

**Morning Mantra 19<sup>th</sup> October, 2016**

**The Indian markets are likely to be in green on positive global cues but some profit taking too may appear after the huge rally of last session.**

The GST Council meeting on Tuesday headed by Finance Minister Arun Jaitley discussed a four-slab GST tax structure of 6, 12, 18 and 26% with lower rates for essential items and the highest for luxury goods that will also be levied with an additional cess. Jaitley also informed that the GST Council meeting has reached a consensus on definition of revenue to compensate states for revenue loss from GST implementation.

Traders will also be reacting to minutes of the Monetary Policy Committee (MPC) debut meeting, which unanimously agreed to reduce repo rate on a broad concerns over economic growth and relief from the pullback in inflation.

There will be some buzz in the auto sector, as the road transport ministry has said that Form 22 under the Central Motor Vehicles Act, 1989, has been amended. From April next year manufacturers would have to provide initial certificate of compliance with pollution standards, safety standards of components quality and road-worthiness certificate for all vehicles.

**Nifty Levels**

Close	8678			
Support	8664	8620	8599	8540
Resistance	8702	8725	8753	8800

**Global Indices –18<sup>th</sup> October, 2016**

<b>Dow</b>	+75.54(+0.42%)
Nasdaq	+44.02(+0.85%)
S&P500	+13.10(+0.62%)
<b>SGX Nifty (Today)</b>	+16.00(+0.18%)

**Institutional Activities –18<sup>th</sup> October, 2016**

FII Cash	+345.04crs
DII Cash	+173.36crs
FII F&O	+3598.55crs

**US. Markets**

The US markets closed higher in last session but were well off the day's high. Traders picked up stocks at reduced levels amid latest batch of good corporate results, while on economy front consumer prices rose in line with estimates in the month of September.

**Other Information**

The Asian markets have made mostly a positive start, extending their last session gains on added evidence that the Chinese economy has stabilized after China reported a 6.7 percent increase in its gross domestic product for the third quarter.

NY Crude Oil \$43.77/barrel

Rs./\$ - 66.72

**F&O Ban**

**BANKINDIA, CEATLTD, HDIL, IBREALEST and JINDALSTEL**

## Corporate/Media News

**Havells India reported a 22% YoY jump in net profit to Rs 145 crores for the September quarter, as per new accounting standard Ind-AS.**

**Hatsun Agro Product is planning to invest around Rs.850 crores during FY17 and next fiscal year, in order to set up two milk processing facilities, along with the expansion of existing facilities and marketing.**

**Sterling Tools has informed BSE that a meeting of the Board of Directors of the Company will consider sub-division of the equity shares of the company on Nov 5.**

**Indian Oil Corporation: CLSA has retained its buy rating on Indian Oil Corporation and raised target price by 20 per cent to Rs 810 from Rs 675. The brokerage said that operating cash flow and free cash flow fell due to lesser savings in working capital compared to the previous financial year.**

Sintex Industries: Prominent Plastic Ltd has submitted to BSE, acquisition of 7,91,440 equity shares of Sintex Industries on 30th September.

Axis Bank, ICICI Bank: Essar Global will also pay back about \$300 million combined to Indian lenders ICICI Bank Ltd. and Axis Bank Ltd., said a media report quoting sources, who asked not to be identified as the information is private.

Tata Motors: Tata Motors Ltd said that the board has approved NCD issue of up to 5 billion rupees.

JSW Steel: Sajjan Jindal's JSW Group will invest Rs 3400 crores in the state in next three years. Mr. Jindal who met West Bengal chief minister Mamata Banerjee this afternoon said the investment will go into expanding its upcoming cement plant at Salboni.

Endurance Technologies is set to list its equity shares on exchanges on October 19. It has fixed issue price at the higher end of price band of Rs 467-472 per share.

Gujarat Pipavav Port: Credit Suisse has downgraded shares of Gujarat Pipavav Port to underperform from outperform and cut target price to Rs 155 from Rs 195 due to lackluster container trade data in the second quarter and increase in risks to the business.

RIL will shut the fluidized catalytic cracking unit (FCCU) at its Jamnagar refinery for five weeks beginning the second week of November, said a report.

## 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	134.50	168.00
Transpek Industry	07-Dec-15	375.50	498.00	488.00
J B Chemicals & Pharma	04-Jan-15	279.15	381.25	362.90 Target Achieved
The Great Eastern Shipping Co.	09-Jan-16	368.70	374.60	479.30
Lloyd Electric and Engineering	15-Jan-16	243.30	316.75	340.00
Alembic Pharma	29-Jan-16	617.75	672.05	800.00
Balmer Lawrie & Company Ltd.	12-Mar-16	540.00	695.00	756.00
Sintex Inds.	15-Apr-16	83.00	82.55	116.00
Richa Inds.	23-Apr-16	35.80	29.35	50.00
KCP Ltd.	29-Apr-16	84.00	111.30	118.00
VTM Ltd.	20-May-16	30.60	30.05	46.00
DCM Shriram Ltd	28-May-16	187.00	217.50	252.00
Gulshan Polyols	04-June-16	336.00	408.00	471.00
Finolex Industries	13-June-16	410.75	460.00	534.00
DTIL	21-June-16	301.00		424.00
GHCL	02-July-16	192.00	295.65	270.00 Target Achieved

Karur Vysya Bank	09-July-16	530.10	480.00	690.00
Tamil Nadu Newsprint	06-Aug-16	295.30	364.70	413.50
Lumax Auto Technologies	27-Jan-16	333.00	507.95	587.00
<b>The Karnataka Bank</b>	<b>10-Sep-16</b>	<b>157.00</b>	<b>151.10</b>	<b>204.10</b>
<b>Sanghvi Movers</b>	<b>17-Sep-16</b>	<b>234.95</b>	<b>263.70</b>	<b>304.00</b>
<b>Salzer Electronics</b>	<b>25-Sep-16</b>	<b>220.35</b>	<b>204.75</b>	<b>286.00</b>
<b>Technocraft Industries</b>	<b>01-Oct-16</b>	<b>343.00</b>	<b>387.75</b>	<b>446.00</b>
<b>Sarla Performance</b>	<b>08-Oct-16</b>	<b>71.75</b>	<b>69.65</b>	<b>100.00</b>
<b>Century Enka</b>	<b>15-Oct-16</b>	<b>297.50</b>	<b>292.15</b>	<b>386.75</b>

<b>Technical Calls</b>			
<b><u>Scripts</u></b>	<b><u>CMP (Rs.)</u></b>	<b><u>TGT(Rs.)</u></b>	<b><u>SL(Rs.)</u></b>
<b><u>BUY</u></b>			
<b>NCC</b>	81.75	84	80.1
<b>KAVERI SEED</b>	435	460	422
<b><u>SELL</u></b>			
<b>MINDTREE</b>	477	463	484

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