

Morning Mantra 15th December, 2016

The Indian markets are likely to be weak amid disappointing global cues.

Traders will be reacting negatively to the hawkish tone of the US Fed, while on the domestic front, traders will be concerned with global rating agency Standard & Poor's statement that demonetisation has cast a shadow over the RBI's competence and independence, it further said that slow replacement of the abolished bills has sparked a shortage of cash that has hit large parts of the economy.

The Prime Minister Narendra Modi has said that presently, cleaning the system from black money and corruption is very high on his agenda and added that India is currently witnessing an economic transformation.

There will be some buzz in ports and shipping stocks, as the Cabinet has approved the Major Port Authorities Act, 2016, which seeks to infuse professionalism in and increase the autonomy of the 12 port boards and, more importantly, allow future public-private partnership operators to fix tariffs based on market conditions and only notify the port authority.

There will be some respite in PSU oil marketing companies as the global crude prices witnessed a sharp decline overnight.

Nifty Technical Levels

| | | | | |
|-------------------|------|------|------|------|
| Close | 8182 | | | |
| Support | 8160 | 8120 | 8082 | 8053 |
| Resistance | 8240 | 8268 | 8312 | 8348 |

Global Indices –14th December, 2016

| | |
|--------------------------|-----------------------|
| Dow | -26.71(-0.13%) |
| Nasdaq | +7.14(+0.13%) |
| S&P500 | -0.87(-0.04%) |
| SGX Nifty (Today) | -31.50(-0.38%) |

Institutional Activities –14th December, 2016

| | |
|----------|-------------|
| FII Cash | -632.29crs |
| DII Cash | +210.86crs |
| FII F&O | -2031.63crs |

US. Markets

The US markets made a soft closing of the last session as the trade remained volatile, as investors grappled with the prospect of a faster pace of rate increases in 2017 than had been previously forecast. In raising rates, the Fed moved its key short-term rate to a range of 0.5%-0.75% from 0.25% to 0.5%.

Other Information

The Asian markets have made a weak start after the U.S. Federal Reserve raised its key interest rate for the first time in a year and also hinted at a more aggressive pattern of rate increases in 2017.

NY Crude Oil \$52.23/barrel

Rs./\$ - 67.44

F&O Ban

IBREALEST and JINDALSTEL

Corporate/Media News

Vardhman Special Steels has undertaken expansion activities in its steel melting shop. The capacity of steel melting shop has been increased from existing capacity of 1,25,000 tonnes/annum to 1,60,000 tonnes/annum.

Technocraft Industries reported 27.98 per cent rise in net profit at Rs 27.85 crores for the quarter ended September 30, 2016 against Rs 21.76 crores in the corresponding quarter last year.

Infosys has made an investment from its Innovation Fund in ideaForge, an Indian startup focused on Unmanned Aerial Vehicle (UAV) solutions.

SRS Ltd posted a standalone net loss of Rs 20.22 crores in the second quarter of this fiscal due to sluggish sales. It had posted a net profit of Rs 14.24 crores in the same period last year.

Mandhana Retail Ventures: Ace investor Rakesh Jhunjhunwala is in talks to buy up to 15 per cent stake in Mandhana Retail Ventures (MRVL) from its promoters.

Gammon Infrastructure posted a net profit of Rs 2.83 crores for Q2FY17 against Rs 2.15 crores in the corresponding quarter last year.

Wipro has allotted 2,353 equity shares under ADS RSU Plan 2004 to the employees on December 13, 2016 pursuant to exercise of ESOPs.

Cipla is planning to consider the proposal to raise funds through issue of equity shares or American depository receipts or global depository receipts or foreign currency convertible bonds etc on December 19.

Jagran Prakashan reported 14.2% rise in standalone net profit at Rs 75.45 crores for Q2FY17, helped by higher digital advertising revenue. It had reported a net profit of Rs 66.05 crores in Q2FY16.

Gitanjali Gems: Nakshatra World, a wholly owned subsidiary of Gitanjali Gems has decided to raise funds through an Initial Public Offer of equity shares for an overall amount of not exceeding Rs 650 crores, subject to requisite statutory and other approvals, procedures, market conditions and other relevant considerations.

