

Morning Mantra 19th May , 2017
Markets may see some recovery, GST rate specific actions to be in limelight

Traders will be cheering the GST Council finalising tax rates of goods and services under the four-slab structure with essential items of daily use being kept in the lowest bracket of 5%. The Council fixed the rates for over 1200 items under GST. Lots of daily consumption items such as milk, fruit and vegetables, jaggery or gur, foodgrain and cereals have been exempted from tax, while others such as sugar, tea, coffee, edible oil, mithai, and newsprint have been placed in the lowest slab of 5%. Luxury cars will attract 28% GST plus a cess of 15%, while small petrol cars will face 28% plus 1% cess, and diesel small cars 28% tax plus 3% cess. Consumer durables, which now face a total tax of about 32%, will be taxed in the 28% slab. The panel will discuss tax rates for gold and some other items today and could meet one more time if necessary to decide rates on remaining items. There will be sector specific buzz based on GST rates and steel stocks may see some uptrend as the GST rate on coal has been fixed at 5%.

There will be some buzz in banking sector too, as the RBI has eased the norms of setting up bank branches and said branches manned by either bank's staff or its business correspondents where services are provided for a minimum of four hours per day for at least five days a week will be called a banking outlet.

Earnings today: Dhanuka Agritech, Atlas Cycles (Haryana), Grasim, Just Dial, Kalpataru Power, Motherson Sumi, State Bank of India, Suzlon, Tata Power and Zuari Global

Nifty Levels

Close	9429			
Support	9440	9378	9342	9301
Resistance	9469	9489	9540	9562

Global Indices –18th May, 2017
Institutional Activities –18th May, 2017

Dow	+56.09(+0.27%)	FII Cash	-360.59crs
Nasdaq	+43.89(+0.73%)	DII Cash	+897.96crs
S&P500	+8.69(+0.37%)	FII F&O	+1250.20crs
SGX Nifty (Today)	+26.50(+0.28%)		

US. Markets

The US markets bounced back in last session. Bargain hunting mainly contributed to the strength and also the release of some upbeat economic data, including a report from the Labor Department showing another unexpected drop in initial jobless claims.

Other Information

The Asian markets have made a mixed start and some indices are again in red heading for the biggest weekly drop since March.

NY Crude Oil \$47.91/barrel

Rs./\$ - 64.84

F&O Ban

BHARATFIN, CANBK, CAPF, CEATLTD, HDIL, ICIL, IDBI, IFCI, INFIBEAM, JINDALSTEL, JISLJALEQS, JPASSOCIAT, JSWENERGY, ORIENTBANK and TV18BRDCST

Corporate/Media News

Tata Coffee reported over three-fold jump in consolidated net profit to Rs 45.69 crores for Q4FY17. Its net profit stood at Rs 13.65 crores in the year-ago period.

DB Corp reported 6.2% increase in consolidated net profit at Rs 64.18 crores for Q4FY17. It had posted a net profit of Rs 60.43 crores during Q4FY16.

United Bank of India reported a profit of Rs 73.56 crores for Q4FY17 as provision for bad loans declined. In contrast, the bank had reported a loss of Rs 413.04 crores in the same period a year ago.

Dwarikesh Sugar Industries posted net profit of Rs 46.82 crores in Q4FY17 down from Rs 52.82 crores posted in the same period of the last fiscal. Net profit in FY17 stood at Rs 158.47 crores, up 307% from Rs 38.97 crores in FY16.

Sutlej Textiles and Industries reported 34.6% drop in PAT at Rs 33.27 crores in the Q4FY17. The company's PAT stood at Rs 50.91 crore in the corresponding quarter of the previous financial year.

Akzo Nobel reported 18.1% increase in standalone net profit at Rs 72.64 crores for Q4FY17. It had posted a net profit at Rs 61.49 crores during Q4FY16.

Fundamental Calls

<u>Scripts</u>	<u>Initiation Date</u>	<u>Initiation price (Rs.)</u>	<u>CMP(Rs.)</u>	<u>TGT(Rs.)</u>
Lloyd Electric	15-Jan-16	243.30	245.00	340.00
Lumax Auto Technologies	27-Jan-16	333.00	494.80	587.00
Alembic Pharmaceutical	29-Jan-16	617.75	603.20	800.00
Sintex Industries	15-Apr-16	83.00	117.70	116.00
Richa Industries	23-Apr-16	35.80	34.45	50.00
VTM Ltd.	20-May-16	30.60	32.35	46.00
Dhunseri Tea & Indus	21-Jun-16	301.00	308.00	424.00
Karur Vysya Bank	09-Jul-16	106.02	115.95	138.00
T Nadu Newsprint	06-Aug-16	295.30	341.60	413.50
Karnataka Bank	10-Sep-16	127.00	166.45	204.10
Sanghvi Movers	17-Sep-16	234.95	239.95	304.00
Salzer Electr.	25-Sep-16	220.35	205.40	286.00
Sarla Performance	08-Oct-16	71.75	60.75	100.00
Aro Granite Indu	05-Nov-16	73.90	73.15	100.00
Tube Investments	21-Nov-16	567.00	672.95	737.00
Shilchar Technologies	26-Nov-16	415.00	444.00	540.00
Sree Rayalaseema Hi-	03-Dec-16	140.00	137.05	182.00
Excel Inds. Ltd.	07-Jan-17	375.10	387.00	488.00
Talwalkars Better Value Fitness	21-Jan-17	228.55	291.35	297.11
S P Apparel	30-Jan-17	374.00	364.85	487.00
Triveni Engineering & Industries	04-Feb-17	78.05	90.95	101.50
Kuantum Paper	18-Feb-17	415.00	506.90	581.00
Polaris Consulting & Services	28-Feb-17	182.00	222.60	237.00
Sonata Software Ltd.	06-Mar-17	191.10	158.20	248.00
Visaka Inds.	11-Mar-17	239.00	366.40	335.00
Vidhi Specialty Food Ingredients	25-Mar-17	55.10	57.65	72.00

Ujaas Energy Ltd.	01-Apr-17	33.75	36.00	45.00
Panasonic Carbon India Co	08-Apr-17	485.80	470.55	630.00
Kilburn Engineering	14-Apr-17	67.00	64.00	94.00
Tata Coffee	21-Apr-17	124.50	130.10	162.00
Pondy Oxide	29-Apr-17	442.00	524.95	575.00
Kirloskar Ferrous Industries	06-May-17	96.30	101.40	136.00
LAKSHMI VILAS BANK	12-May-17	186.00	185.85	242.00

Technical Calls			
<u>Scripts</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>	<u>SL(Rs.)</u>
<u>BUY</u>			
ORIENTAL CARBON	950	988	932
<u>SELL</u>			
NCC	97	93	99

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