

Morning Mantra 10th August, 2016

Markets are likely to remain cautious, though after initial consolidation some up-move can be seen.

Traders will be getting some encouragement with reports that India's direct tax collection for the June quarter of FY2017 grew 24%, while indirect tax collection was up by 30%. The collection up to July indicates that 18.82% of the Annual Budget target of direct taxes has been achieved in the first four months of the fiscal.

The RBI's outgoing Governor Raghuram Rajan, dispelling fears of price rise due to the rollout of Goods and Services Tax has said that it will be challenging to roll out GST from April 1, 2017 but the new indirect tax regime will eventually boost business sentiment and investments.

There will be buzz in the steel stocks, as the government has slapped anti-dumping duty on import of hot-rolled steel products from six nations, including China and South Korea, in a bid to shield domestic manufacturers against cheaper inward shipments.

The banking stocks too will be in action, with the Rajya Sabha passing a Bill that amends four different Acts to expedite disposal of debt recovery applications, and complementing the Insolvency and Bankruptcy Code passed by Parliament in May.

There will be lots of important earnings announcements to keep the markets buzzing. M&M, Adani Enterprises, Adani Transmission, Indiabulls Realty, Chambal Fertiliser, Corporation Bank, Punj Lloyd, Finolex Cables and Thermax are among many to announce their numbers today.

Nifty Levels

Close	8678			
Support	8647	8600	8543	8510
Resistance	8738	8762	8799	8840

Global Indices –9th August, 2016

Dow	+3.76(+0.02%)
Nasdaq	+12.34(+0.24%)
S&P500	+0.85(+0.04%)
SGX Nifty (Today)	+17.50(+0.20%)

Institutional Activities –9th August, 2016

FII Cash	+144.15crs
DII Cash	-610.15crs
FII F&O	-198.28crs

US. Markets

The US markets managed a modestly higher close in last session, though the trade remained lackluster, as traders looked ahead to the release of reports on retail sale and producer prices on Friday.

Other Information

The Asian markets have made a mostly a lower start, with some indices showing cut of quarter to half a percent in early deals.

NY Crude Oil \$42.74/barrel Rs./\$ -66.69

F&O Ban

DISHTV, IBREALEST, JINDALSTEL and WOCKPHARMA

Corporate/Media News

Manappuram Finance has achieved a consolidated net profit of Rs 160.34 crores in the first quarter of the current fiscal, which represents a 170% growth over the same period of the previous year.

JK Tyre & Industries reported a consolidated net profit of Rs 100.26 crores for the first quarter ended June 30. The company had posted consolidated net profit of Rs 117.07 crores in the same period last fiscal.

AstraZeneca Pharma India saw its net profit in the April-June period rise to Rs 10.6 crores from Rs 2.7 crores in the corresponding quarter last year.

Jagran Prakashan reported 5.41 % increase in standalone net profit to Rs 73.63 crores for the first quarter ended on June 30, 2016.

Power Finance Corp posted a 8.64 % rise in standalone net profit at Rs 1,712.55 crores for the quarter ended June 30, on the back of higher interest income

Godrej Industries is planning to launch 12 more projects including phases of existing projects by March-end.

Greenply Industries: With reference to the earlier letter dated August 09, 2016, regarding Outcome of QIP Committee Meeting, Greenply Industries Ltd has now informed BSE that the said announcement withdraw by the Company.

Aditya Birla Nuvo: After consolidating its garments business into a single entity last year, the \$41-billion Aditya Birla Group is planning another round of corporate reorganisation to unlock value and beef up the balance sheet.

United Bank of India has reported a 93 % dip in net profit at Rs 38 crores for the June quarter compared to a year ago period due to fresh addition of sticky loans, but the result was a vast improvement from the December quarter when it faced a loss of Rs 413 crores.

Inox Leisure reported a 1.26% decline in consolidated net profit at Rs 24.96 crores for the first quarter ended June 30.

UCO Bank has posted yet another quarterly loss at Rs 440 crores, third time in a row, as sticky loans kept on rising to alarming levels.

IOB reported a Rs.1,450.50 crores loss for the quarter ended 30 June after a fifth of its advances turned bad. The bank reported a net profit of Rs.14.76 crores a year ago.

Container Corporation of India recorded a 14 % drop in standalone net profit for the three months to the end of June.

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	228.15	337.00
Transpek Industry	07-Dec-15	375.50	435.00	488.00
Kalyani Steel	18-Dec-15	173.30	289.95	300.00
KNR Constructions	24-Dec-15	582.50	608.00	728.00
J B Chemicals & Pharma	04-Jan-15	279.15	288.60	362.90
The Great Eastern Shipping Co.	09-Jan-16	368.70	362.00	479.30
Lloyd Electric and Engineering	15-Jan-16	243.30	249.30	340.00
Lumax Auto Technologies	27-Jan-16	333.00	400.00	460.00
Alembic Pharma	29-Jan-16	617.75	640.00	800.00
State Bank of Bikaner & Jaipur	13-Feb-16	460.00	662.00	700.00
Balmer Lawrie & Company Ltd.	12-Mar-16	540.00	664.15	756.00
Sintex Inds.	15-Apr-16	83.00	73.15	116.00
Richa Inds.	23-Apr-16	35.80	28.85	50.00
KCP Ltd.	29-Apr-16	84.00	90.50	118.00

Indraprastha Gas Ltd.	07-May-16	572.80	683.20	744.00
VTM Ltd.	20-May16	30.60	28.05	46.00
DCM Shriram Ltd	28-May-16	187.00	228.10	252.00
Gulshan Polyols	04-June-16	336.00	362.00	471.00
Finolex Industries	13-June-16	410.75	454.45	534.00
DTIL	21-June-16	301.00	286.25	424.00
Salzer Electronics	25-June-16	206.00	258.50	290.00
GHCL	02-July-16	192.00	232.10	270.00
Karur Vysya Bank	09-July-16	530.10	492.40	690.00
Tamil Nadu Newsprint And Papers	06-Aug-16	295.30	295.75	413.50

Technical Calls			
<u>Scripts</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>	<u>SL(Rs.)</u>
<u>BUY</u>			
ORIENT BELL	159	172	152
JUBILANT LIFE	342	355	335
<u>SELL</u>			
ASHOKLEY	90	84	93

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