

Morning Mantra 4th February, 2016

The Indian markets are likely to be in green and some recovery can be seen after the recent falls, on supportive global cues.

The Finance Minister Arun Jaitley amid global uncertainty has said that it is important for India to emerge out of the crisis stronger as it is on a much higher and stable footing than other nations.

There is likely to be buzz in the cement, aluminium and steel stocks, as they will now be able to participate in coal block auction.

The Cabinet Committee on Economic Affairs (CCEA) chaired by Prime Minister Narendra Modi has laid down a new framework to make the coal available in a fair manner to the end-users through auction.

Infra stocks too are likely to be in action, as the Union Cabinet cleared the proposal to allow railways to form joint venture (JV) companies with state governments to mobilise resources for speedy implementation of rail projects.

Considering the huge funds required to execute the projects. Shipping stocks will be buzzing on reports that the Baltic Dry Index, the benchmark for dry bulk shipping freight, has fallen to as low as 300 points.

There will be lots of important result announcements to keep the markets ticking.

Nifty Levels

Close	7362			
Supports	7320	7290	7266	7210
Resistances	7396	7420	7465	7499

Global Indices –3rd February, 2016
Institutional Activities – 3rd February, 2016

Dow	+183.12(+1.13%)	FII Cash	-357.13crs
Nasdaq	-12.71(-0.28%)	DII Cash	-144.78crs
S&P500	+9.50(+0.50%)	FII F&O	-228.34crs
SGX Nifty (Today)	+62.50(+0.84%)		

US. Markets

The US markets made a mixed closing in a volatile last session, as traders digested the release of a mixed batch of U.S. economic data as well as a sharp jump by the price of crude oil.

Other Information

The Asian markets have made mostly a positive start as crude extended gains, however the Japanese market was in red as yen strengthened against dollar.

NY Crude Oil \$32.64/barrel Rs./\$ - 67.80

F&O Ban

NIL

Important Results Today

ABB, APOLLOFI, ARVIND, BAJAJ-AUTO, BAJAJHLDNG, BALAJITELE, BERGEPAIN, ESABINDIA, FORTIS, GESHIP, GILLETTE, GSPL, GTLINFRA, GULFPETRO, HAWKINCOOK, INDLMETER, INGERRAND, INOXLEISUR, JKLAKSHMI, KENNAMET, MCX, MOLDTEK, MOLDTKPAC, MPHASIS, MTEUCARE, SANOFI, SCHNEIDER, SJVN, SRIPIPES, TATASTEEL, TORNTPHARM, ZFSTEERING, ZYDUSWELL etc.

Corporate/Media News

JB Chemicals & Pharmaceuticals reported an over two-fold jump in its standalone net profit at Rs 49.89 crores for the quarter ended December 31, 2015 on account of higher operating profit and other income.

Pfizer reported over two-fold jump in its net profit to Rs 40.34 crores for the quarter ended December 2015 on account of robust sales.

Mphasis Ltd: Private equity firms Blackstone and Apollo Global Management are in the race to acquire Mphasis after Hewlett Packard Enterprise (HP) revived plans to sell its controlling 60.4% stake in the subsidiary in an estimated billion-dollar deal, according to at least four people with direct knowledge of the matter.

Bajaj Finserv reported 26% increase in consolidated net profit at Rs 437 crores for the third quarter ended December of 2015-16.

Greaves Cotton reported standalone net profit of Rs. 62.89 crores for the quarter ended December 31, 2015, registering 36 folds jump yoy and also growth of 15.9% qoq.

Hexaware Technologies reported 13.9% jump in its net profit at Rs 99.4 crores for the quarter ended December 2015.

Maruti Suzuki India plans to invest over \$1billion to revamp its range and launch over 15 new vehicles in three to five years, ahead of new regulations and emission norms coming into force.

JSW Steel Ltd: Global credit rating agency Moody's downgraded JSW Steel's corporate family rating by two notch to Ba3 with negative outlook, citing weaker-than-expected quarterly results.

Tech Mahindra Ltd: The IT arm of Mahindra Group, expects two of its in-house startups to raise external funds by the end of 2016 as part of its plans to turn these entities into standalone companies.

Suzlon Ltd: Renewable energy player Suzlon Group said its wholly-owned subsidiary, SE Forge Ltd (SEFL), has exited the Corporate Debt Restructuring plan.

TD Power Systemes posted a consolidated net loss for the quarter stands at Rs. 5.6 crores as against loss of Rs.0.2 crores (YoY). The total income stands at Rs. 112.8 crores as against Rs. 150.6 Cr (YoY).

KEC International reported 44% decline in its net profit to Rs 37.16 crores for the quarter ended December 2015.

Gateway Distriparks reported 43% decline in net profit at Rs 30.93 crores for the quarter ended December 2015 due to the impact of Chennai rains on business.

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	209.30	350.00
GoodLuck Steel	03-Dec-14	76.15	94.50	120.00
Nandan Denim	18-Apr-15	77.60	131.30	180.00
Uflex	04-May-15	119.00	163.00	240.00
Vindhya Telelink	03-July-15	726.25	695.00	1000.00
IG Petrochemicals	21-July-15	114.00	109.40	180.00
Tinplate Company of India	29-July-15	66.00	68.85	90.00
Rural Electrification Corp.	17-Aug-15	259.25	178.90	337.00
Aksh Optifibre	22-Aug-15	19.40	14.60	40.00
GIC Housing Finance	31-Oct-15	199.00	212.85	280.00

Sutlej Textiles	04-Nov-15	451.20	491.50	645.00
Transpek Industry Ltd.	07-Dec-15	375.50	386.50	488.00
Star Paper Mills	12-Dec-15	34.30	33.25	48.00
Kalyani Steel	18-Dec-15	173.30	140.60	225.30
KNR Constructions	24-Dec-15	582.50	500.00	728.00
J B Chemicals & Pharma	04-Jan-15	279.15	267.65	362.90
The Great Eastern Shipping Co.	09-01-16	368.70	333.90	479.30
Lloyd Electric and Engineering	15-01-16	243.30	231.70	340.00
Lumax Auto Technologies Ltd.	27-01-16	333.00	301.00	460.00
Alembic Pharma	29-01-16	617.75	629.90	800.00

Technical Calls			
<u>Scripts</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>	<u>SL(Rs.)</u>
<u>Buy Call</u>			
SKS Microfinance	548(Buy above 552)	560.00	542.00
Bharti Airtel	300.00	310.00	296.00
<u>Sell Call</u>			
IOC	396(Sell below 392)	382.00	400.00

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