

Morning Mantra 26th August, 2016

The Indian markets are likely to be flat-to-green, strong rollovers to the September series indicates the optimism of the traders. However, markets will be a bit cautious ahead of Janet Yellen's speech .

Market will see some recovery with the Reserve Bank of India (RBI) announcing a raft of measures to boost investor participation and market liquidity in both the corporate bond and currency markets. These include the staggered reduction of banks' loan exposure, increased participation by overseas investors in corporate bonds and making top-rated bonds eligible for borrowing from Reserve Bank for liquidity needs.

In a bid to keep nation's tax laws in conformity with changing times, the Income Tax Department has created a permanent mechanism for seeking inputs from its officers for changes required in the direct tax regulations.

There will be some buzz in the gems and jewellery stocks on report that exports of gems and jewellery grew 11.7 percent to \$ 11.4 billion during the first four months of the current fiscal, driven largely by demand in India's major markets like the US.

PSU banks too will be in action on reports that the government is drawing up a contingency plan to support state-run banks should they collapse under the burden of bad loans.

Nifty Levels

Close	8592			
Support	8575	8525	8500	8468
Resistance	8620	8688	8722	8762

Global Indices -25th August, 2016

Dow	-65.82(-0.35%)
Nasdaq	-42.39(-0.81%)
S&P500	-11.46(-0.52%)
SGX Nifty (Today)	+15.50(+0.18%)

Institutional Activities -25th August, 2016

FII Cash	-372.08crs
DII Cash	-357.02crs
FII F&O	-623.99crs

US. Markets

The US markets made a marginally lower close in last session, adding losses posted in the previous session, as traders continued to look ahead to a speech by Federal Reserve Chair Janet Yellen on Friday.

Other Information

The Asian markets have made mostly a lower start ahead of a speech by Federal Reserve Chair Janet Yellen that may shed light on the US interest-rate outlook.

NY Crude Oil \$47.02/barrel Rs./\$ -67.00

F&O Ban

NIL

Corporate/Media News

Havells India plans to invest Rs.300 crores during FY17 in expansion of its manufacturing base and is considering diversifying into various consumer electronics businesses including water purifiers and personal grooming.

Nalco's Rs.2835 crores offer to buyback 64.43 crore shares will open on August 30.

SBI & ICICI Bank: The Reserve Bank of India on Thursday retained the tag of "too big to fail" banks for SBI and ICICI second year in a row. This means that the banking regulator considers failure of these banks to be dangerous for the economy, which renders them 'too big to fail'.

Bank of Baroda: Shrinking loan portfolio and deposit base squeezed total business of state-owned Bank of Baroda (BoB) by nearly Rs 90,000 crore in 2015-16 despite a robust GDP growth of 7.6% during the fiscal.

Allcargo Logistics announced a consolidation of its contract logistics business into a new entity, Avvashya CCI Logistics Private Limited is a joint venture between three business entities: the warehousing division of CCI Logistics Ltd, Hindustan Cargo Ltd and the Contract Logistics Division of Allcargo Logistics.

Biocon: The European Medicines Agency (EMA) has accepted for review Biocon and Mylan's Marketing Authorization Application (MAA) for a proposed biosimilar Trastuzumab, used to treat certain breast and gastric cancers.

NCC said Blackstone GPV Capital Partners (Mauritius) has offloaded 3.25% stake in the company through open market sales.

Union Bank of India plans to raise Rs 750 crores by issuing Basel III-compliant bonds.

InterGlobe Aviation has informed BSE that the 13th Annual General Meeting (AGM) of the Company will be held on September 21, 2016 to seek shareholder nod to raise borrowing limit Rs 20k crore.

Spice Mobility Ltd: Spice Mobility informed BSE that Spice Digital Limited (SDL), a subsidiary of the Company, has divested its entire equity stake constituting 26% of share capital in Vavia Technologies Private Limited (Vavia) pursuant to a Share Purchase Agreement entered into by them. Consequent to this, Vavia has ceased to be an associate of the Company.

J Kumar Infraprojects said Mumbai Metro Rail Corporation Ltd (MMRC) has issued LOA (letter of award) to J Kumar-CRTG's joint venture for Rs 5,012 crores.

Tata Communications is planning to set up necessary storage infrastructure in countries of operations to win over the local business by addressing its concerns on overseas data storage.

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Gammon Infra reported Rs 5.9 crores for the quarter ended June 30 compared with Rs 6 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		180.00
Rural Electrification Corp.	17-Aug-15	259.25	231.60	337.00
Transpek Industry	07-Dec-15	375.50	430.00	488.00
Kalyani Steel	18-Dec-15	173.30	365.40	300.00
KNR Constructions	24-Dec-15	582.50	707.00	728.00
J B Chemicals & Pharma	04-Jan-15	279.15	317.20	362.90
The Great Eastern Shipping Co.	09-Jan-16	368.70	344.85	479.30
Lloyd Electric and Engineering	15-Jan-16	243.30	259.40	340.00
Alembic Pharma	29-Jan-16	617.75	642.90	800.00
State Bank of Bikaner & Jaipur	13-Feb-16	460.00	676.00	700.00
Balmer Lawrie & Company Ltd.	12-Mar-16	540.00	705.05	756.00

Sintex Inds.	15-Apr-16	83.00	71.60	116.00
Richa Inds.	23-Apr-16	35.80	27.25	50.00
KCP Ltd.	29-Apr-16	84.00	97.00	118.00
Indraprastha Gas Ltd.	07-May-16	572.80	751.00	744.00
VTM Ltd.	20-May16	30.60	28.65	46.00
DCM Shriram Ltd	28-May-16	187.00	223.95	252.00
Gulshan Polyols	04-June-16	336.00	365.00	471.00
Finolex Industries	13-June-16	410.75	472.00	534.00
DTIL	21-June-16	301.00	279.20	424.00
Salzer Electronics	25-June-16	206.00	211.25	290.00
GHCL	02-July-16	192.00	244.70	270.00
Karur Vysya Bank	09-July-16	530.10	505.90	690.00
Tamil Nadu Newsprint	06-Aug-16	295.30	337.35	413.50
Samkrp Pistons & Rings Ltd.	13-Aug-16	169.10	177.85	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>			
BAJAJ FINANCE	10289	10600	10100
BHEL	141	151	136
<u>SELL</u>			
DIVIS LAB	1338	1290	1355

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