TCI Express: Equity shares of TCI Express will be listed on bourses on Thursday. "Trading Members of the exchange are hereby informed that effective from December 15, 2016, the equity shares of TCI Express Ltd are listed and admitted to dealings on the exchange in the list of 'T' Group Securities," BSE said.

MTNL reported a standalone net loss of Rs 768.32 crores for the quarter ended on September 30, 2016, against that of Rs 730.35 crores in the same period a year ago.

Sujana Towers' Net loss of the company widened to Rs 103.93 crores for the quarter ended September 30, 2016 against a net loss of Rs 15.24 crores in the corresponding quarter last year.

Fundamental Calls

| Scripts | Initiation Date | Initiation price (Rs.) | CMP(Rs.) | TGT(Rs.) |
|-------------------------|------------------|------------------------|---------------|---------------|
| Rural Electrific | 17-Aug-15 | 129.63 | 130.30 | 168.00 |
| Great Eastern | 09-Jan-16 | 368.70 | 367.65 | 479.30 |
| Lloyd Electric a | 15-Jan-16 | 243.30 | 270.95 | 340.00 |
| Lumax Auto Technolog | 27-Jan-16 | 333.00 | 432.00 | 587.00 |
| Alembic Pharmaceutic | 29-Jan-16 | 617.75 | 630.50 | 800.00 |
| Balmer Lawrie & | 12-Mar-16 | 540.00 | 1,087.80 | 1,250.00 |
| Sintex Industrie | 15-Apr-16 | 83.00 | 75.75 | 116.00 |
| Richa Industries Ltd | 23-Apr-16 | 35.80 | 31.40 | 50.00 |
| KCP Ltd. | 29-Apr-16 | 84.00 | 85.75 | 118.00 |
| VTM Ltd. | 20-May-16 | 30.60 | 32.35 | 46.00 |
| Gulshan Polyols Ltd. | 04-Jun-16 | 336.00 | 388.55 | 471.00 |
| Finolex Industri | 13-Jun-16 | 410.75 | 425.00 | 534.00 |
| Dhunseri Tea & Indus | 21-Jun-16 | 301.00 | 280.70 | 424.00 |
| Karur Vysya Bank | 09-Jul-16 | 106.02 | 85.55 | 138.00 |
| T Nadu Newsprint | 06-Aug-16 | 295.30 | 350.50 | 413.50 |

| | | | | |
|-----------------------------|------------------|---------------|---------------|---------------|
| Karnataka Bank | 10-Sep-16 | 127.00 | 110.30 | 204.10 |
| Sanghvi Movers L | 17-Sep-16 | 234.95 | 210.00 | 304.00 |
| Salzer Electr. | 25-Sep-16 | 220.35 | 180.05 | 286.00 |
| Technocraft Industri | 01-Oct-16 | 343.00 | 381.55 | 446.00 |
| Sarla Performance Fi | 08-Oct-16 | 71.75 | 60.80 | 100.00 |
| Century Enka | 15-Oct-16 | 297.50 | 272.60 | 386.75 |
| Steel Strips Wheels | 21-Oct-16 | 693.60 | 585.10 | 901.00 |
| Aro Granite Indu | 05-Nov-16 | 73.90 | 70.70 | 100.00 |
| Dalmia Bharat Sugar | 15-Nov-16 | 105.00 | 121.60 | 160.00 |
| Tube Investments | 21-Nov-16 | 567.00 | 573.05 | 737.00 |
| Shilchar Technologie | 26-Nov-16 | 415.00 | 430.50 | 540.00 |
| Sree Rayalaseema Hi- | 03-Dec-16 | 140.00 | 138.75 | 182.00 |
| Apar Industries | 09-Dec-16 | 576.00 | 571.05 | 750.00 |

| Technical Calls | | | |
|------------------------|-------------------------|------------------------|-----------------------|
| <u>Scripts</u> | <u>CMP (Rs.)</u> | <u>TGT(Rs.)</u> | <u>SL(Rs.)</u> |
| <u>BUY</u> | | | |
| WIPRO (ABOVE 469) | 466 | 480 | 460 |
| JSWSTEEL | 1630 | 1658 | 1618 |
| <u>SELL</u> | | | |
| TECHM (BELOW 474) | 476 | 465 | 479 |

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