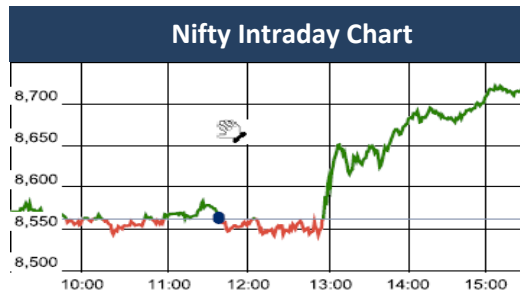


KEY LEVELS

Support 1 : 8674
Support 2 : 8634

Resistance 1: 8816



Market Outlook

After opening on a subdued note, Nifty traded in the narrow band of 8537 and 8585 maximum hours of yesterday's trading session. However a sharp pullback rally was witnessed in the market after the announcement of Union budget for the FY 2017-18 and Nifty continuously rose to make a high of 8722.40. At the end of the day the index closed at 8716.40. It had a net gain of 1.81% over the previous day's close. The midcap and small indices also moved in line with the benchmark index and closed the day after gaining 1.5%-2%.

On the sectoral front, Auto, Realty, Banking and financial services stocks were the main catalysts of yesterday's move while IT and Pharmaceuticals indices have shown some weakness.

The finance minister has presented a balance budget yesterday. He increased capital expenditure outlay by 25.4% but at the same time reduced borrowing from 4.25 lakh crore to 3.48 lakh crore. The move should ensure a growth impetus to the economy without triggering inflation and higher rates.

In short, the main focus of the budget was on rural economy, infrastructure, digital economy and broadening the tax base.

Market participants had nothing to complain about in the budget yesterday. No negative surprise, fear of capital gain tax unfounded and infra and agri push cheered the market. As the market setup goes right now, presence of shorts and absence of high open interest will keep market headed up. On the other hand rally yesterday has got built without higher hedges and that market vulnerable to global jittery if any. Suggested strategy would be to remain long/ go long while keeping some cash ready to buy more if any global issue causes any correction.

Market

Market	Value	% Change
Morning Traded Market		
SGX NIFTY	8,717.60	-0.25%
NIKKIE	19080	-0.36%
HANG SENG	23,318.39	-0.18%

Yesterday Closing Market

Sensex	28,141.64	1.76%
Nifty	8,716.00	1.81%
DOW	19,890.00	0.14%
NASDAQ	5,642.65	0.49%
CAC	4,794.58	0.95%
DAX	11,659.50	1.07%
FTSE	7,107.65	0.12%
EW ALL SHARE	15,720.20	1.53%

% Change in 1 day

Commodity Price (Yesterday Closing)

Commodity/Currencies	Value	% Change
GOLD	28870.00	-0.25%
SILVER	41889.00	-0.05%
CRUDEOIL	53.54	-0.11%
NATURALGAS	213.50	0.33%
DOLLAR/RS.	67.48	-0.57%
EURO/RS.	72.66	0.14%
POUND/RS.	85.41	0.14%

% Change in 1 day

Institutional Turnover

FII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
01-Feb-17	5530	5438	93
Feb-17	5530	5438	93
2017	81965	82922	(957)

DII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
01-Feb-17	3460	2327	1134
Feb-17	3460	2327	1134
2017	53236	47591	5645

Event Today

Quarterly Results

ASTRAZEN, ATLASCYCLE
DFM, EXCELCROP

GABRIEL, GLENMARK
GLOBUSSPR, GODREJPROP
GODFRYPHLP, HSIL, HCC
LALPATHLAB, MARICO

REDINGTON, SUNDRMFAST
TINPLATE, VIJAYABANK

Concall

CCL Products : 10:00 AM

Bajaj Finserv : 11:00 AM

Cummins : 11:00 AM

Kaveri Seeds : 12:00 AM

Suven Life Scie : 2:30 PM

HCC, V Mart, TAKE : 4:00 PM

Shoppers Stop : 4:30 PM

Dr Lal Pathlabs : 4:30 PM

Tata Global Bev : 5:45 PM

Himatsingka : 5:00 PM

Interim Dividend

ASHOKA : 0.80/- , BEL : 3/-

GAIL : 8:50/- , GANDHITUBE : 9/-

IIFL : 4:50/- , IRB : 2/-

(Exdate : 1.2.2017)

