

Morning Mantra 12th January 2016

The Indian markets are likely to be cautious but in green and some recovery can be expected on supportive regional cues.

Traders will be eyeing the IIP data to be released later in the day after market hours. While the IIP is likely to be lower as indicated by Core sector data, the consumer inflation probably edged up for the fifth straight month in December, driven by higher food prices.

The rating agency Moody's has said that India's market outlook for this year will be dependent on consumption demands, corporate earnings and inflation trends. The agency though expects the country to be the world's fastest growing major economy this year, it believes that the market trends will depend on whether inflation remains under control and corporate profits revive.

The auto sector stocks will continue buzzing, as passenger vehicle sales in December grew in double digits for the third month in a row, posting the highest ever volumes in December ever. Industry body SIAM data though has shown that two-wheeler sales were disappointing, dragged down by motorcycle sales into negative territory.

Stocks related to defence procurement may be in action, as a new Defence Procurement Procedure (DPP) emphasizing on higher indigenization has been approved by the Defence Acquisition Council led by Defence Minister Manohar Parrikar.

IT companies are likely to raise client fees and process more work from their centres in India to cushion the impact of an increase in fees for work visas in the United States, their top market, investors said.

Nifty Levels

Close	7564			
Supports	7540	7500	7485	7455
Resistances	7610	7654	7685	7721

Global Indices – 11th January, 2016
Institutional Activities – 11th January, 2016

Dow	+52.12(+0.32%)	FII Cash	-1319.24crs
Nasdaq	-5.64(-0.12%)	DII Cash	+900.99crs
S&P500	+1.64(+0.09%)	FII F&O	+661.25crs
SGX Nifty (Today)	-12.00(-0.16%)		

US. Markets

The US markets showed a mixed performance in the last session following the sell-off seen last week, stocks showed a lack of direction over the course of the trading day lacking any major cues.

Other Information

The Asian markets made a mixed start as oil prices languished at near 12-year lows, with investors fretting over whether Beijing may be losing control of the economy. Though, many of the indices are showing signs of recovery, the Japanese market was playing a catch up after a long weekend.

NY Crude Oil \$32.66/barrel Rs./\$ - 66.86

F&O Ban

DLF and IB Real Estate

Corporate/Media News**Fiem Industries has started commercial production and supply from its newly set-up unit at Mandal taluka, Ahmedabad district in state of Gujarat.**

PI Industries Limited has commenced the Commercial Production at its 3rd Unit located at Sterling SEZ facility, Jambusar in State of Gujarat w.e.f. January 11, 2016.

TCS is likely to report marginal fall in net profit of 0.56% for the quarter ended December 2015 on Tuesday to Rs.6021.30 crores, compared to Rs.6055 crores reported in the year-ago period.

Vivimed Labs has informed that the Board of Directors of the Company has approved, resolved, and taken note of the sub division proposal of Company's Equity Shares from the existing face value of Rs.10 per Equity Share to Rs 2 per Equity Share subject to the approval of Company's shareholders.

HDFC Ltd: HDFC Life has set up a wholly-owned subsidiary in the Dubai International Financial Centre (DIFC) called the 'HDFC International Life and Re Company Limited' (HILRCL) with an initial capital outlay of \$12.33 million, said a media report.

Tata Motors, part of conglomerate Tata Group, declared its sales volumes for the month of December 2015. The Group, which owns brands like Jaguar and Land Rover, witnessed Global sales at 91,762 units, a growth of 7% YoY.

IOB: Indian Overseas Bank (IOB) said it will rationalise the number of its regional offices by closing 10 such offices to improve efficiency.

Omax Autos has sold the remaining 51% stake in its subsidiary Gmax Auto.

Unitech Ltd: Delhi court on Monday granted three days' interim bail to top Unitech officials in alleged cheating case. Earlier in the day, Unitech Ltd Chairman and its two managing directors were sent to 14-day judicial custody. The case was filed by two investors.

Fundamental Calls

Scripts	Initiation Date	Initiation price (Rs.)	CMP (Rs.)	TGT(Rs.)
Suven Life Science	06-Aug-14	122.00	250.90	350.00
Welspun Syntex	29-Nov-14	50.50	137.80
GoodLuck Steel	03-Dec-14	76.15	106.70	120.00
Tata Metaliks	20-Dec-14	136.00	97.60	178.00
Indo Borax & Chemicals	21-Mar-15	249.00	323.70	400.00
PTC India Finance	30-Mar-15	50.55	38.95	90.00
Nandan Denim	18-Apr-15	77.60	154.60	180.00
Albert David	24-Apr-15	315.00	401.90	450.00
Uflex	04-May-15	119.00	178.20	240.00
Sintex Inds.	19-May-15	112.00	94.05	144.00
Kolte Patil Developers	13-Jun-15	204.75	142.30	266.00
Karnataka Bank	22-Jun-15	144.00	113.10	181.00
Vindhya Telelink	03-July-15	726.25	830.00	1000.00
IG Petrochemicals	21-July-15	114.00	126.60	180.00
Tinplate Company of India	29-July-15	66.00	71.05	90.00
APL Apollo Tubes	08-Aug-15	442.00	775.25	800.00
Rural Electrification Corp.	17-Aug-15	259.25	213.15	337.00
Aksh Optifibre	22-Aug-15	19.40	17.30	40.00
Tamil Nadu News Paper	02-Sept-15	189.89	253.50

Nilkamal	15-Sept-15	904.00	1475.55
MT Educare	10-Oct-15	136.00	191.70
Shreyas Shipping	16-Oct-15	471.90	380.00	610.00
GIC Housing Finance	31-Oct-15	199.00	236.85	280.00
Sutlej Textiles	04-Nov-15	451.20	559.00	645.00
Transpek Industry Ltd.	07-Dec-15	375.50	405.00	488.00
Star Paper Mills	12-Dec-15	34.30	43.50	48.00
Kalyani Steel	18-Dec-15	173.30	177.00	225.30
KNR Constructions	24-Dec-15	582.50	533.50	728.00
J B Chemicals & Pharma	04-Jan-15	279.15	277.90	362.90
The Great Eastern Shipping Co.	09-01-16	368.70	369.15	479.30

Technical Calls			
<u>Scripts</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>	<u>SL(Rs.)</u>
<u>Buy Call</u>			
McLeod Russel	167.00	178.00	160.00
<u>Sell Calls</u>			
Idea (Below 129)	130.00	120.00	133.00
Union Bank	131.00	124.00	134.00

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.