

Morning Mantra 19th July, 2016

The Indian markets are likely to remain positive but cautious on mixed regional cues.

The global rating agency reaffirming India's 'BBB-' rating with a stable outlook, while saying it would produce a 7.7% growth rate for FY2017. However, Fitch expressed concern over deteriorating private investment and the still weak fiscal position. The global financial services major Morgan Stanley too has revised upwards its India growth estimate for this year to 7.7% from 7.5% earlier, because of 'positive surprises' in the macro data. Chief economic adviser (CEA) to the finance ministry Arvind Subramanian has said that the Indian economy can grow at more than 8% the next decade if global economic environment remains supportive.

IT stocks once again be in focus with another bellwether Wipro announcing its numbers later in the day and is expected to report weak earnings hurt by wage hike.

Nifty Levels

| | | | | |
|-------------------|------|------|------|------|
| Close | 8509 | | | |
| Support | 8470 | 8455 | 8420 | 8400 |
| Resistance | 8570 | 8599 | 8620 | 8665 |

Global Indices –18th July, 2016

| | |
|--------------------------|----------------|
| Dow | +16.50(+0.09%) |
| Nasdaq | +26.19(+0.52%) |
| S&P500 | +5.15(+0.24%) |
| SGX Nifty (Today) | +19.30(+0.23%) |

Institutional Activities –18th July, 2016

| | |
|----------|-------------|
| FII Cash | +599.09crs |
| DII Cash | -439.09crs |
| FII F&O | +1039.80crs |

US. Markets

The US markets despite a subdued trading, ended modestly higher in the last session on upbeat earnings news from financial giant Bank of America. Though, there was unexpected drop in homebuilder confidence in the month of July.

Other Information

The Asian markets have made mostly a lower start with some indices trading down by around half a percent, retreating from their highest level since April as oil fell. Though, the Japanese market coming after a long weekend was trading higher.

NY Crude Oil \$45.94/barrel Rs./\$ -67.14

F&O Ban

BANKINDIA, CANBK, IBREALEST, JINDALSTEL, JPASSOCIAT and RCOM

Corporate/Media News

Exide Industries: Battery maker Exide Industries Ltd reported a 25.9 per cent increase in net profit to Rs 196.05 crores in the first quarter ended June 30, on the back of higher sales.

HUL reported a 9.7% year-on-year (YoY) growth in net profit at Rs 1,174 crores for the quarter ended June 30, which was largely in line with consensus estimates.

Bank of Baroda: Unions of public sector banks have given a strike call on July 29 to protest against reforms in the banking sector.

Gruh Finance has reported 19.6% rise in net profit at Rs 60.18 crores for the first quarter ended June 30.

Nalco inked a pact with the Union Ministry of Mines to meet revenue target Rs 7,100 crore revenue from operations, said a media report.

JSW Energy & Jaiprakash Power: JSW Energy will acquire Jaiprakash Power Ventures' 500 MW thermal plant at Bina in Madhya Pradesh at base enterprise value of Rs 2,700 crores.

Camline Fine Sciences said that State Level Environment Impact Assessment Authority, Gujarat, has granted environment clearance to set up a manufacturing facility for hydroquinone/catechol and its downstream products at the Dahej SEZ. It had investment plans of Rs 180 crore for the unit.

Idea Cellular has slashed effective rates of its 4G and 3G Internet packs for prepaid and post-paid customers who use large data packs, offering up to 67 per cent more benefits for the same price.

GATI: Macquarie Bank has sprung a surprise and decided to go back on its bet on leading logistics and express delivery service provider Gati Ltd, by cashing out of its entire 5.6% stake in the company.

Hotel Leela: The Delhi High Court has directed Hotel Leela venture to pay Airports Authority of India (AAI) arrears of Rs.258 crores in relation to the land leased by the airport operator near Mumbai airport.

Tata Steel: Tata Steel said that it will seek shareholders nod to raise up to Rs 10,000 crore through various debt securities including redeemable non-convertible debentures (NCDs).

Indiabulls Real Estate has raised Rs 20 crores through issue of non-convertible debentures on private placement basis.

Hinduja Foundries reported narrowing of its standalone net loss to Rs 36.57 crores for the quarter ended June 30, 2016.

Dabur India has acquired South African cosmetics manufacturing and trading firm Discaria Trading for an undisclosed amount.

Adani Power has sought shareholders' nod to raise up to Rs 10,000 crores through issuance of equity shares or other instruments like GDR, ADR or debentures, increasing its earlier borrowing limit.

Mind Tree posted a 3.7% drop in consolidated net profit at Rs 123.5 crores in the first quarter of the ongoing fiscal.

