

Morning Mantra 20th January 2016

Indian markets are once again going to be in deep red tailing the slump in Asian peers on global growth concern.

The International Monetary Fund (IMF) cut its global growth forecasts for the third time in less than a year. The IMF cited a sharp slowdown in China trade and weak commodity prices that are hammering Brazil and other emerging markets.

Markets after a gap-down start may get some comfort with minister of state for finance Jayant Sinha's statement that the finance ministry and the Reserve Bank of India are working in tandem on a comprehensive solution to the stressed assets held by banks through asset-quality reviews followed by specific solutions.

Also, a private survey has stated that almost two-thirds of Indian CEOs (64 per cent) are confident of their company's growth prospects over the next 12 months.

Power stocks will be in action, as the government will consider a new power tariff policy which aims at promoting clean energy, better regulation of discoms and faster rollout of investments.

Nifty Levels

Close	7435			
Supports	7420	7380	7350	7320
Resistances	7450	7480	7499	7520

Global Indices –19th January, 2016
Institutional Activities – 19th January, 2016

Dow	+27.94(+0.17%)	FII Cash	-857.70crs
Nasdaq	-11.47(-0.26%)	DII Cash	+1386.83crs
S&P500	+1.00(+0.05%)	FII F&O	+1261.73crs
SGX Nifty (Today)	-93.00(-1.27%)		

US. Markets

The US markets made a mixed closing in last session, sensing some relief from heavy recent losses amid hopes for stimulus from China's central bank. However, plunging oil prices prevented a more robust rebound.

Other Information

The Asian markets have made a weak start, with many of the indices reversing their last session gains trading down by 1-2% in early deals, as crude oil dipped below \$28 a barrel and the International Monetary Fund reinvigorated concerns about global growth.

NY Crude Oil \$29.18/barrel Rs./\$ - 67.79

F&O Ban

BANKINDIA, DLF, IDBI, INDIACEM, JISLJALEQS and UNITECH

Important Results Today

BIOCON, CHAMBLFERT, EXIDEIND, HARYNACAP, HATSUN, HERITGFOOD, HINDZINC, IDEA, INDIGO, IPAPPM, PINCON, RELCAPITAL, SITICABLE, SYNGENE, TCPLPACK etc.

Corporate/Media News

RIL reported better than expected 38.7% year-on-year (YoY) growth in net profit at Rs 7,290 crores for the quarter ended December 31.

Greenply Industries reported a 35.2% increase in standalone net profit at Rs 35.34 crores for Q3FY16 against Rs.26.13 crores in the same quarter of 2014-15.

Reliance Power reported a net profit of Rs 352 crores in the third quarter of 2015-16, up 38% year-on-year, driven by higher generation. The company total income increased to Rs 2,666 crores in the December quarter, up 46% on year.

Triveni Turbine reported standalone net profit of Rs.27.50 crores for Q3FY16, registering growth of 16.52% yoy basis, but decline of 0.43% qoq.

Century Plyboards on Tuesday said that it acquired 51% stake in a Singapore-registered trading company for Rs 1.07 crores. Century Plyboards in a disclosure to the exchanges said it planned to invest Rs.7 crores more in the company.

Ashok Leyland's electric vehicles (EV) arm Optare has taken up a project to increase the range of its MetroCity and Solo buses to 200 miles without intrusion into passenger space.

IDFC Bank is in advanced negotiations to purchase Royal Bank of Scotland's corporate banking portfolio in a deal pegged at up to Rs 3,000 crores, said two people with direct knowledge of the plan.

Indian Bank will raise Rs 1,100 crores through Basel-III compliant tier-II bonds. The money will be raised in one or more tranches in the current and following years, the bank said.

HDFC Ltd: Cabinet Committee on Economic Affairs (CCEA) will take call on the Rs 1,705-crore investment proposal related to transfer of HDFC shares to the UK-based joint venture partner Standard Life in HDFC Standard Life Insurance Company.

