

Morning Mantra 1st February, 2016

The Indian markets are likely to be in green, though there will be some cautiousness too ahead of the RBI's monetary policy announcement tomorrow.

The S&P's Ratings Services has said that India will face challenges in sticking to the fiscal consolidation roadmap as the expected revenues may not be fully realised and subsidy cuts may be delayed.

The Finance Minister Arun Jaitley has said that the Congress will "see reason" and help in passage of GST legislation, stuck in Rajya Sabha, in the Budget session of Parliament beginning next month.

Markets may get some support with, NITI Aayog Vice-Chairman Arvind Panagariya's statement that India is expected to get on to a double-digit growth in the next 2-3 years if reform process continues.

Steel stocks will keep buzzing with Union Minister Narendra Singh Tomar stating that additional steps will be taken to protect domestic steel industry.

The auto stocks will be in action once the monthly sales numbers starts trickling in.

The PSU oil marketing companies too are likely to react to the government's decision to hike the excise duty on petrol by Re.1 per litre and Rs.1.50 on diesel, the third increase this month, to mop up over Rs.3,200 crores in additional revenue, netting in all Rs 17,000 crores in three months.

Nifty Levels

Close	7564			
Supports	7520	7490	7466	7450
Resistances	7590	7624	7666	7699

Global Indices –29th January, 2016
Institutional Activities – 29th January, 2016

Dow	+396.66(+2.47%)	FII Cash	+571.70crs
Nasdaq	+107.27(+2.38%)	DII Cash	+240.02crs
S&P500	+46.88(+2.48%)	FII F&O	+4253.60crs
SGX Nifty (Today)	+38.50(+0.51%)		

US. Markets

The US markets surged in last session supported by some good earnings and in reaction to the Bank of Japan's surprise decision to introduce negative interest rates.

Other Information

The Asian markets have made mostly a positive start and the Japanese market was heading for an almost one-month high as yen was on track for its longest slump. However, the Chinese shares got off to a weak start after an official measure of activity in the factory sector fell to its lowest since mid-2012.

NY Crude Oil \$33.51/barrel

Rs./\$ - 67.82

F&O Ban

NIL

Important Results Today

ABAN, ABBOTINDIA, ADANIENT, AJANTPHARM, CENTURYTEX, EIDPARRY, EMMBI, JINDALSAW, MAHSEAMLES, MONTECARLO, NITTAGELA, ORIENTHOT, RSWM, SUTLEJTEX TECHM, VIPIND, WELCORP etc.

Corporate/Media News

Kellton Tech Solutions has reported an over two-fold rise in consolidated net profit at Rs 10.12 crores for the quarter ended December 31, 2015.

V-Guard Industries reported an over two-fold jump in its standalone net profit at Rs 21.48 crores for the third quarter ended December 31, 2015.

Dr. Reddy's Laboratories announced that the USFDA has approved its new drug application (NDA) of ZEMBRACE injection, a drug-device combination intended for the treatment of an acute migraine.

Larsen & Toubro reported a 19% increase in consolidated net profit for Q3FY16 on improved execution of projects in its overseas business, even as it trimmed order inflow guidance as expected.

Blue Star, which recently forayed into air coolers, is targeting sales of about Rs 150 crores in the next three years from the segment.

Cholamandalam Investment and Finance at its board meeting today approved raising of up to Rs 6,700 crores in different slots by issuing non-convertible debentures.

Dewan Housing Finance, which owns 74% in DHFL Pramerica Life Insurance (DPLI), is in advanced talks for selling 23 per cent stake to its US-based partner Prudential Financial.

Engineers India Ltd: The government's 10% stake sale in Engineer's India on Friday got subscribed by 2.54 times and fetched about Rs 637 crores with both retail and institutional investors bid aggressively.

Grasim Industries reported a net profit of Rs.650 crores for the December quarter, up 95% from Rs 334 crore in the year-ago period, helped by better operational performance.

Godfrey Phillips India Ltd: Tobacco major Godfrey Phillips India said its board has approved the move to seek the service of a merchant banker for any potential restructuring of its various businesses.

