

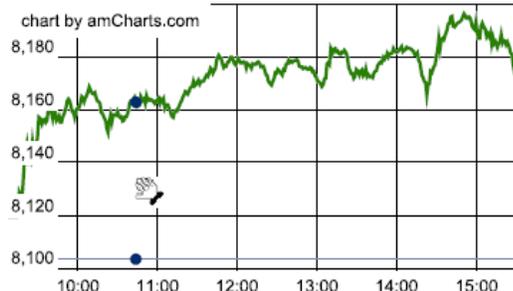
2-Jan-17

KEY LEVELS

Support : 7890

Resistance : 8230

Nifty Intraday Chart



Market Outlook

Indian equities staged rebound on Friday and. After opening on a subdued note, Nifty traded in the band of 8015-8194. At the end of the day the index closed at 8185. it had a net gain of 1.01% over the previous day's close. The small cap indices also moved in line with the benchmark index and closed the day after gaining 1.02% . The mid cap indices was not perform well as its benchmark indices. Though Nifty remains in broader range of 8000-8200.

On the sectoral front, There was buying witnessed in all sector like Metal, Realty, PSU Banking and Financial services stocks while the Information Technology index . The breadth of the market was positive and about five shares advances for every share decline at NSE.

Prime Minister Narendra Modi on Saturday announced new schemes for the rural and urban housing, farmers, senior citizens and women in a televised address that had raised expectations about sops for the poor and middle class for enduring the "demonetisation" pain.

The foreign investors were the net sellers in the cash segment and they sold Rs 585 crores worth of equities on Friday.

As Nifty has inched closer to resistance level of 8229, we suggest caution. Only a decisive closing above 8229 will warrant change in our stance.



Market

Market	Value	% Change
Morning Traded Market		
SGX NIFTY	8,171.00	-0.17%
NIKKIE	19114.37	-0.16%
HANG SENG	22,000.56	0.95%
Yesterday Closing Market		
Sensex	26,626.46	0.99%
Nifty	8,185.80	1.01%
DOW	19,762.00	-0.29%
NASDAQ	5,383.12	-0.91%
CAC	4,862.31	0.49%
DAX	11,481.06	0.26%
FTSE	7,142.83	0.32%
EW ALL SHARE	14,512.10	1.02%

% Change in 1 day

Commodity Price (Yesterday Closing)

Commodity/Currencies	Value	% Change
GOLD	27445.00	-0.42%
SILVER	39049.00	-1.44%
CRUDEOIL	53.90	0.24%
NATURALGAS	252.00	-1.64%
DOLLAR/RS.	67.92	-0.26%
EURO/RS.	71.43	0.00%
POUND/RS.	83.84	0.03%

% Change in 1 day

Institutional Turnover

FII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
29-Dec-16	2227	2813	(586)
Dec-16	74546	85671	(11125)
2016	1054812	1063087	(8276)
DII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
29-Dec-16	2859	2134	725
Dec-16	42473	33337	9137
2016	497497	460044	37453

Quote of the Day : "We never want to count on the kindness of strangers in order to meet tomorrow's obligations. When forced to choose, I will not trade even a night's sleep for the chance of extra profits."

Warren Buffett

IEA Snapshot

IRB

"ACCUMULATE"

2th Jan 2017

Firstly EPC revenue was impacted due to heavy monsoon during Q2FY17 and secondly suspension of toll collection for the period of 24 days because of demonetization will affect the top line of the company in FY17. We expect top line of Rs. 5627 Cr (Growth of 10% YoY) with healthy 52.7% EBITDA margin in FY17E. Significant reduction in debt post the InvIT IPO and an arbitral award will boost the bottom line of the company. At a current price of Rs. 191 stock trades at 7.3x to FY17 expected EV/EBITDA and 1.3x to P/B. The stock has corrected nearly 18% post demonetization announcement which makes this stock attractive at this price with present fundamentals. Hence, we revised our rating from HOLD to ACCUMULATE with the target price of Rs.235

BIOCON

"NEUTRAL"

