

Morning Mantra 1st January 2016

Today, the start of the New Year is likely to be soft-to-cautious, while some of the Asian peers are still not trading the US markets weakness is likely to weigh on the sentiments. Traders will also be concerned with the Indian core sector growth contracting by 1.3% in November after expanding for six consecutive months, mainly dragged down by a sharp slowdown in electricity production and a contraction in cement and steel output.

Also, there will be some concern with report that India's external debt rose 1.7% to \$483.2 billion at the end of September from the level in March due to long-term liabilities, especially commercial borrowings and non-resident Indian deposits.

The oil & gas and power stocks will be in action after Qatar nearly halved the price of gas it sells under a 25-year contract and waived a payment liability of Rs 12,000 crores arising from India's refusal to import the committed number of shipments in 2015.

The PSU oil marketing companies too may see some action, as the Petrol price has been cut by 63 paise per litre while diesel rate was lowered by Rs 1.06 a litre.

Nifty Levels

Close	7946			
Supports	7880	7850	7820	7790
Resistances	8000	8120	8170	8220

Global Indices –31st December, 2015
Institutional Activities – 31st December, 2015

Dow	-178.84(-1.02%)	FII Cash	+1123.41crs
Nasdaq	-58.44(-1.15%)	DII Cash	-257.67crs
S&P500	-19.42(-0.94%)	FII F&O	+1746.97crs

SGX Nifty (Today)
US. Markets

The US markets turned lower on the last day of the year and major indices ended down by around a percent. The trading activity was relatively light and the sentiments were impacted by a Labor Department report showing a bigger than expected increase in initial jobless claims in the week ended December 26th.

Other Information

The Asian markets have once again made a mixed start, with most of the indices closed for trade. Meanwhile, China's first official indicator of the year signalled that manufacturing conditions recovered some lost ground in December.

NY Crude Oil \$36.72/barrel

Rs./\$ - 66.23

F&O Ban

NIL

Corporate/Media News

Petronet LNG has reworked its long-term gas deal with Qatar's RasGas that will halve the import price and waive the penalty of Rs 12,000 crore for lifting lower than the contracted amount, a sign of the changing global commodity market and the related shift of power to the gas consumers.

Cholamandalam Investment & Finance & Pfizer: Leading stock exchange BSE will shift scrips of five firms including Cholamandalam Investment & Finance Company and Pfizer to Group A category, comprising top 300 companies, from January 4.

IGL Ltd: Compressed Natural Gas (CNG) for automobiles in the national capital region will cost Rs 1.5 per kg less during odd-hours - midnight to 5 am - with effect from midnight tonight.

HDFC Ltd: Mortgage lender HDFC Ltd said it has recorded 50 per cent decline in profit on sale of investment to Rs 57 crore for the quarter ended December.

IDBI Bank Ltd: Public sector lender IDBI Bank said it will raise Rs 3,771 crore during the year by way of qualified institutional placement (QIP).

Corporation Bank: State-run Corporation Bank has allotted over 2.8 crore shares on a preferential basis to LIC to raise around Rs 143 crore.

Bharti Airtel Ltd: Telecom major Bharti Airtel on Thursday said it has acquired the balance 26 per cent stake in Augere Wireless, which holds 4G spectrum in Madhya Pradesh, making it a wholly-owned subsidiary of the company.

Gammon India Limited: Lenders led by ICICI Bank, who recently converted their Rs 5,445 crore debt to 52.55% equity in Gammon India Limited (GIL), have carved out two subsidiaries in the company and are now looking at investment in these subsidiaries.

Piramal Enterprises Ltd: The company is mulling to issue non-convertible debentures (NCDs) to raise up to Rs 500 crores.

Yes Bank & Canara Bank: State-run Canara Bank and private lender Yes Bank announced raising Rs.1500 crores each by issuing Basel III compliant tier-II bonds.

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	265.60	350.00
Welspun Syntex	29-Nov-14	50.50	153.00
GoodLuck Steel	03-Dec-14	76.15	104.00	120.00
Tata Metaliks	20-Dec-14	136.00	101.70	178.00
Indo Borax & Chemicals	21-Mar-15	249.00	321.30	400.00
PTC India Finance	30-Mar-15	50.55	40.35	90.00
Nandan Denim	18-Apr-15	77.60	149.10	180.00
Albert David	24-Apr-15	315.00	419.70	450.00
Uflex	04-May-15	119.00	182.65	240.00
Sintex Inds.	19-May-15	112.00	101.80	144.00
Kolte Patil Developers	13-Jun-15	204.75	153.50	266.00
Karnataka Bank	22-Jun-15	144.00	122.75	181.00
Vindhya Telelink	03-July-15	726.25	840.50	1000.00
IG Petrochemicals	21-July-15	114.00	129.60	180.00
Tinplate Company of India	29-July-15	66.00	73.05	90.00
APL Apollo Tubes	08-Aug-15	442.00	753.00	800.00
Rural Electrification Corp.	17-Aug-15	259.25	226.55	337.00
Aksh Optifibre	22-Aug-15	19.40	19.25	40.00
Tamil Nadu News Paper	02-Sept-15	189.89	269.45	247.00
Nilkamal	15-Sept-15	904.00	1253.80
MT Educare	10-Oct-15	136.00	183.60	180.00

Shreyas Shipping	16-Oct-15	471.90	400.75	610.00
GIC Housing Finance	31-Oct-15	199.00	236.20	280.00
Sutlej Textiles	04-Nov-15	451.20	551.25	645.00
Transpek Industry Ltd.	07-Dec-15	375.50	439.00	488.00
Star Paper Mills	12-Dec-15	34.30	42.25	48.00
Kalyani Steel	18-Dec-15	173.30	167.00	225.30
KNR Constructions	24-Dec-15	582.50	568.50	728.00

Technical Calls			
<u>Scripts</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>	<u>SL(Rs.)</u>
<u>Buy Calls</u>			
Rico Auto	47.50	55.00	44.00
Idea Cell.	143.00	155.00	139.00
<u>Sell Call</u>			
Union Bank	149.00	140.00	153.00

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.