

Morning Mantra 3rd October, 2016

The Indian markets are likely to be in green on supportive global cues.

Traders will also be getting some support with India's core sector output rising to 3.2% in August on the back of sharp rise in steel production and a pickup in cement, suggesting a lift in infrastructure and construction activity. Steel production rose 17% to a 37-month high, aided by the low base of last year.

There is another major positive for the markets, foreign investors making it the highest net inflow in 11 months, pumped in more than Rs 20,000 crores into the capital market in September.

The power, fertilizer and CNG suppliers will be in action, as price of natural gas for all these sector have been cut by 18% to \$2.5 per million British thermal unit, it's the fourth reduction in 18 months.

The PSU stocks too will be in action on report that the government is preparing a plan for big-ticket asset sales that involves the disposal of controlling stakes in 22 listed and unlisted companies as the Centre looks to meet the full-year disinvestment target of Rs 56,500 crores.

IOC, BPCL, HPCL: Petrol price was on Friday hiked by 36 paise a litre, the third increase in two months, but that of diesel was cut by 7 paise per litre in line with international trends.

Nifty Levels

Close	8611			
Support	8572	8530	8498	8480
Resistance	8644	8670	8710	8744

Global Indices –30th September, 2016
Institutional Activities –30th September, 2016

Dow	+164.70(+0.91%)	FII Cash	-1028.31crs
Nasdaq	+42.85(+0.81%)	DII Cash	+1560.29crs
S&P500	+17.14(+0.80%)	FII F&O	+163.67crs
SGX Nifty (Today)	+23.50(+0.27%)		

US. Markets

The US markets surged in last session with major indices gaining about a percent each after the recovery in German lender and oil prices.

Other Information

The Asian markets have made a positive start with some indices showing gains of over a percent on ebbing concern about Deutsche Bank AG's finances, though many of the markets in the region are closed today.

NY Crude Oil \$43.77/barrel

Rs./\$ - 66.52

F&O Ban

NIL

Corporate/Media News

Eicher Motors motorcycle division has reported a 30% jump in total sales in September 2016 at 57,842 units, as against 44,491 units in the same month last year.

M&M reported 8 percent increase in total sales at 46,130 units in September. The company had sold 42,848 units in the same month last year, a company statement said.

Maruti Suzuki posted a 29.4% growth in domestic sales at 137321 units last month on account of demand in the ongoing festive season.

Tata Motors is planning to increase prices of its passenger vehicles during the ongoing festive season to offset rising input cost.

Ashok Leyland is gearing up for its solo journey in the light commercial vehicle (LCV) space after separation from partner Nissan with plans to introduce 8-10 products over the next 2-3 years that will entail an investment of up to Rs 400 crores.

RBL Bank has announced the acquisition of a 9.99% stake in Utkarsh Micro Finance Ltd (UMFL) in what is a strategic move to reach out to the unbanked and underbanked segments of society.

SBI & PNB: Government is considering roping in two-three banks, including SBI and PNB, to pick up stake in IIFCL-anchored Rs 500-crore Credit Enhancement Fund announced by Finance Minister Arun Jaitley in the budget this year.

GNFC is partnering with Belgian firm Ecophos SA to set up a di-calcium phosphate plant at Dahej in Gujarat at an estimated cost of Rs 526 crores.

Vedanta Resources has paid more than USD 2 billion (over Rs 13,300 crores) in taxes, royalties, licence fees and other payments to India in the last financial year ended March 2016.

ONGC and Oil India are making losses on natural gas production after government cut rates for the fourth consecutive time to bring down selling price to below the cost of production.

Kotak Mahindra Bank said it will acquire BSS Microfinance for Rs 139 crores to reach a wider customer base. BSS Microfinance is a nonbanking financial company, classified as an NBFC-MFI.

Muthoot Finance: Gold loan company Muthoot Finance is expected to raise Rs 500 crore by issuing nonconvertible debentures (NCDs) during second week of November this fiscal.

Mahindra Holidays & Resorts India: MHRIL on Saturday said it has inked a pact to acquire 12 per cent stake in Nreach Online Services. The company, however, did not disclose any financial detail of the stake acquisition.

RIL: The oil ministry is set to ask Reliance Industries Ltd to pay the government over \$1.3 billion for allegedly drawing about 8.9 billion cubic metres (BCM) of gas that flowed into its deep-water block in the Krishna Godavari basin from the neighbouring field of state-owned Oil and Natural Gas Corp. Ltd.

63 Moons Technologies: Stepping up action in the Rs 5,600-crore NSEL money laundering case, the Enforcement Directorate today attached assets worth Rs 1,170 crores of Financial Technologies India Ltd.

Fundamental Calls

Scripts	Initiation Date	Initiation price (Rs.)	CMP (Rs.)	TGT(Rs.)
Rural Electrification Corp.	17-Aug-15	129.00	120.25	337.00
Transpek Industry	07-Dec-15	375.50	454.00	488.00
J B Chemicals & Pharma	04-Jan-15	279.15	356.10	362.90
The Great Eastern Shipping Co.	09-Jan-16	368.70	351.90	479.30
Lloyd Electric and Engineering	15-Jan-16	243.30	282.10	340.00
Alembic Pharma	29-Jan-16	617.75	653.00	800.00
Balmer Lawrie & Company Ltd.	12-Mar-16	540.00	672.50	756.00
Sintex Inds.	15-Apr-16	83.00	78.35	116.00
Richa Inds.	23-Apr-16	35.80	28.45	50.00
KCP Ltd.	29-Apr-16	84.00	107.60	118.00
VTM Ltd.	20-May-16	30.60	29.50	46.00
DCM Shriram Ltd	28-May-16	187.00	213.50	252.00
Gulshan Polyols	04-June-16	336.00	356.05	471.00
Finolex Industries	13-June-16	410.75	449.15	534.00
DTIL	21-June-16	301.00	286.00	424.00

GHCL	02-July-16	192.00	252.10	270.00
Karur Vysya Bank	09-July-16	530.10	469.85	690.00
Tamil Nadu Newsprint	06-Aug-16	295.30	329.50	413.50
Lumax Auto Technologies	27-Jan-16	333.00	430.55	587.00
AksharChem (India)	1-Sep-16	334.00	430.55	476.60
The Karnataka Bank	10-Sep-16	157.00	147.10	204.10
Sanghvi Movers	17-Sep-16	234.95	236.95	304.00
Salzer Electronics	25-Sep-16	220.35	208.80	286.00
Technocraft Industries (India)	01-Oct-16	343.00	343.00	446.00

Technical Calls			
<u>Scripts</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>	<u>SL(Rs.)</u>
<u>BUY</u>			
TVS MOTOR	366	390	355
ONGC	256	265	250
<u>SELL</u>			
TECHM	420	405	426

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