30th Dec 2016

As per the management, exports have not been impacted due to demonetization, Indian business saw lower sales in the month of November. The dependence of the company on domestic business is ~ 31% in total revenue. Recently Biocon has Submitted Trastuzumab dossier to the United States Food & Drug Association (USFDA) which is an important milestone for Biocon and its review process is expected to take 18-24 months. The market size of Trastuzumab injection is valued at about \$6.5 billion, according to IMS data. Crestor Generic has been approved by USFDA and Biocon is on track to launch the product in near future. This will be a huge opportunity for Biocon to take first mover advantage with its bio-similar products. On the contrary ongoing price control pressure in India and US and discontinuance of key products may put some uncertainties in near term. Hence we maintain "Neutral " rating in this stock.

**For details, refer to our daily report- India Equity Analytics*

Top News

- **Arvind Mgt Guideline** : Company Confident about brand & retail (B&R) business; December sales have surprised us, Arvind is facing a problem with multi-brand outlets that accounts for 15 percent of company's revenue Organised players will do better due to GST & demonetisation.

Company said 80-90 percent of sales are through cheque and other digital payments.

The exports are doing well, but domestic markets will see an adjustment period,

The company's debt to reduce to Rs 2,400-2,800 crore by FY17 end.

- **Kalyani Steels Mgt Guideline** : Demonetisation has had a severe impact. The margin will contract in second half of FY17. Company said raw material costs like coking coal, iron ore have surged from 2016 lows.

Mgt said that only 30 percent of the cost increase is passed on to customers via price hike.

Looking to further increase the prices by Rs 6,000 per tonne

- **RS Software** has made further investment of Rs. 5,90,00,000 in Paypermint Private Limited, its wholly owned subsidiary for allotment of 59,00,000 equity shares of 10 each. The Company is no longer holding the entire shareholdings of 'Paypermint Private Limited

- **Aviation turbine fuel (ATF)** price was hiked by a steep 8.6 per cent and subsidised LPG rate raised by Rs 2 per cylinder, the 8th increase in cooking gas price in seven months . ATF or jet fuel price was hiked by Rs 4,161 per kilolitre (kl), or 8.6 per cent, to Rs 52,540.63 per kl in Delhi.

- **BHEL** said it has successfully commissioned another 600 MW coal-based thermal power plant in Telangana. "The unit has been commissioned at the 2x600 MW Singareni Thermal Power Project (TPP) located in Adilabad district in Telangana

- **Lupin** has received tentative approval from the US health regulator to market its Balasalazide Disodium tablets, used for treatment of ulcerative colitis, in the American market. The company has received tentative approval to market its Balasalazide Disodium tablets 1.1 gm from the United States Food and Drug Administration (USFDA)

