

Morning Mantra 8th August, 2016

The Indian markets are likely to be in green and may extend the gains on jubilant global cues.

Today, the Lok Sabha will give the final parliamentary seal of approval to the enabling of the Constitution amendment bill for GST that the Rajya Sabha cleared last week.

The market participants will be getting some support with a joint study by Confederation of Indian Industry (CII) and the Indian Banks' Association (IBA) stating that the overall financial conditions index in India rose 28% sequentially to 61.1 in the first quarter of 2016-17 from 47.8 in the previous quarter of 2015-16, indicating healthy improvement.

There will be some buzz in the oil & gas sector stocks, on reports that government may cut gas price for producers by 20% in October. The gas price was last cut on April 1 from \$ 3.82 per mmBtu to \$3.06 per mmBtu. If it happens, it will be the fourth consecutive reduction since the implementation of the domestic gas pricing formula.

There will be lots scrip specific actions based on earnings announcements.

Global Indices –5th August, 2016

Dow	+191.48(+1.04%)
Nasdaq	+54.84(+1.06%)
S&P500	+18.62(+0.86%)
SGX Nifty (Today)	+98.50(+1.13%)

Institutional Activities –5th August, 2016

FII Cash	+435.63crs
DII Cash	+616.32crs
FII F&O	+2461.54crs

US. Markets

The US markets posted good gains in the last session, rejoiced by good jobs data.

Other Information

The Asian markets have made a strong start and some of the indices are up by over a percent following the rally on Wall Street. Japanese shares led the rally as the US dollar extended its advance against the yen.

NY Crude Oil \$41.89/barrel

Rs./\$ -66.79

F&O Ban

JINDALSTEL

Corporate/Media News

Dr Reddy's Laboratories has received approval from the Central Drug Standard Control Organisation (CDSCO) to export drugs for the European Union market, said a media report.

Kellton Tech Solutions has reported its net profit rose 42% to Rs 12.2 crores for the quarter ended June 30, 2016, from Rs 8.6 crores in the year-ago period.

CARE reported a net profit of Rs 24.6 crores for the quarter ended June 30 compared with Rs 17.5 crores reported in the year-ago period.

Pfizer reported a 6.5% rise in standalone net profit to Rs 80.04 crores for the quarter ended June 30.
Hero MotoCorp is expected to report 13 per cent year-on-year (YoY) growth in the net profit to Rs 850 crores for the quarter ended June 30, compared with Rs 750 crores reported in the year-ago period.
Asian Paints would expand the manufacturing capacity of its two units based at Sriperumbudur in Tamil Nadu and Ankaleshwar in Gujarat.
Bharat Electronics will buy back equity shares worth Rs 2,171 crores, a part of which will accrue to the government.
Oil India is set to take a \$500-million bridge loan to part-finance the acquisition of two hydrocarbon blocks by Rosneft in east Siberia.
63 Moons Technologies Ltd: A special court on Sunday granted bail to FTIL founder Jignesh Shah, arrested in the Rs 5,600 crores National Spot Exchange Limited (NSE) scam.
HPCL: Reserve Bank has allowed foreign investors to hike their stake in Hindustan Petroleum Corp to up to 40% under portfolio investment scheme (PIS).
Essar Oil will invest an additional Rs.1200 crores over the next two-to-three years to upgrade its Vadinar refinery in Gujarat to boost refinery margins by \$1.5 per barrel.
DLF plans to raise up to Rs 2,500 crores through issuance of non-convertible debentures for working capital requirements and reducing debt.
Aegis Logistics reported 2.8% YoY growth in the net profit to Rs 26 crores for the quarter ended June compared with Rs 25.3 crores reported in the year-ago period.
ICICI Bank: S&P Global Ratings today lowered ICICI Bank's standalone credit profile to 'bbb-' from 'bbb' saying the private bank's asset quality will remain under pressure over the next one year.
SpiceJet and its owner Ajay Singh have moved the Delhi High Court against its single judge's order directing the airline to deposit Rs 579 crores within 12 months in connection with a share transfer dispute with the previous airline owner Kalanithi Maran.
Wockhardt: The US Food and Drugs Administration (FDA) issued an import alert on Wockhardt's Ankleshwar plant for alleged violation of good manufacturing practices.
Union Bank of India announced a 67.9% year-on-year (YoY) drop in net profit to Rs 166.30 crores for the June quarter on account of a spurt in provisions for non-performing assets (NPAs).
HDFC: The boards of HDFC Life and Max Life Insurance are set to approve a new scheme of arrangement on Monday after the insurance regulator told them it wasn't in favour of the current merger terms as the listed parent of the second company has a contingent liability related to its erstwhile telecom business.
Gateway Distriparks reported 84.9% YoY fall in the net profit to Rs 9.7 crores for the quarter ended June 30 compared with Rs 64.1 crore reported in the year-ago period.
Sona Koyo reported 11% fall in the quarterly net profit to Rs 7.37 crores for the quarter ended June 30 compared with Rs 8.31 crores during corresponding quarter previous year.

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	155.15	180.00
Rural Electrification Corp.	17-Aug-15	259.25	217.45	337.00
Transpek Industry	07-Dec-15	375.50	438.00	488.00
Kalyani Steel	18-Dec-15	173.30	291.60	300.00
KNR Constructions	24-Dec-15	582.50	600.00	728.00
J B Chemicals & Pharma	04-Jan-15	279.15	282.40	362.90
The Great Eastern Shipping Co.	09-Jan-16	368.70	361.80	479.30
Lloyd Electric and Engineering	15-Jan-16	243.30	237.60d	340.00
Lumax Auto Technologies	27-Jan-16	333.00	399.15	460.00
Alembic Pharma	29-Jan-16	617.75	633.50	800.00
State Bank of Bikaner & Jaipur	13-Feb-16	460.00	669.15	700.00
Balmer Lawrie & Company Ltd.	12-Mar-16	540.00	627.50	756.00

Sintex Inds.	15-Apr-16	83.00	73.70	116.00
Richa Inds.	23-Apr-16	35.80	29.20	50.00
KCP Ltd.	29-Apr-16	84.00	101.00	118.00
Indraprastha Gas Ltd.	07-May-16	572.80	665.05	744.00
VTM Ltd.	20-May16	30.60	28.30	46.00
DCM Shriram Ltd	28-May-16	187.00	233.25	252.00
Gulshan Polyols	04-June-16	336.00	367.00	471.00
Finolex Industries	13-June-16	410.75	455.10	534.00
DTIL	21-June-16	301.00	292.00	424.00
Salzer Electronics	25-June-16	206.00	246.15	290.00
GHCL	02-July-16	192.00	242.10	270.00
Karur Vysya Bank	09-July-16	530.10	487.30	690.00
Tamil Nadu Newsprint And Papers	06-Aug-16	295.30	295.30	413.50

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