Dhanlaxmi Bank informed BSE that a meeting of the Board of Directors of the Bank scheduled to be held on January 29, 2016, to inter- alia, consider the proposal for raising further equity shares on preferential allotment basis and seek shareholders' approval for the same.

Alok Industries: State Bank of India informed Alok Industries that as decided by the Joint Lenders' Forum (JLF), Strategic Debt Restructuring (SDR) has been invoked on the Company with the reference date being November 27, 2015. Further, at its meeting held on January 16, 2016, it has been further decided that the JLF will acquire up to 65% stake in the company by converting its debt into equity as under:

Ferro Alloys Corporation: The company has informed BSE regarding "Mining Operations at Boula Chromite Mines. The Central Empowered Committee (CEC) submitted a report which concluded that the mining operation in Boula Chromite Mines fell within the Hadgarh Wildlife Sactury. The mining operations are not permissible in that area.

IL&FS Engineering and Construction Company Ltd: The company informed BSE that a meeting of the Board of Directors of the Company will be held on January 23, 2016, inter alia, to consider additional fund raising options including issue of Preference Shares.

Zensar Technologies' Ltd: The company's third-quarter revenue contracted 1.4% sequentially, and revenue contribution from its top ten clients dropped in the seasonally weak period, but the company said its growth plans were on track.

BASF: The world's leading chemical company, reported net loss of Rs. 106.38 crore for the quarter ended December 31, 2015, which widened as compared to a net loss of Rs. 39.59 crore in the corresponding quarter of the previous year and Rs. 58.7 crore in the preceding quarter.

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	214.30	350.00

Welspun Syntex	29-Nov-14	50.50	113.70
GoodLuck Steel	03-Dec-14	76.15	98.60	120.00
Tata Metaliks	20-Dec-14	136.00	98.50	178.00
Indo Borax & Chemicals	21-Mar-15	249.00	300.00	400.00
PTC India Finance	30-Mar-15	50.55	34.40	90.00
Nandan Denim	18-Apr-15	77.60	130.50	180.00
Albert David	24-Apr-15	315.00	360.50	450.00
Uflex	04-May-15	119.00	148.10	240.00
Sintex Inds.	19-May-15	112.00	74.20	144.00
Kolte Patil Developers	13-Jun-15	204.75	112.50	266.00
Karnataka Bank	22-Jun-15	144.00	99.05	181.00
Vindhya Telelink	03-July-15	726.25	715.00	1000.00
IG Petrochemicals	21-July-15	114.00	102.70	180.00
Tinplate Company of India	29-July-15	66.00	68.15	90.00
Rural Electrification Corp.	17-Aug-15	259.25	184.60	337.00
Aksh Optifibre	22-Aug-15	19.40	14.70	40.00
Tamil Nadu News Paper	02-Sept-15	189.89	226.85
Nilkamal	15-Sept-15	904.00	1150.80
MT Educare	10-Oct-15	136.00	130.50
GIC Housing Finance	31-Oct-15	199.00	205.75	280.00
Sutlej Textiles	04-Nov-15	451.20	472.35	645.00
Transpek Industry Ltd.	07-Dec-15	375.50	383.40	488.00
Star Paper Mills	12-Dec-15	34.30	33.00	48.00
Kalyani Steel	18-Dec-15	173.30	147.00	225.30
KNR Constructions	24-Dec-15	582.50	489.75	728.00
J B Chemicals & Pharma	04-Jan-15	279.15	247.50	362.90
The Great Eastern Shipping Co.	09-01-16	368.70	333.25	479.30
Lloyd Electric and Engineering	15-01-16	243.30	250.50	340.00

Technical Calls			
<u>Scripts</u>	<u>CMP (Rs.)</u>	<u>TGT(Rs.)</u>	<u>SL(Rs.)</u>
<u>Buy Calls</u>			
Tata Motors	354.00	366.00	349.00
Yes Bank	681.00	703.00	675.00
<u>Sell Call</u>			
Exide Inds.	128.00	118.00	131.00

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