

Morning Mantra 3rd August, 2016

The Indian markets are likely to be cautious and all eyes will be on the parliament where the Constitution amendment Bill is scheduled for discussion and voting in Rajya Sabha for roll-out of a uniform goods and services tax (GST) regime.

There will be some buzz in the banking sector stocks on the global rating agency S&P's report that Indian banks are likely to reduce lending rates further, after having cut base lending rates by 70-90 basis points (bps) in the past few quarters. Though, it also said that banks in India and China will continue to face pressures on their asset quality, profitability, and capitalization over the next 12-24 months.

Steel sector will be in action as though the minimum import prices (MIPs) for steel products will expire on August 5, the domestic primary steelmakers will continue to enjoy protection from imports in the form of anti-dumping duties.

There will be lots of important earnings announcements too, to keep markets buzzing.

Nifty Technical Levels

Close	8623			
Support	8600	8580	8540	8520
Resistance	8650	8666	8690	8740

Global Indices –2nd August, 2016

Dow	-27.73(-0.15%)
Nasdaq	+22.07(+0.43%)
S&P500	-2.76(-0.13%)
SGX Nifty (Today)	-20.00(-0.23%)

Institutional Activities –2nd August, 2016

FII Cash	+536.27crs
DII Cash	-383.23crs
FII F&O	-388.79crs

US. Markets

The US markets were unable to get any respite in the last session and the weakness overseas continued weighing on the markets

Other Information

The Asian markets have made mostly a lower start and lots of indices are down by over half a percent, as the oil sell-off continued, reviving concerns over global growth and after Japan's fiscal stimulus package fell short of expectation.

NY Crude Oil \$40.42/barrel Rs./\$ -66.70

F&O Ban

JINDALSTEL

Corporate/Media News

Karnataka Bank aims to achieve export credit target of Rs.2490 crores during the current financial year.

NMDC may foray into rare earth minerals and beach sand mining, among others, according to official sources.

Torrent Power reported a 79.6% drop in consolidated net profit at Rs 45.62 crores for the fiscal first quarter that ended on June 30.

Insecticides (India) has entered an agreement with Hyderabad Chemical Private Limited, a subsidiary of Nihon Nohyaku Co. Ltd., Japan for marketing the product 'SUZUKA' within territory of India.

Wipro: In a CAG report, Wipro BSE-1.46 % has been accused of 'undue favours' in the Unique Identification Authority of India (UIDAI) project.

Bharti Airtel: Verizon Digital Media Services has tied up with Bharti Airtel to launch new points of presence in four cities of Mumbai, Chennai, Bangalore and New Delhi.

Ugar Sugar: The company reported a net profit of Rs 1.1 crore for the quarter ended June 30 compared to a net loss of Rs 92.60 crore reported in the year-ago period.

L&T: Larsen & Toubro Infotech Limited, a global Information Technology services & solutions company and a subsidiary of Larsen & Toubro Limited, announced a strategic alliance with Pegasystems.

Reliance Industries: Government auditor CAG has red- flagged \$1.6 billion of excess cost recovered by Reliance Industries BSE0.17 % in the KG-D6 gas block and took note of state-owned ONGC's gas flowing into the eastern offshore fields of the Mukesh Ambani-led firm.

UFO Moviez India has posted a consolidated net profit of Rs 9.8 crores for the quarter ended June 30, as compared to Rs 13.3 crores in the year ago period.

Piramal Enterprises has said it is looking to raise Rs 215 crores through issue of nonconvertible debentures on private placement basis.

Fundamental Calls

<u>Scripts</u>	<u>Initiation Date</u>	<u>Initiation price (Rs.)</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>
IG Petrochemicals	21-July-15	114.00		180.00
Rural Electrification Corp.	17-Aug-15	259.25	215.65	337.00
Transpek Industry	07-Dec-15	375.50	460.00	488.00
Kalyani Steel	18-Dec-15	173.30	250.10	300.00
KNR Constructions	24-Dec-15	582.50	599.00	728.00
J B Chemicals & Pharma	04-Jan-15	279.15	265.00	362.90
The Great Eastern Shipping Co.	09-Jan-16	368.70	354.00	479.30
Lloyd Electric and Engineering	15-Jan-16	243.30	236.40	340.00
Lumax Auto Technologies	27-Jan-16	333.00	381.35	460.00
Alembic Pharma	29-Jan-16	617.75	623.15	800.00
State Bank of Bikaner & Jaipur	13-Feb-16	460.00	626.70	700.00
Balmer Lawrie & Company Ltd.	12-Mar-16	540.00	617.15	756.00
Sintex Inds.	15-Apr-16	83.00	74.95	116.00
Richa Inds.	23-Apr-16	35.80	29.50	50.00
KCP Ltd.	29-Apr-16	84.00	98.05	118.00
Indraprastha Gas Ltd.	07-May-16	572.80	644.35	744.00
VTM Ltd.	20-May16	30.60	28.95	46.00
DCM Shriram Ltd	28-May-16	187.00	224.10	252.00
Gulshan Polyols	04-June-16	336.00	363.40	471.00
Finolex Industries	13-June-16	410.75	465.90	534.00
DTIL	21-June-16	301.00	317.05	424.00

Salzer Electronics	25-June-16	206.00	251.35	290.00
GHCL	02-July-16	192.00	236.55	270.00
Karur Vysya Bank	09-July-16	530.10	467.05	690.00

Technical Calls			
<u>Scripts</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>	<u>SL(Rs.)</u>
<u>BUY</u>			
INFY	1083	1125	1065
HERO MOTO CORP	3261	3500	3140
<u>SELL</u>			
MOTHERSON SUMI	346	325	355

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