

Morning Mantra 21st December, 2016

The Indian markets are likely to be in green on positive global cues.

Traders will be getting some encouragement with Finance Minister Arun Jaitley statement that the government would offer tax incentives to small businesses engaged in cashless transactions, as part of the government's fight against the cash economy. He said the move would enable businesses with annual turnover of Rs 2 crore to save up to 30 per cent in tax payments.

There will be some cheer for the **banking stocks**, as the Reserve Bank of India has urged the Finance Minister to allow banks to get full tax deduction on the provisions made towards bad debts.

The railways stocks too will be buzzing, as the Finance Minister indicated that the Railways must shift its focus from populism to performance and called for a transparent accounting system for Railways and outsourcing some of its non-core functions such as hospitality services.

Nifty Technical Levels

Close	8082			
Support	8053	8012	7988	7988
Resistance	8124	8150	8180	8240

Global Indices –20th December, 2016

Dow	+81.03(+0.41%)
Nasdaq	+19.35(+0.35%)
S&P500	+6.66(+0.29%)
SGX Nifty (Today)	+12.50(+0.15%)

Institutional Activities –20th December, 2016

FII Cash	-685.93crs
DII Cash	+418.93crs
FII F&O	-1102.94crs

US. Markets

The US markets extended the gains, despite a lack of major catalysts amid another quiet day on the U.S. economic front. With the upward move on the day, the Dow and the Nasdaq reached new record closing highs.

Other Information

The Asian markets have made a green start tailing the gains in the US markets and as oil extended gains leading the energy stocks higher.

NY Crude Oil \$52.32/barrel Rs./\$ - 67.95

F&O Ban

IBREALEST, JINDALSTEL and ORIENTBANK

Corporate/Media News

Rural Electrification Corporation: Global financial services firm UBS has increased target price of REC to Rs 165 from Rs 145 earlier.

<p>Oriental Carbon & Chemicals has started the commercial production of the first phase (5500 Mt pa Capacity) of its project for expansion of insoluble sulphur production capacity at Special Economic Zone (SEZ) at Mundra, Gujarat.</p>
<p>Godrej Consumer Products has made Kenyan firm Charm Industries as its wholly-owned subsidiary by acquiring the rest 49% share for an undisclosed amount.</p>
<p>Sun Pharmaceutical has completed the acquisition of 85.1% stake in Russia-based JSC Biosintez.</p>
<p>Sasken Communication has scheduled a meeting of the board of directors on December 23, to finalise the price at which the shares will be bought back and to fix the record date to ascertain the shareholders who are eligible to participate in the buyback.</p>
<p>NIIT Technologies has concluded consultation process with government entity and has entered into settlement agreement</p>
<p>Bharti Airtel said its subsidiary Network i2i has entered into a definitive agreement with Egyptian firm Orascom to acquire the latter's entire equity stake in Middle East North Africa Submarine Cable Systems for an undisclosed amount.</p>
<p>Reliance Communications: Fitch Ratings on Tuesday said it has downgraded credit rating of Reliance Communications as it feels that ongoing joint venture plan of the company with Aircel and proposal to sell stake in its mobile tower arm will be negative for creditors.</p>
<p>Satin Creditcare has scheduled a meeting on December 23 for issuance of non-convertible debentures upto the amount of Rs 15 crores through private placement basis.</p>
<p>Essel Propack is raising funds through issue of commercial papers for Rs 20 crores on private placement basis.</p>
<p>Seamec has entered into a Charter Party Agreement with National Petroleum Construction Company for the Charter hire of Vessel "HAL SUPPORTER" for undertaking a job in West Coast of India.</p>
<p>NHPC may propose and consider interim dividend on the equity share capital of the company for 2016-17 in its meeting scheduled to be held on Thursday, December 22.</p>
<p>Jyoti Structures has received an order from ESKOM, the South African utility, for supply of towers and construction of 765 and 400 KV Masa Ngwedi Transmission line Sec C. The order valued at around US\$ 15 million is to be executed in 18 months.</p>
<p>Tata Global Beverages: A day after Cyrus Mistry quit from six Tata group firms, Independent Director Ananjit Singh, who was supporting the ousted Chairman, resigned from the board of Tata Global Beverages.</p>

Fundamental Calls				
Scripts	Initiation Date	Initiation price (Rs.)	CMP(Rs.)	TGT(Rs.)
Alembic Pharmaceutic	29-Jan-16	617.75	629.95	800.00
Apar Industries	09-Dec-16	576.00	570.55	750.00
Aro Granite Indu	05-Nov-16	73.90	68.55	100.00
Balmer Lawrie &	12-Mar-16	540.00	1,094.75	1,250.00
Century Enka	15-Oct-16	297.50	270.60	386.75
Dalmia Bharat Sugar	15-Nov-16	105.00	123.00	160.00
Dhunseri Tea & Indus	21-Jun-16	301.00	297.00	424.00
Finolex Industri	13-Jun-16	410.75	430.50	534.00
Great Eastern	09-Jan-16	368.70	363.15	479.30
Gulshan Polyols Ltd.	04-Jun-16	336.00	391.25	471.00
Karnataka Bank	10-Sep-16	127.00	111.05	204.10
Karur Vysya Bank	09-Jul-16	106.02	84.20	138.00
KCP Ltd.	29-Apr-16	84.00	83.50	118.00

Lloyd Electric a	15-Jan-16	243.30	260.70	340.00
Lumax Auto Technolog	27-Jan-16	333.00	400.45	587.00
Richa Industries Ltd	23-Apr-16	35.80	29.25	50.00
Rural Electrific	17-Aug-15	129.63	128.75	168.00
Salzer Electr.	25-Sep-16	220.35	177.60	286.00
Sanghvi Movers L	17-Sep-16	234.95	207.60	304.00
Sarla Performance Fi	08-Oct-16	71.75	60.00	100.00
Shilchar Technologie	26-Nov-16	415.00	405.00	540.00
Sintex Industrie	15-Apr-16	83.00	74.15	116.00
Sree Rayalaseema Hi-	03-Dec-16	140.00	130.30	182.00
Steel Strips Wheels	21-Oct-16	693.60	574.80	901.00
T Nadu Newsprint	06-Aug-16	295.30	333.80	413.50
Technocraft Industri	01-Oct-16	343.00	363.30	446.00
Transformer & Rectifier	17-Dec-16	352.45	350.45	458.00
Tube Investments	21-Nov-16	567.00	563.35	737.00
VTM Ltd.	20-May-16	30.60	30.40	46.00

Technical Calls			
<u>Scripts</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>	<u>SL(Rs.)</u>
<u>BUY</u>			
DABUR (AROUND 270)	274	281	265
TCS (ABOVE 2350)	2339	2400	2309
<u>SELL</u>			
JUSTDIAL	353	300	375

Disclaimer: This document has been prepared by SATCO Capital Market Ltd., a registered broker dealer, and is being distributed to its clients. The information in the document has been compiled by the research department. Due care has been taken in preparing the above document. However, this document is not, and should not be construed, as an offer to sell or solicitation to buy any securities. Any act of buying, selling or otherwise dealing in any securities referred to in this document shall be at investor's sole risk and responsibility. This document may not be reproduced, distributed or published, in whole or in part, without prior permission from the Company. @ Satco Capital Markets Ltd.