

Morning Mantra 19th September, 2016

The Indian markets are likely to be cautious but in green on positive regional cues.

Traders will be getting some support with DIPP Secretary Ramesh Abhishek's statement that implementation of the goods and services tax (GST) is bound to be a "game changer" for India's manufacturing sector and will enhance ease of doing business in the country.

The pharma sector will be buzzing with government slashing prices of 10 more drugs while bringing eight new medicines, including paracetamol, under price control for the first time in its bid to cap cost of over 800 plus formulations to make them affordable.

The steel stocks too will be in action, as the Union Steel Minister Chaudhary Birendra Singh has claimed that the country will be ranked after Japan and America in steel production in December this year as a result of the Prime Minister's various initiatives like Skill India, Startup India and Make in India.

Global Indices –16th September, 2016

Dow	-88.68(-0.49%)
Nasdaq	-5.12(-0.10%)
S&P500	-8.10(-0.38%)
SGX Nifty (Today)	+6.00(+0.07%)

Institutional Activities –16th September, 2016

FII Cash	+660.59crs
DII Cash	-213.13crs
FII F&O	+693.11crs

US. Markets

The US markets once again showed a lackluster trade and ended lower in last session, traders remained cautious ahead of the US Fed meeting and booked profit.

Other Information

The Asian markets have made a positive start with some of the indices showing strong trade, up by over half a percent in early deals, as oil rebounded, increasing risk appetite ahead of policy meetings this week by the Federal Reserve and the Bank of Japan.

NY Crude Oil \$43.77/barrel

Rs./\$ - 67.09

F&O Ban

CENTURYTEX, DLF, HDIL, KSCL and RCOM

Corporate/Media News

Karur Vysya Bank will meet on Monday to consider a stock split. The board will consider the feasibility of sub-division of equity shares, KVB said in a regulatory filing.

Power Grid has approved investment of Rs 562.25 crores for system strengthening in the Southern region.

Bosch India: U.S. prosecutors are investigating whether Germany's Robert Bosch GmbH, which provided software to Volkswagen AG, conspired with the automaker to engineer diesel cars that would cheat U.S. emissions testing, said a Bloomberg report quoting sources.

IDBI Bank picked arrangers including Citigroup Inc., Credit Suisse Group AG and Deutsche Bank AG to manage a share sale of about Rs 6,000 crores (\$896 million).

Max Financial Services: A private equity fund managed by Goldman Sachs is looking to sell its 15% stake in Max Financial Services in a Rs 2,400 crores deal expected through secondary market trades, generating a nearly threefold return in dollar terms on a seven-year-old investment for the Wall Street bank.

Future Group is in advanced talks to acquire the retail business of **Heritage Foods**, a deal that would give Kishore Biyani sway over a network of more than 100 grocery outlets in Hyderabad, Chennai and Bengaluru.

Balkrishna Industries: On September 16, 2016 Vanguard Funds Public Limited Company Vanguard FTSA All Wor sold 4,89,151 shares of Balkrishna Industries at Rs 828.49 on the NSE.

UBL: Heineken International BV, the maker of Heineken beer, has increased its stake in United Breweries by buying shares worth Rs 152 crore in an open market transaction.

South Indian Bank: Reserve Bank has restricted overseas investors to make further investment in South Indian Bank as the prescribed foreign shareholding limit has reached the trigger limit.

IOC, HPCL, BPCL: Maharashtra government hiked the value added tax (VAT) levied on petrol by Rs 1.50 per litre. The measure is expected to generate additional revenue of Rs 600 crores.

Axis Bank: The country's second-largest private sector lender, is set to buy stake in Assets Care & Reconstruction Enterprise (ACRE). The lender is looking at picking up 13.67 per cent stake in the asset reconstruction company (ARC), said a media report. □

Indiabulls Housing Finance pre-closed its bonds issue after it received bids of over Rs 7,200 crores, more than twice the offer size.

Motherson Sumi: Auto component firm Motherson Sumi Systems Ltd has raised Rs.1,993.44 crore via issuance of 62,884,827 shares to qualified institutional buyers, said a media report.

Yes Bank has some more United Breweries shares pledged with it by Vijay Mallya to Heineken International through a bulk deal on Friday, further strengthening the Dutch brewer's grip on the local beer maker.

State Bank of India: India's largest lender, wants to grow loans to small and medium enterprises (SMEs) by at least 10-12% this year and improve their order book positions and cash flows while the corporate sector continues to be under stress.

ICICI Bank: ICICI Prudential Life Insurance is ready to hit the market with the biggest initial public offering (IPO) in nearly six years. The insurer, which on Friday allotted Rs 1,635 crores worth of shares to anchor investors, will seek investor participation in 13.23 crore shares issue starting Monday.

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(Target Achieved)
Rural Electrification Corp.	17-Aug-15	259.25	233.40	337.00
Transpek Industry	07-Dec-15	375.50	450.00	488.00
J B Chemicals & Pharma	04-Jan-15	279.15	383.25	362.90
The Great Eastern Shipping Co.	09-Jan-16	368.70	368.45	479.30
Lloyd Electric and Engineering	15-Jan-16	243.30	264.00	340.00
Alembic Pharma	29-Jan-16	617.75	655.00	800.00
Balmer Lawrie & Company Ltd.	12-Mar-16	540.00	691.75	756.00
Sintex Inds.	15-Apr-16	83.00	83.00	116.00
Richa Inds.	23-Apr-16	35.80	30.60	50.00
KCP Ltd.	29-Apr-16	84.00	93.80	118.00
VTM Ltd.	20-May16	30.60	29.60	46.00
DCM Shriram Ltd	28-May-16	187.00	231.15	252.00
Gulshan Polyols	04-June-16	336.00	362.00	471.00
Finolex Industries	13-June-16	410.75	475.00	534.00
DTIL	21-June-16	301.00	278.00	424.00

Salzer Electronics	25-June-16	206.00	213.85	290.00
GHCL	02-July-16	192.00	259.90	270.00
Karur Vysya Bank	09-July-16	530.10	469.90	690.00
Tamil Nadu Newsprint	06-Aug-16	295.30	337.05	413.50
Lumax Auto Technologies	27-Jan-16	333.00	443.85	587.00
AksharChem (India)	1-Sep-16	334.00	418.20	476.60
The Karnataka Bank	10-Sep-16	157.00	152.95	204.10
Sanghvi Movers	17-Sep-16	234.95	234.95	304.00

Disclaimer: This document has been prepared by SATCO Capital Market Ltd., a registered broker dealer, and is being distributed to its clients. The information in the document has been compiled by the research department. Due care has been taken in preparing the above document. However, this document is not, and should not be construed, as an offer to sell or solicitation to buy any securities. Any act of buying, selling or otherwise dealing in any securities referred to in this document shall be at investor's sole risk and responsibility. This document may not be reproduced, distributed or published, in whole or in part, without prior permission from the Company. @ Satco Capital Markets Ltd.