewardship".

There will be some buzz in the pharma sector stocks on report that India maintained its supremacy over China in pharmaceutical exports in 2015 with a growth of 7.55% to \$ 12.54 billion.

Nifty Levels

Close	8336			
Support	8300	8280	8255	8200
Resistance	8350	8399	8410	8430

Global Indices –6th July, 2016

Dow	+78.00(+0.44%)	FII Cash	+265.63crs
Nasdaq	+36.26(+0.75%)	DII Cash	-447.48crs
S&P500	+11.18(+0.54%)	FII F&O	+197.36crs
SGX Nifty (Today)	+35.50(+0.43%)		

Institutional Activities –5th July, 2016
US. Markets

The US markets posted decent gains in last session; traders took comfort from the release of a report from the Institute for Supply Management showing faster than expected growth in the US service sector activity in the month of June.

Other Information

The Asian markets have made a mixed start, though some markets are still closed. The Japanese market was trading weaker, as the yen strengthened for a third day, while some markets are higher taking cues from upbeat US economic data.

NY Crude Oil \$47.67/barrel

Rs./\$ -67.46

F&O Ban

JPASSOCIAT

Corporate/Media News

Vakrangee has entered into Corporate Agency tie-up with Religare Health Insurance Company (Religare), to distribute health Insurance product through Vakrangee distribution network, said a media report.

Srei Equipment said that Brickwork Ratings has upgraded its rating to BWR 'AA+' with a stable outlook from BWR "AA" for its non-convertible debentures (NCDs) aggregating to Rs 2,130 crore.

Escorts has set a target of earning a third of its revenue from exports by the end of this decade, a plan which calls for an aggressive expansion in overseas markets that contribute negligibly at present.

ICICI Bank will seek shareholder approval to raise up to Rs 25,000 crores by selling bonds and debentures, the private sector lender said in a filing to the Bombay Stock Exchange (BSE).

Petronet LNG has plans to set up a Rs 5,000 crore LNG import terminal at Kutubdia islands in Bangladesh as it looks to build terminals to feed demand in neighbouring countries.

HCL Infosystems: Owing to the company's continued poor financial performance India Ratings and Research has downgraded HCL Infosystems Limited ratings.

JK Paper has made a non-binding offer to acquire two units of Avantha Group firm BILT Graphic Paper Products Ltd (BGPPL).

Axis Bank: The Cabinet Committee on Economic Affairs has cleared the proposal of Axis Bank to increase the foreign shareholding limit to 74 per cent from 62 per cent now. It would lead to foreign investment of about Rs 13,000 crores.

Insecticides (India has entered into an agreement with Momentive Performance Materials Inc., USA for getting the product 'AGROSPREC MAX' on an exclusive basis for the territory of India.

CESC: RP Sanjiv Goenka Group flagship CESC Ltd has secured a term loan of Rs 712 crore from four banks towards meeting capital expenditure and retiring long term debt.

Bank of Baroda for the first time is set to offer rating-based lending to retail mortgage loan seekers, which involves giving loans based on credit scores and not a uniform rate irrespective of the credit quality.

JSW Steel: India Ratings and Research (Ind-Ra) said it has downgraded JSW Steel's long-term issuer rating besides downgrading company's Rs 86.35 billion non-convertible debentures (NCDs).

Bayer CropScience appointed Pankaj Patel as a non-executive director and chairman of the company following beleaguered businessman Vijay Mallya's resignation last month.

PNB: PNB Housing Finance, the Housing Finance arm of public sector lender Punjab National Bank has submitted a draft red herring prospectus in the run-up to its planned initial public offering (IPO).

Fundamental Calls				
Scripts	Initiation Date	Initiation price (Rs.)	CMP (Rs.)	TGT(Rs.)
Uflex	04-May-15	119.00	230.90	240.00
IG Petrochemicals	21-July-15	114.00		180.00
Tinplate Company of India	29-July-15	66.00	81.75	90.00
Rural Electrification Corp.	17-Aug-15	259.25	182.20	337.00
Sutlej Textiles	04-Nov-15	451.20	681.00	645.00
Transpek Industry	07-Dec-15	375.50	420.00	488.00
Kalyani Steel	18-Dec-15	173.30	191.35	225.30
KNR Constructions	24-Dec-15	582.50	574.00	728.00
J B Chemicals & Pharma	04-Jan-15	279.15	254.40	362.90
The Great Eastern Shipping Co.	09-Jan-16	368.70	317.40	479.30
Lloyd Electric and Engineering	15-Jan-16	243.30	237.95	340.00
Lumax Auto Technologies	27-Jan-16	333.00	321.90	460.00
Alembic Pharma	29-Jan-16	617.75	577.60	800.00
State Bank of Bikaner & Jaipur	13-Feb-16	460.00	659.85	700.00
Pricol	20-Feb-16	50.00	84.00	90.00
Balmer Lawrie & Company Ltd.	12-Mar-16	540.00	602.00	756.00
The Ramco Cements Ltd.	19-Mar-16	396.00	574.95	516.00
Oriental Carbon & Chemicals Ltd.	26-Mar-16	486.00	551.45	630.00

PTC India Ltd.	08-Apr-16	62.05	78.65	80.00
Sintex Inds.	15-Apr-16	83.00	84.85	116.00
Richa Inds.	23-Apr-16	35.80	32.35	50.00
KCP Ltd.	29-Apr-16	84.00	93.45	118.00
Indraprastha Gas Ltd.	07-May-16	572.80	619.10	744.00
Exide Inds.	21-May-16	146.45	174.60	190.00
VTM Ltd.	20-May16	30.60	30.55	46.00
DCM Shriram Ltd	28-May-16	187.00	216.30	252.00
Gulshan Polyols	04-June-16	336.00	346.05	471.00
Finolex Industries	13-June-16	410.75	445.20	534.00
DTIL	21-June-16	301.00	342.25	424.00
Salzer Electronics	25-June-16	206.00	237.50	290.00
GHCL	02-July-16	192.00	194.00	270.00

Technical Calls			
<u>Scripts</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>	<u>SL(Rs.)</u>
<u>BUY</u>			
QUICK HEAL	285.80	320	280
PARAG MILK	306	340	295
<u>SELL</u>			
CESC	604	580	625

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.