

Morning Mantra 18th October, 2016

The Indian markets are likely to be in green tailing the regional markets.

A private report has said that India's current account deficit is likely to stay below 1% of GDP this year, largely due to a sharp fall in the trade deficit as against last year.

Marketmen will be eyeing the crucial three-day meeting of the all-powerful GST Council, starting today, which will decide on the tax rate and sort out issues like compensation formula for rollout of the new indirect tax regime from April 1, 2017.

There will be some buzz in the PSU stocks, as the cabinet is expected to clear the plan to cut majority stake in around 20 state-run firms on Wednesday, including several profit-making entities, signaling a restart of equity sale in public sector companies after a 12-year gap.

Consumer goods stocks too may see some action on an Assocham report that consumer demand may soar 40% in the ongoing festive season on uptick in the economy, improving perception of job prospects coupled with steady lowering of interest rates.

Nifty Levels

Close	8520			
Support	8508	8478	8444	8418
Resistance	8540	8599	8620	8670

Global Indices –17th October, 2016

Dow	-51.98(-0.29%)
Nasdaq	-14.34(-0.28%)
S&P500	-6.48(-0.30%)
SGX Nifty (Today)	+31.50(+0.37%)

Institutional Activities –17th October, 2016

FII Cash	-456.64crs
DII Cash	+235.57crs
FII F&O	-290.58crs

US. Markets

The US markets made a lackluster start of the new week and ended modestly lower in the last session and the major averages fell to their lowest closing levels in a month, on getting some weak economic data.

Other Information

The Asian markets have made mostly a positive start on hopes that US monetary policy will remain accommodative after some disappointing economic data including a smaller than expected increase in industrial production in September.

NY Crude Oil \$43.77/barrel

Rs./\$ - 66.75

F&O Ban

IBREALEST and JINDALSTEL

Indian Hume Pipe will consider the proposal for issue of bonus shares by capitalization of free reserves at their meeting to be held on October 26.

Aarti Industries approved the buyback up to 12,00,000 fully paid-up equity shares of face value of Rs. 5 representing up to 1.44% of the total number of Equity Shares of the Company at a price of Rs. 800.

UltraTech Cement its net profit in the quarter ended September 30 rose 25.27% from a year ago helped by higher other income.

Alankit will remain in focus, as Tuesday will be the cut-off date for interested investors to avail themselves the benefit of its proposed bonus share issue, said a media report.

Lakshmi Vilas Bank reported a 44.64% YoY surge in profit after tax (PAT) at Rs 64.80 crores for the quarter ended September 30.

Shriram EPC has bagged Rs.61 crores contract for a water supply scheme in Bengaluru.

HDFC: HDFC Life has reported 12% increase in net profit at Rs 464 crores during the first half of 2016-17 financial year.

UCO bank, BoI, India Overseas Bank: The government may now look at combining three other state-run lenders - UCO Bank, Bank of India and Indian Overseas Bank - with stronger entities.

Axis Bank: Private sector lender Axis Bank has cut its benchmark marginal cost of funds-based lending rate (MCLR) by five basis points with effect from Tuesday.

Zensar Technologies: The consolidated net revenue for the quarter grew by 2% QoQ to Rs. 772 crores against Rs. 757 crores in the previous quarter. The consolidated net profit declined by 2.5% QoQ to Rs.74.5 crores against Rs.76.5 crores of last quarter due to fall in other income.

Fundamental Calls

<u>Scripts</u>	<u>Initiation Date</u>	<u>Initiation price (Rs.)</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>
Rural Electrification Corp.	17-Aug-15	129.63	131.95	337.00
Transpek Industry	07-Dec-15	375.50	493.00	488.00
J B Chemicals & Pharma	04-Jan-15	279.15	381.15	362.90
The Great Eastern Shipping Co.	09-Jan-16	368.70	368.15	479.30
Lloyd Electric and Engineering	15-Jan-16	243.30	301.05	340.00
Alembic Pharma	29-Jan-16	617.75	685.00	800.00
Balmer Lawrie & Company Ltd.	12-Mar-16	540.00	687.40	756.00
Sintex Inds.	15-Apr-16	83.00	81.75	116.00
Richa Inds.	23-Apr-16	35.80	28.90	50.00
KCP Ltd.	29-Apr-16	84.00	111.80	118.00
VTM Ltd.	20-May-16	30.60	30.10	46.00
DCM Shriram Ltd	28-May-16	187.00	216.50	252.00
Gulshan Polyols	04-June-16	336.00	398.00	471.00
Finolex Industries	13-June-16	410.75	453.80	534.00
DTIL	21-June-16	301.00	287.55	424.00
GHCL	02-July-16	192.00	291.15	270.00
Karur Vysya Bank	09-July-16	530.10	479.00	690.00
Tamil Nadu Newsprint	06-Aug-16	295.30	368.10	413.50
Lumax Auto Technologies	27-Jan-16	333.00	499.60	587.00
The Karnataka Bank	10-Sep-16	157.00	148.50	204.10
Sanghvi Movers	17-Sep-16	234.95	257.85	304.00
Salzer Electronics	25-Sep-16	220.35	205.55	286.00
Technocraft Industries	01-Oct-16	343.00	387.10	446.00

Sarla Performance	08-Oct-16	71.75	68.30	100.00
Century Enka	15-Oct-16	297.50	290.45	386.75

Technical Calls			
<u>Scripts</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>	<u>SL(Rs.)</u>
<u>BUY</u>			
HIND UNILEVER	849	870	839
<u>SELL</u>			
IDEA (AROUND 73)	72.3	70	74.8

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