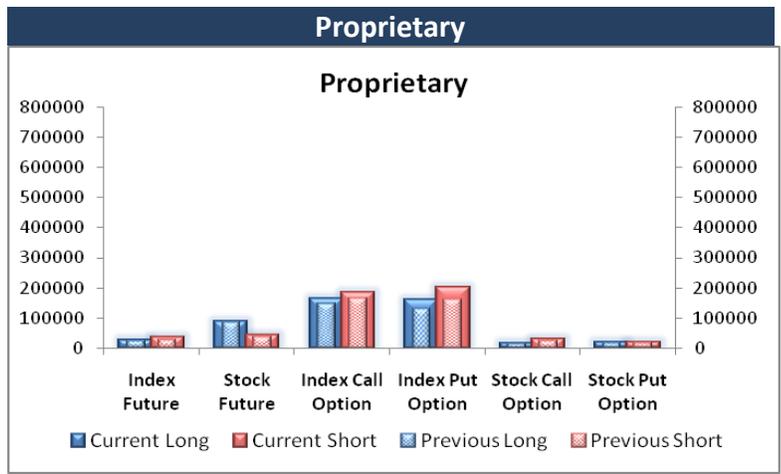
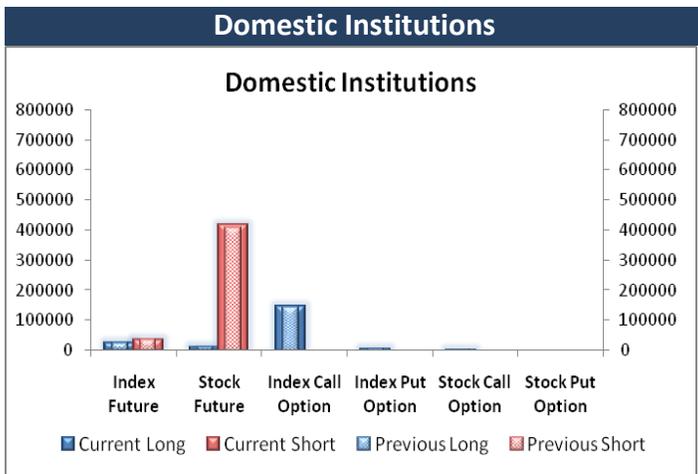
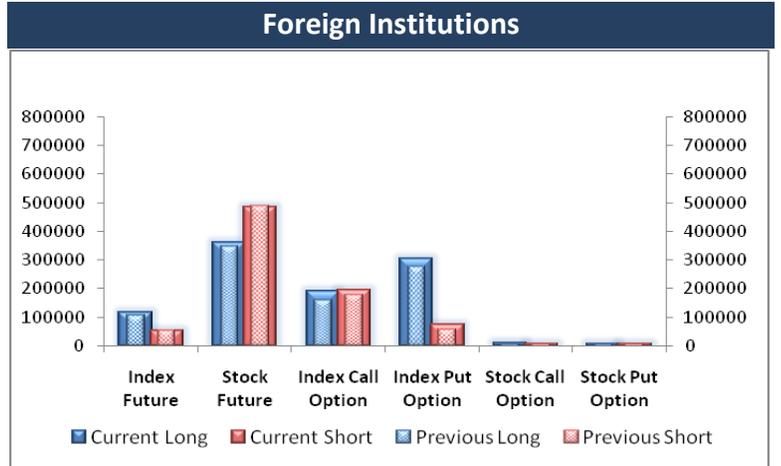
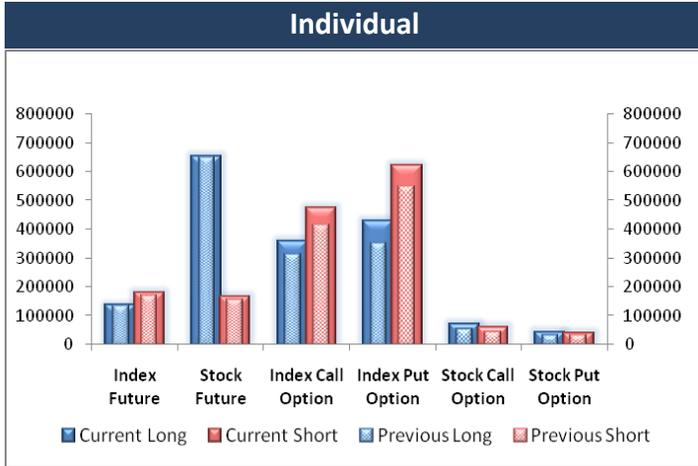
- **Chinese Manufacturing PMI** fell to an annual rate of 51.4, from 51.7 in the preceding month. Analysts had expected Chinese Manufacturing PMI to fall to 51.5 last month.

- **Chicago PMI** fell to a seasonally adjusted 54.6, from 57.6 in the preceding month. Analysts had expected the Chicago PMI to fall to 57.0 last month.