SAIL's market share in domestic consumption has been declining since 2013-14, Parliament was informed on Monday.

Syndicate Bank: The bank said it has raised Rs 930 crores in the form of unsecured non-convertible (UNC). The capital was inclusive of the Greenshoe option, which allows benefactors to sell investors more shares than formerly planned by the issuer, the bank said.

Jaiprakash Power Ventures reported a standalone net loss of Rs 196.16 crores for the quarter ended June 30, 2016. The company had reported a net profit of Rs 66.96 crores in the year-ago period.

Fundamental Calls

| Scripts | Initiation Date | Initiation price (Rs.) | CMP (Rs.) | TGT(Rs.) |
|-----------------------------|------------------------|-------------------------------|------------------|---------------------------|
| Uflex | 04-May-15 | 119.00 | 237.40 | 240.00 (TargetAchieve) |
| IG Petrochemicals | 21-July-15 | 114.00 | | 180.00 |
| Tinplate Company of India | 29-July-15 | 66.00 | 85.10 | 90.00 |
| Rural Electrification Corp. | 17-Aug-15 | 259.25 | 194.90 | 337.00 |
| Sutlej Textiles | 04-Nov-15 | 451.20 | 667.10 | 645.00 (TargetAchieve) |

| | | | | |
|----------------------------------|-------------------|---------------|---------------|---------------------------------|
| Transpek Industry | 07-Dec-15 | 375.50 | 390.00 | 488.00 |
| Kalyani Steel | 18-Dec-15 | 173.30 | 183.70 | 225.30 |
| KNR Constructions | 24-Dec-15 | 582.50 | 573.50 | 728.00 |
| J B Chemicals & Pharma | 04-Jan-15 | 279.15 | 265.40 | 362.90 |
| The Great Eastern Shipping Co. | 09-Jan-16 | 368.70 | 323.00 | 479.30 |
| Lloyd Electric and Engineering | 15-Jan-16 | 243.30 | 233.10 | 340.00 |
| Lumax Auto Technologies | 27-Jan-16 | 333.00 | 323.00 | 460.00 |
| Alembic Pharma | 29-Jan-16 | 617.75 | 575.95 | 800.00 |
| State Bank of Bikaner & Jaipur | 13-Feb-16 | 460.00 | 689.85 | 700.00 |
| Pricol | 20-Feb-16 | 50.00 | 98.75 | 90.00 (TargetAchieve) |
| Balmer Lawrie & Company Ltd. | 12-Mar-16 | 540.00 | 598.15 | 756.00 |
| The Ramco Cements Ltd. | 19-Mar-16 | 396.00 | 562.40 | 516.00 (TargetAchieve) |
| Oriental Carbon & Chemicals Ltd. | 26-Mar-16 | 486.00 | 616.80 | 630.00 (TargetAchieve) |
| PTC India Ltd. | 08-Apr-16 | 62.05 | 79.40 | 80.00 (TargetAchieve) |
| Sintex Inds. | 15-Apr-16 | 83.00 | 79.45 | 116.00 |
| Richa Inds. | 23-Apr-16 | 35.80 | 30.30 | 50.00 |
| KCP Ltd. | 29-Apr-16 | 84.00 | 102.45 | 118.00 |
| Indraprastha Gas Ltd. | 07-May-16 | 572.80 | 606.15 | 744.00 |
| Exide Inds. | 21-May-16 | 146.45 | 179.35 | 190.00 (TargetAchieve) |
| VTM Ltd. | 20-May16 | 30.60 | 29.20 | 46.00 |
| DCM Shriram Ltd | 28-May-16 | 187.00 | 212.50 | 252.00 |
| Gulshan Polyols | 04-June-16 | 336.00 | 367.00 | 471.00 |
| Finolex Industries | 13-June-16 | 410.75 | 448.00 | 534.00 |
| DTIL | 21-June-16 | 301.00 | 328.90 | 424.00 |
| Salzer Electronics | 25-June-16 | 206.00 | 242.00 | 290.00 |
| GHCL | 02-July-16 | 192.00 | 187.60 | 270.00 |
| Karur Vysya Bank | 09-July-16 | 530.10 | 523.00 | 690.00 |

| Technical Calls | | | |
|------------------------|-------------------------|------------------------|-----------------------|
| <u>Scripts</u> | <u>CMP (Rs.)</u> | <u>TGT(Rs.)</u> | <u>SL(Rs.)</u> |
| <u>BUY</u> | | | |
| KAMDHENU | 55 | 80 | 50 |
| APOLLO TYRE | 160 | 178 | 155 |
| <u>SELL</u> | | | |
| MINDTREE | 609 | 570 | 615 |

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