

Morning Mantra 26th October, 2016

The Indian markets are likely to be a bit soft and traders will be reacting to some disappointing earnings amid subdued global cues.

Traders will also be concerned with report that despite many efforts India moved up only one position in the International Finance Corporation's (IFC) ease of doing business rankings.

There will be some solace for the India Inc as the finance ministry is said to be examining the possibility of cutting corporate tax rate by one to two percentage points in the February budget.

Also, the Economic Affairs Secretary Shaktikanta Das has said that the GDP growth will be around 8 percent this fiscal while the agriculture sector is expected to grow over 4 percent.

Important results today: ITC, Hero MotoCorp, Exide Industries and Dabur India.

Nifty Levels

Close	8691			
Support	8640	8599	8540	8518
Resistance	8725	8755	8783	8800

Global Indices –25th October, 2016**Institutional Activities –25th October, 2016**

Dow	-53.76(-0.30%)	FII Cash	-606.34crs
Nasdaq	-26.43(-0.50%)	DII Cash	+389.11crs
S&P500	-8.17(-0.38%)	FII F&O	-1493.43crs
SGX Nifty (Today)	-38.00(-0.44%)		

US. Markets

The US markets ended lower in last session as traders reacted to the latest batch of earnings news, with a number of big-name companies releasing their quarterly results.

Other Information

The Asian markets have made a weak start and some of the indices in the region are down by over half a percent in early deals tailing weakness in US markets, as oil prices slumped and Apple Inc.'s results disappointed, also the BoE Governor Mark Carney dashed stimulus hopes.

NY Crude Oil \$49.31/barrel Rs./\$ - 66.80

F&O Ban

BANKINDIA, CEATLTD, HDIL, IBREALEST, JINDALSTEL, ORIENTBANK and TV18BRDCST

Corporate/Media News

L&T Finance reported 33% increase in net profit during the quarter ended September 30, 2016, as it focused on profitable asset growth and strong traction in fee income across all the businesses.

Bharti Airtel posted a marginal drop in net profit at Rs 1,460 crores compared with Rs 1,462 crore in the

previous quarter.

Zee Entertainment Enterprises reported a 28.3% increase in net profit for the September quarter, benefiting from an increase in advertising and subscription revenue.

Granules India announced 26% jump in net profit at Rs 41 crores in the quarter ended September 30 as compared to Rs 32 crores in the corresponding period a year ago.

Symphony reported a 36.6% jump in standalone net profit at Rs 39.28 crores for the second quarter ended September on account of higher sales.

Thyrocare reported a 22% rise in its consolidated net profit to Rs 20.23 crores for the second quarter ended September 30.

M&M Financial Services reported a 27 per cent year-on-year decline in its net profit for the September quarter at Rs 114.05 crore, as higher operating expenses and finance costs weighed on the bottom line.

NBCC: The Union Urban Development Ministry signed a MoU with NBCC and CPWD for redevelopment of seven General Pool Residential Accommodation (GPRA) colonies here.

Crompton Greaves Consumer Electricals Ltd:The company reported a net profit of Rs 54.96 crore for the quarter ended September 30. The net sales stood at Rs 890 crore.

PI Industries reported 78% increase in its net profit at Rs 101 crores for the quarter ended September.

Shakti Pumps' Q2FY17 standalone net revenue for the quarter was higher by 9.1% YoY to Rs 75.4 crores. The EBITDA grew by 5% YoY to Rs 11.7 crores while EBITDA margins contracted 61 bps YoY to 15.6 per cent.

Axis Bank reported a highly disappointing set of numbers for the September quarter on a sharp rise in bad loans, as profit after tax fell 83.4 per cent to Rs 319 crores or Rs 1.33 per share.

Welspun Corp reported a consolidated net loss of Rs 33.64 crores for the quarter ended September 30, 2016, hit by a challenging business environment.

Fundamental Calls				
Scripts	Initiation Date	Initiation price (Rs.)	CMP (Rs.)	TGT(Rs.)
Rural Electrification Corp.	17-Aug-15	129.63	137.15	168.00
Transpek Industry	07-Dec-15	375.50	525.05	488.00Target Achieved
J B Chemicals & Pharma	04-Jan-15	279.15	386.30	362.90Target Achieved
The Great Eastern Shipping Co.	09-Jan-16	368.70	368.30	479.30
Lloyd Electric and Engineering	15-Jan-16	243.30	326.75	340.00
Alembic Pharma	29-Jan-16	617.75	678.00	800.00
Balmer Lawrie & Company Ltd.	12-Mar-16	540.00	717.50	756.00
Sintex Inds.	15-Apr-16	83.00	84.65	116.00
Richa Inds.	23-Apr-16	35.80	31.05	50.00
KCP Ltd.	29-Apr-16	84.00	112.05	118.00
VTM Ltd.	20-May16	30.60	34.20	46.00
DCM Shriram Ltd	28-May-16	187.00	281.50	252.00 Target Achieved
Gulshan Polyols	04-June-16	336.00	421.75	471.00
Finolex Industries	13-June-16	410.75	455.55	534.00
DTIL	21-June-16	301.00	313.30	424.00
GHCL	02-July-16	192.00	279.05	270.00 Target Achieved
Karur Vysya Bank	09-July-16	530.10	500.00	690.00
Tamil Nadu Newsprint	06-Aug-16	295.30	378.00	413.50

Lumax Auto Technologies	27-Jan-16	333.00	509.90	587.00
The Karnataka Bank	10-Sep-16	127.00	127.50	204.10
Sanghvi Movers	17-Sep-16	234.95	269.25	304.00
Salzer Electronics	25-Sep-16	220.35	227.20	286.00
Technocraft Industries	01-Oct-16	343.00	393.45	446.00
Sarla Performance	08-Oct-16	71.75	74.05	100.00
Century Enka	15-Oct-16	297.50	311.60	386.75
Steel Strip Wheels Ltd.	21-Oct-16	693.60	694.65	901.00

Technical Calls			
<u>Scripts</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>	<u>SL(Rs.)</u>
<u>BUY</u>			
ASIAN PAINT	1139	1180	1117
NMDC	122	130	118
<u>SELL</u>			
OFSS	3213	3162	3245

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