

Morning Mantra 25th August, 2016

Markets are likely to see a cautious start as the regional markets are trading mixed, while some volatility is expected in latter trade once traders start settling and rolling out their final positions to the next series.

Traders will get some encouragement with Commerce and Industry Minister Nirmala Sitharaman pitching for as much as 200 basis points that is 2%, interest rate cut by RBI to help the cash-starved MSME sector.

Markets will get some support with the Union cabinet approving a revised India-Cyprus tax treaty that seeks to plug loopholes used by investors to avoid paying taxes in India. The country will get the right to tax capital gains from sale of shares on investments made by Cyprus-based companies after 1 April 2017.

Traders will also get some relief with Delhi Assembly ratifying GST Constitution Amendment Bill, becoming the third non-BJP-ruled state and overall the eighth to clear the proposed tax regime, billed as single biggest tax reform in decades.

The power sector will keep buzzing after the Union Railway Ministry revised freight rates for coal. This will raise power generation costs for several plants.

There will be some action in stocks related to tobacco products after Nirmala Sitharaman said that FDI in tobacco sector cannot be encouraged because of public health reasons.

Nifty Levels

Close	8650			
Support	8610	8602	8575	8510
Resistance	8688	8722	8762	8790

Global Indices –24th August, 2016
Institutional Activities –24th August, 2016

Dow	-65.82(-0.35%)	FII Cash	-39.28crs
Nasdaq	-42.38(-0.81%)	DII Cash	+129.18crs
S&P500	-11.46(-0.52%)	FII F&O	+1118.62crs
SGX Nifty (Today)	+23.00(+0.27%)		

US. Markets

The US markets ended the lacklustre session of trade in red terrain on Wednesday on report from the National Association of Realtors showing a substantial decrease in existing home sales in the month of July.

Other Information

The Asian markets were exhibiting mixed trend as traders remained on sidelines ahead of a key meeting of the U.S. Federal Reserve at Jackson Hole, this week.

NY Crude Oil \$46.81/barrel Rs./\$ -67.07

F&O Ban

IBREALEST, IDBI, INDIACEM, JINDALSTEL and JPASSOCIAT

Corporate/Media News

8K Miles Software plans to raise Rs 500 crores through a mix of instruments, including issue of fresh equity shares or convertible bonds via qualified institutional placement, among others.

SP Apparels' net profit rose to Rs 16.4 crores from Rs 6.7 crores in the corresponding quarter of the previous year.

AstraZeneca Pharma said it had agreed to sell its small molecule antibiotics business to Pfizer in a deal that could reach more than \$1.5 billion.

ITC: The Delhi High Court on Wednesday did not issue any stay order on ITC Ltd's suit against rival biscuit maker Britannia Industries Ltd which had alleged that the latter had copied the packaging colour combination of its digestive biscuit for their recently launched product.

Welspun India: Global retail giant Walmart is reviewing cotton certification records of Welspun India in the wake of Target Corporation's decision to terminate contract with the Gujarat-based textiles maker over alleged lapses in products supplied to it.

Punj Lloyd expects to bag its maiden defence order for upgrading Zu23 air defence guns worth Rs 400 crores in a month's time.

Torrent, Lupin: India's top pharmaceutical companies are set to embark on an acquisition spree to bulk up their overseas presence. Lupin, Torrent, Zydus, Cadila, Intas, Aurobindo, Dr Reddy's and No. 1 Sun Pharma are said to be examining proposals of varying sizes, cherry-picking those that can fill gaps in the product range.

MCX: Ending a long-run dispute over its shareholding, MCX today said it has entered into an agreement with stock bourse MSEI to settle their dispute over warrant cancellation out of court.

Monsanto: Monsanto Co has withdrawn an application seeking approval for its next generation of genetically modified cotton seeds in India, a major escalation in a long-running dispute between New Delhi and the world's biggest seed maker, said a media report.

TCS has settled its three-year-old lawsuit with US district Orange County for \$26 million, even as it faces the prospect of a far larger payout in the Epic Systems case.

PNC Infratech reported more than doubling of its consolidated net profit to Rs 54.20 crores for Q1FY16. It had registered a net profit of Rs 22.13 crores for the corresponding period a year ago.

Tata Power announced that its generation capacity increased by close to 9% in the first quarter of the current fiscal against the previous corresponding period.

RComm unveiled a software-based WAN (wide area network) product from its subsidiary Global Cloud Xchange, targeting banks, government departments and others firms having offices across the country.

Cadila Healthcare: Zydus Cadila is recalling over 2 lakh bottles of anti-depressant Venlafaxine HCL ER capsules in the US in two different strengths for failed dissolution specifications.

Tata Steel has initiated exports of Tata Ferrosots from its new steel plant located in Kalinganagar in Odisha. The first export consignment was flagged off from the plant to a South East Asian country on Tuesday.

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	163.70	180.00
Rural Electrification Corp.	17-Aug-15	259.25	233.10	337.00
Transpek Industry	07-Dec-15	375.50	428.00	488.00
Kalyani Steel	18-Dec-15	173.30	373.60	300.00
KNR Constructions	24-Dec-15	582.50	700.15	728.00
J B Chemicals & Pharma	04-Jan-15	279.15	311.35	362.90
The Great Eastern Shipping Co.	09-Jan-16	368.70	341.85	479.30
Lloyd Electric and Engineering	15-Jan-16	243.30	258.90	340.00
Alembic Pharma	29-Jan-16	617.75	639.00	800.00
State Bank of Bikaner & Jaipur	13-Feb-16	460.00	684.85	700.00

Balmer Lawrie & Company Ltd.	12-Mar-16	540.00	701.40	756.00
Sintex Inds.	15-Apr-16	83.00	73.65	116.00
Richa Inds.	23-Apr-16	35.80	27.50	50.00
KCP Ltd.	29-Apr-16	84.00	96.30	118.00
Indraprastha Gas Ltd.	07-May-16	572.80	757.20	744.00
VTM Ltd.	20-May-16	30.60	28.70	46.00
DCM Shriram Ltd	28-May-16	187.00	224.05	252.00
Gulshan Polyols	04-June-16	336.00	360.45	471.00
Finolex Industries	13-June-16	410.75	480.10	534.00
DTIL	21-June-16	301.00	281.45	424.00
Salzer Electronics	25-June-16	206.00	213.00	290.00
GHCL	02-July-16	192.00	254.25	270.00
Karur Vysya Bank	09-July-16	530.10	508.35	690.00
Tamil Nadu Newsprint	06-Aug-16	295.30	333.40	413.50
Samkrg Pistons & Rings Ltd.	13-Aug-16	169.10	180.60	219.10
Lumax Auto Technologies	27-Jan-16	333.00	423.40	587.00

Technical Calls			
<u>Scripts</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>	<u>SL(Rs.)</u>
<u>BUY</u>			
PTC	79	83	77
BODAL CHEM	117	130	110
<u>SELL</u>			
CENTURY TEXTILE	675	660	682

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