Stock Split

KDML : 1:2 , KALLAM : 1:5

(Exdate : 2.2.2017)

Consolidation of Share

RASOI (Exdate : 2.2.2017)

Reduction of Capital

SELLAID (Exdate : 2.2.2017)

Quote of the Day : "The risk among any group of investors is that they only pay attention to what they already agree with. That's limiting in our opinion, and dangerous." **Michael Mauboussin**

EICHERMOT

"BUY"

2nd Feb 2017

Going forward, capacity addition in line with demand(RE), seventh pay commission payout, expectation of pre-buying on new emission norms, improving infrastructure activities in the country and expanding footprints in the international markets will lead to higher volumes and margins for the company. We expect Eicher Motors to report 35% RoE in FY17E. Considering the strong order book in the Royal Enfield and better traction from commercial vehicle business, we recommend 'BUY' and upgrade our target price to Rs.26600 from our previous target price of Rs.26000.

VGUARD

"NEUTRAL"

2nd Feb 2017

Demonetization had some impact on some product segment and sales growth of some of the products had come down from earlier quarters. Sales in Tamil Nadu Region were affected due to the socioeconomic situation prevalent in the State and because of cyclone affecting many parts of Chennai and suburban areas. But as per the management the business outlook remains positive considering upcoming summer season. We have positive view on this stock in long term but considering demonetization impact and high valuation we maintain "NEUTRAL" rating on this stock.

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

Top News

- **Eicher Motors concall highlights:**

Royal Enfield order book continues to be strong.

The waiting period stood for 3 months.

No price increase in the 4QFY17.

No BS-III compliant products will be sold after 1st April 2017.

The company launched Himalayan in Australia and Columbia during the quarter.

Orgadam plant to be commissioned by the end of 2017.

Capacity would be 60000 per month for FY18.

640 retail outlets in around 400 cities.

All the investment done in exports market have started giving results. Jakarta and Bangkok are the major exports market for RE.

Spare parts contributes around 5-6% of total revenue.

15% sales growth is coming from top 20 cities.

Major demand for Royal Enfield is coming from salaried and professional class.

on the VECV side- Pre-buying can happen in 4QFY17.

- **Mgt Int : HDFC**

>>Demonetisation is not purely the reason for the slightly slower demand for housing loans

>>People have been holding back purchases assuming prices will drop and that is why the sales for builders has been lower.

- **National Aluminium Company Limited (Nalco)** and Neelachal Ispat Nigam Limited (NINL) have signed an MoU to set up a joint venture company for producing coal tar pitch in Odisha.

- **Kotak Mahindra Bank** said that RBI asks promoter to cut stake.

The bank has received a communication from the Reserve Bank of India to bring down its promoter shareholding to 30 percent by June 30, 2017. Promoter group held 33.61 percent stake on 31 Dec 2016 which has been reduced from 40.05 percent in last two years

- **Sun Pharma** recalls anti-depressant drug Bupropion Hydrochloride

>>The tablets are manufactured at Sun Pharma's Halol facility in Gujarat. The recall is classified as class-III, which means the products are unlikely to cause any adverse health reactions, but violate FDA labelling or manufacturing rules.

>>Recalled several thousands of bottles of the same drug in 100, 150 and 500 mg dosage forms manufactured at Halol facility.

- **ONGC Concall Update:**

Revenue increment from crude oil is offset by the lower realisation in natural gas

Opal project is commissioning in 4QFY17

Royalty paid on crude oil in 9 months of FY17 is Rs. 6720 Cr and Rs. 439 Cr in Natural gas