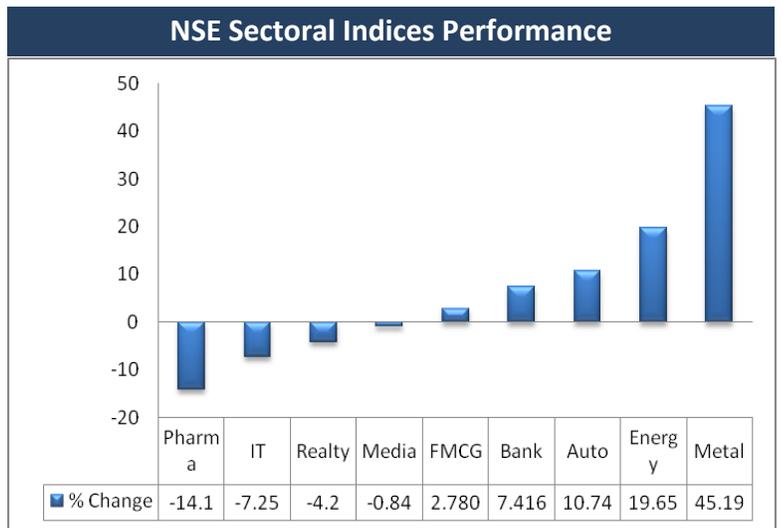
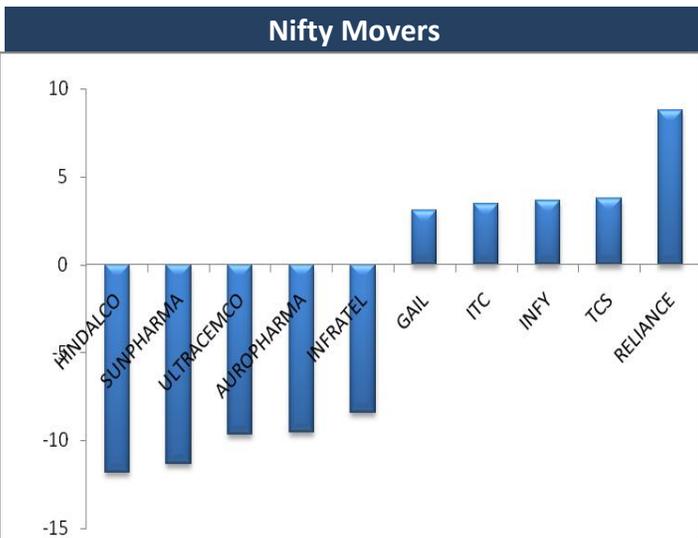
- **Australian Private Sector Credit** rose to a seasonally adjusted 0.5%, from 0.5% in the preceding month. Analysts had expected Australian Private Sector Credit to rise 0.5% last month.

- **South Korean Industrial Production** rose to a seasonally adjusted annual rate of 4.8%, from -1.3% in the preceding month whose figure was revised up from -1.6%.

F&O OPEN INTEREST (Number of Contracts)



MARKET MOVERS (1 MONTH CHANGE)



Economic Calendar					
Country	Monday 2th Jan 17	Tuesday 3th Jan 17	Wednesday 4th Jan 17	Thursday 5th Jan 17	Friday 6th Jan 17
US		Final Manufacturing PMI , ISM Manufacturing PMI , Construction Spending m/m, ISM Manufacturing Prices.	ADP Non-Farm Employment Change, ISM Non-Manufacturing PMI, Crude Oil Inventories, FOMC Meeting Minutes, Total Vehicle Sales.	Challenger Job Cuts y/y , Unemployment Claims , Natural Gas Storage ,	Average Hourly Earnings m/m , Non-Farm Employment Change, Unemployment Rate , Trade Balance , Factory Orders m/m , IBD/TIPP Economic Optimism.
UK/EURO ZONE	German Prelim CPI m/m , Spanish Manufacturing PMI , Italian Manufacturing PMI , German Unemployment Change, German Unemployment Change, Construction PMI, Manufacturing PMI.	German Prelim CPI m/m , French Prelim CPI m/m , German Unemployment Change.	Spanish Unemployment Change , Spanish Services PMI, Italian Services PMI, French Final Services PMI, German Final Services PMI , Services PMI, Net Lending to Individuals m/m, CPI Flash Estimate y/y.	Retail PMI , PPI m/m , French 10-yr Bond Auction , ECB Monetary Policy Meeting Accounts.	German Factory Orders m/m , German Retail Sales m/m.
INDIA	Auto no, Nikkei Manufacturing PMI.		Nikkei Services PMI		

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