

Morning Mantra 24th August, 2016

The Indian markets are likely to be cautious but in green, taking cues from the global markets.

There are reports that India is renegotiating over a two-decade old tax treaty with Singapore and the revised protocol will take into account the concerns of both.

There will be some buzz in coal and power stocks, as the Indian Railways has notified 8-14% increase in freight rates for coal moved between 100 km and 700 km. However, for more than 700 km, freight rates have been cut by up to 13%. It would also levy coal terminal surcharge at Rs 55 a tonne for loading and unloading for distances beyond 100 km.

The IT sector stocks too will be in action with reports that despite a hefty hike in fees of US H-1B and L-1 visas, there has been no drop in number of applications from India and the country continues to be the highest recipient of H-1B visas. Indian citizens receive almost 70% of all the H-1B visas issued worldwide.

Nifty Levels

Close	8633			
Support	8610	8602	8575	8510
Resistance	8688	8722	8762	8790

Global Indices –23rd August, 2016

Dow	+86.70(+0.47%)
Nasdaq	+20.29(+0.39%)
S&P500	+6.83(+0.31%)
SGX Nifty (Today)	-20.50(-0.24%)

Institutional Activities –23rd August, 2016

FII Cash	-0.19crs
DII Cash	-451.87crs
FII F&O	-1771.03crs

US. Markets

The US markets closed in green in last session after the Commerce Department reported an unexpected jump in new home sales in the month of July.

Other Information

The Asian markets have made a cautious start, with some indices trading marginally in green, though energy shares were under pressure in the region after the oil retreated.

NY Crude Oil \$47.57/barrel Rs./\$ -67.13

F&O Ban

BANKINDIA, IBREALEST, INDIACEM, JINDALSTEL, JPASSOCIAT, JUSTDIAL and WOCKPHARMA

Corporate/Media News

Aurobindo Pharma reported a 23.8% rise in consolidated net profit to Rs 584.96 crores for the first quarter ended June 30, 2016, mainly on account of robust sales.

Engineers India reported 50.1 per cent year-on-year (YoY) growth in the net profit to Rs 80.3 crore for the quarter ended June 30 compared with 53.50 crore reported in the year-ago period.

Yes Bank is setting an ambitious target of having 5 million customers by 2020 and to become the No 3 player in the extremely competitive industry, mid-sized lender Yes Bank made a foray into the credit card market.

ONGC: ONGC Videsh Ltd, the overseas arm of Oil and Natural Gas Corp (ONGC), has received one-year extension to explore a Vietnamese oil block in the contested waters of the South China Sea.

Reliance Communications : RCom has launched content delivery network 'Fast Edge' for faster delivery of web content to users.

Srei Infrastructure has filed the draft shelf prospectus with markets watchdog Securities and Exchange Board of India (Sebi), BSE and NSE for its proposed secured redeemable non-convertible debentures (NCDs) of face value Rs 1,000 each aggregating to Rs 1,000 crores.

HPCL & GAIL will divest up to 50% stake in the Rs 30,000 crores petrochemical plant which is being set up in Andhra Pradesh.

Wipro: Qualys, Inc. announced an expanded strategic partnership with Wipro Limited. Wipro will leverage Qualys Vulnerability Management, Policy Compliance and Web Application Security services in its managed Enterprise Security Service offerings for its customers, world-wide, said a media report.

Majesco: Majesco and Elafris announce strategic partnership Source text for Eikon to enhance insurers' customer communication and payment experience.

Inox Wind expects to get a boost from the upcoming wind-solar hybrid policy, the newly-announced central tender of 1 gigawatt (GW) under reverse bidding, said a media report.

Piramal Enterprises is launching a \$1 billion distressed asset investment platform in association with private equity fund Bain Capital Credit.

GMR Infrastructure plans to raise up to Rs 2,500 crores through issuance of equity shares, equity linked instruments, debentures or any other securities.

Idea Cellular strongly denied a news report on Tuesday that it was in exploratory talks about a merger with larger rival Vodafone India.

Gillette India reported a 35.42 per cent decline in standalone net profit at Rs 46.90 crores for the fourth quarter that ended on June 30, 2016, on account of a drop in oral care segment sales.

Jai Corp reported 41.7 per cent year-on-year (YoY) fall in net profit to Rs 6 crores for the quarter ended June 30 compared with Rs 10.3 crores reported in the year-ago period.

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	160.95	180.00
Rural Electrification Corp.	17-Aug-15	259.25	231.75	337.00
Transpek Industry	07-Dec-15	375.50	423.25	488.00
Kalyani Steel	18-Dec-15	173.30	367.30	300.00
KNR Constructions	24-Dec-15	582.50	684.00	728.00
J B Chemicals & Pharma	04-Jan-15	279.15	280.00	362.90
The Great Eastern Shipping Co.	09-Jan-16	368.70	340.55	479.30
Lloyd Electric and Engineering	15-Jan-16	243.30	260.70	340.00
Alembic Pharma	29-Jan-16	617.75	640.25	800.00
State Bank of Bikaner & Jaipur	13-Feb-16	460.00	677.55	700.00
Balmer Lawrie & Company Ltd.	12-Mar-16	540.00	692.25	756.00
Sintex Inds.	15-Apr-16	83.00	73.60	116.00
Richa Inds.	23-Apr-16	35.80	27.75	50.00
KCP Ltd.	29-Apr-16	84.00	96.40	118.00
Indraprastha Gas Ltd.	07-May-16	572.80	757.25	744.00
VTM Ltd.	20-May16	30.60	28.65	46.00

DCM Shriram Ltd	28-May-16	187.00	220.25	252.00
Gulshan Polyols	04-June-16	336.00	352.15	471.00
Finolex Industries	13-June-16	410.75	460.15	534.00
DTIL	21-June-16	301.00		424.00
Salzer Electronics	25-June-16	206.00	213.20	290.00
GHCL	02-July-16	192.00	255.40	270.00
Karur Vysya Bank	09-July-16	530.10	505.85	690.00
Tamil Nadu Newsprint	06-Aug-16	295.30	326.50	413.50
Samkrp Pistons & Rings Ltd.	13-Aug-16	169.10	181.70	219.10
Lumax Auto Technologies	27-Jan-16	333.00	418.00	587.00

Technical Calls			
<u>Scripts</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>	<u>SL(Rs.)</u>
<u>BUY</u>			
COAL INDIA	336	346	330
BHARAT FORGE	861	900	840
<u>SELL</u>			
GLENMARK PHARMA	849	837	855

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