

Morning Mantra 13th October, 2016

The Indian markets are likely to be a bit soft-to-cautious tailing the mixed global cues.

Traders will also be reacting to IIP data, which contracted once again for the month of August. IIP dipped 0.7% in August.

However, traders may get some support with S&P Global Ratings, calling GST as the most important structural reform till date by the Modi government.

The Government's revenue collection in April to September -- the first half of the current fiscal -- saw indirect tax-mop up growing at an impressive 26%. The total direct and indirect tax collections at the end of September stood at Rs 7.35 lakh crore, almost half the Rs 16.26 lakh crore target for 2016-17.

The gold and jewellery stocks will be in action on report that exports of gems and jewellery grew by 11% to \$14.43 billion during the first five months of the current fiscal, driven largely by demand in India's major markets like the US.

Traders will also be eyeing the IT bellwether **TCS** earnings to be announced later in the day.

Nifty Levels

Close	8697			
Support	8670	8620	8572	8530
Resistance	8718	8780	8799	8820

Global Indices –13th October, 2016
Institutional Activities –10th October, 2016

Dow	+15.54(+0.09%)	FII Cash	-547.26crs
Nasdaq	-7.77(-0.15%)	DII Cash	+468.96crs
S&P500	+2.45(+0.11%)	FII F&O	-702.73crs
SGX Nifty (Today)	-36.00(-0.42%)		

US. Markets

The US markets after a lackluster trade ended flat in the last session after the minutes of last month's monetary policy meeting revealed that members of the Fed were divided regarding the timing of further interest rate hikes.

Other Information

The Asian markets have made a mixed start though the Japanese market has rebounded as the yen weakened against dollar with Fed minutes of meeting reinforcing the case for an interest-rate increase in 2016.

NY Crude Oil \$43.77/barrel Rs./\$ - 66.80

F&O Ban

IBREALEST, JINDALSTEL and TV18BRDCST

Corporate/Media News

IndusInd Bank reported a 25.75% YoY surge in net profit to Rs 704.26 crores for the quarter ended September 30.

Gruh Finance reported 19.9% YoY growth in the net profit for the quarter ended September 30 to Rs 62 crores compared with Rs 51.7 crores reported in the year-ago period.

Dr. Reddy's Laboratories has launched Lamotrigine Orally Disintegrating Tablets in the US market following an approval by the US Food & Drug Administration (USFDA).

KEC International has bagged orders worth Rs 1,192 crores, the company said Wednesday.

Sagar Cement plans to raise funds to finance the expansion of its grinding unit as well as setting up of a power plant.

Piramal Enterprises has agreed to acquire five injectable anesthesia and pain management products of Janssen Pharmaceutica for about \$175 million or Rs 1,164 crores.

ONGC: ONGC Videsh Ltd (OVL) will raise a bridge loan of close to \$900 million overseas to fund the acquisition of an additional 11 per cent stake in Russia's Vankor oilfield.

Cipla: US FDA has cleared Cipla Ltd's manufacturing facility at Indore's special economic zone (SEZ) of manufacturing practice violations that it had observed during an inspection in July-August 2015, said a report.

GAIL India has placed orders for laying work of a 345-km section of the Jagadishpur-Haldia-Bokaro-Dhamra gas pipeline, helping expedite the Rs 13,000 crores project.

Indiabulls Real Estate: Fitch Ratings has affirmed the long-term foreign-currency issuer default rating (IDR) of realty developer Indiabulls Real Estate Ltd, and the rating on the \$175 million 10.25% senior notes due in 2019 issued by Jersey-based Century Ltd at 'B+.

Zee Entertainment has finally reached an agreement with Anil Ambani-owned Reliance Broadcast Networks to acquire the latter for an enterprise value of Rs 1,872 crores.

L&T: American private equity firm KKR has emerged as a frontrunner to buy a large stake in Larsen & Toubro's industrial valves unit, a source familiar with the matter told TOI.

GAIL India: IL&FS Engineering and Construction Company Ltd (IL&FS Engineering Services) has bagged a Rs.162.58 crore pipeline contract in Bihar from GAIL (Gas Authority of India Ltd).

Bajaj Electricals has decided to shut down from this week its bulbs and tube lights manufacturing unit at Kosi in UP, which originally belonged to a sick company registered with BIFR, citing "not even a remote chance" of improving operations.

Blue Dart reported a 20.68 per cent decline in its net profit to Rs 42.80 crores for the quarter ended September.

Bharti Airtel's debt will increase by \$2 billion (over Rs 13,300 crores) due to the recent spectrum purchase but cash flows from operations and monetisation activities are likely to reduce this level in next 6-12 months, Moody's Investors Service said.

Fundamental Calls

Scripts	Initiation Date	Initiation price (Rs.)	CMP (Rs.)	TGT(Rs.)
Rural Electrification Corp.	17-Aug-15	259.25	131.50	337.00
Transpek Industry	07-Dec-15	375.50	495.05	488.00
J B Chemicals & Pharma	04-Jan-15	279.15	371.00	362.90
The Great Eastern Shipping Co.	09-Jan-16	368.70	382.10	479.30
Lloyd Electric and Engineering	15-Jan-16	243.30	277.80	340.00
Alembic Pharma	29-Jan-16	617.75	670.00	800.00
Balmer Lawrie & Company Ltd.	12-Mar-16	540.00	691.00	756.00
Sintex Inds.	15-Apr-16	83.00	82.80	116.00
Richa Inds.	23-Apr-16	35.80	29.30	50.00
KCP Ltd.	29-Apr-16	84.00	112.15	118.00

VTM Ltd.	20-May16	30.60	30.50	46.00
DCM Shriram Ltd	28-May-16	187.00	217.30	252.00
Gulshan Polyols	04-June-16	336.00	365.05	471.00
Finolex Industries	13-June-16	410.75	460.00	534.00
DTIL	21-June-16	301.00	300.85	424.00
GHCL	02-July-16	192.00	268.85	270.00
Karur Vysya Bank	09-July-16	530.10	477.40	690.00
Tamil Nadu Newsprint	06-Aug-16	295.30	377.65	413.50
Lumax Auto Technologies	27-Jan-16	333.00	491.75	587.00
The Karnataka Bank	10-Sep-16	157.00	150.85	204.10
Sanghvi Movers	17-Sep-16	234.95	269.05	304.00
Salzer Electronics	25-Sep-16	220.35	211.95	286.00
Technocraft Industries	01-Oct-16	343.00	386.95	446.00
Sarla Performance	08-Oct-16	71.75	72.20	100.00

Technical Calls			
<u>Scripts</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>	<u>SL(Rs.)</u>
<u>BUY</u>			
CENTURY ENKA	292	320	285
DCW	35.95	40	33.95
<u>SELL</u>			
DIVIS LAB	1264	1230	1280

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