Marico posted 24% increase in net profit to Rs198 crores during the third quarter ended December even as sales grew 7% at Rs 1556 crores.

Pidilite Industries reported 49.3% increase in consolidated net profit at Rs 185.72 crores for the third quarter ended December 31.

PVR reported 5.3% decline in consolidated net profit at Rs 29.88 crores for the quarter ended December 31, 2015, due to a sharp increase in tax expenses.

Unichem Laboratories has received approval from the US health regulator to market alfuzosin hydrochloride extended-release tablets, used in treating prostatic hyperplasia, in the American market.

Jagran Prakashan reported 40.1% rise in consolidated net profit to Rs.93.29 crores for the third quarter ended December 31, 2015, driven mainly by growth in advertisement revenue.

Den Networks reported narrowing of net loss to Rs 48.37 crores for third quarter ended on December 31, 2015.

EIH Ltd., which owns and operates hotels and resorts under the Oberoi and Trident brands, will close its luxury property Oberoi, New Delhi for renovation, starting April 1st. The Company reported a standalone net profit of Rs 47.36 crores for Q3FY16, up by 8.5% compared to same period last year.

Jyoti Structures Ltd: Kalpataru Power Transmission (KPTL) and the Amin Group are interested in buying into Mumbai-based Jyoti Structures after lenders decided to convert R307.6 crores worth of loans into equity last December.

Tata Teleservices is in discussions with 4G operators to add high-speed 4G services in its bouquet of enterprise offerings, according to a top executive of the company.

Wockhardt Ltd: The US Food and Drug Administration's inspection at Indian drug maker Wockhardt's plant at Shendra earlier this month found a series of violations, including lack of controls to ensure that only authorised personnel could make changes to records and a bag of unaccounted shredded documents in a laboratory.

Thermax posted operating revenues of Rs 1039 crores in Q3FY16, a drop of 8% as compared to Rs 1125 crores in the corresponding quarter last year. Profit after tax was down 11% (yoy) at Rs 68 crores.

JSW Steel reported a consolidated net loss of Rs 923 crores for the December quarter, hit by impairment charges of Rs 2,121 crores.

Fundamental Calls				
<u>Scripts</u>	<u>Initiation Date</u>	<u>Initiation price (Rs.)</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>
Suven Life Science	06-Aug-14	122.00	221.00	350.00
GoodLuck Steel	03-Dec-14	76.15	98.10	120.00
Nandan Denim	18-Apr-15	77.60	137.20	180.00
Uflex	04-May-15	119.00	171.00	240.00
Vindhya Telelink	03-July-15	726.25	749.00	1000.00
IG Petrochemicals	21-July-15	114.00	114.60	180.00
Tinplate Company of India	29-July-15	66.00	68.05	90.00
Rural Electrification Corp.	17-Aug-15	259.25	192.60	337.00
Aksh Optifibre	22-Aug-15	19.40	15.45	40.00
GIC Housing Finance	31-Oct-15	199.00	221.90	280.00
Sutlej Textiles	04-Nov-15	451.20	500.00	645.00
Transpek Industry Ltd.	07-Dec-15	375.50	419.10	488.00
Star Paper Mills	12-Dec-15	34.30	35.05	48.00
Kalyani Steel	18-Dec-15	173.30	149.00	225.30
KNR Constructions	24-Dec-15	582.50	493.50	728.00
J B Chemicals & Pharma	04-Jan-15	279.15	265.15	362.90
The Great Eastern Shipping Co.	09-01-16	368.70	265.15	479.30
Lloyd Electric and Engineering	15-01-16	243.30	259.40	340.00
Lumax Auto Technologies Ltd.	27-01-16	333.00	337.20	460.00
Alembic Pharma	29-01-16	617.75	617.75	800.00

Technical Calls			
<u>Scripts</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>	<u>SL(Rs.)</u>
<u>Buy Call</u>			
Wipro	563.00	580.00	555.00
Lupin	1712.00	1760.00	1700.00
<u>Sell Call</u>			
MCDOWELL	2500.00	2399.00	2532.00

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