Dahej plant has been fully commissioned in this fiscal

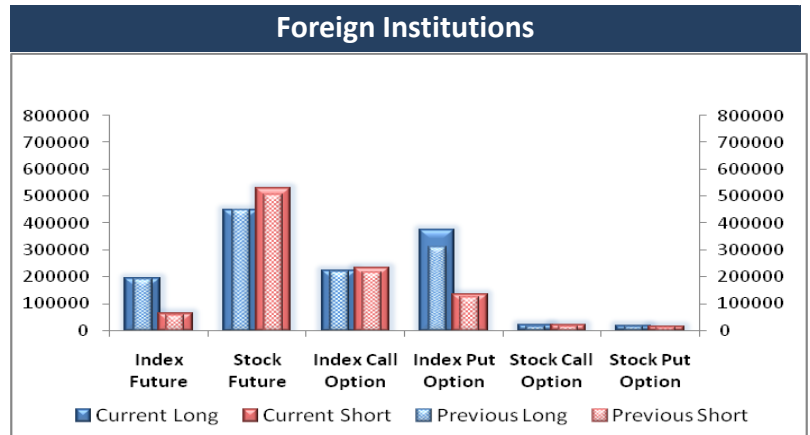
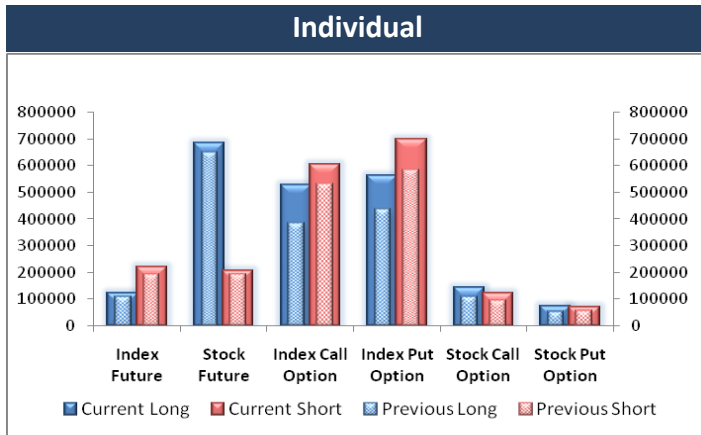
Management has guided for Oil production of 26.2 MMT and 25.63 MMSCM Gas in FY17

Capex already done in 9 months of FY17 is Rs. 9000 Cr

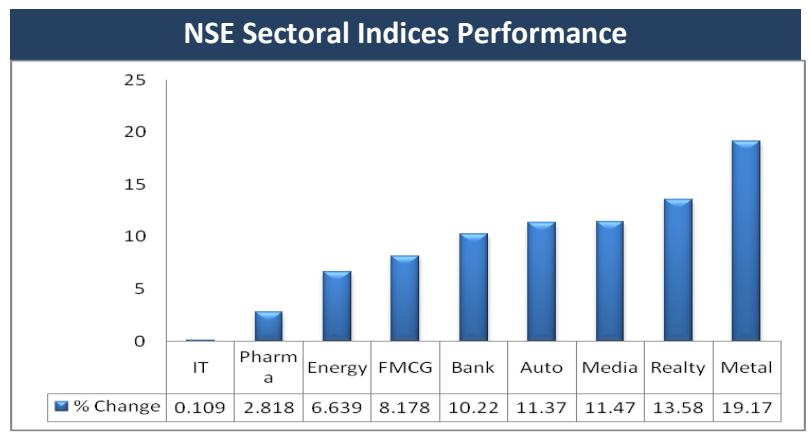
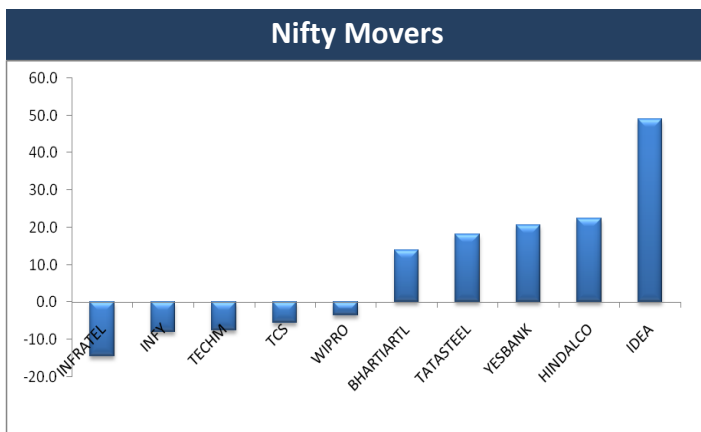
Management has maintained capex guidance of Rs. 29000 Cr in FY17

Management has guided for debt guidance of 400 Cr increment from FY16 level.

F&O OPEN INTEREST (Number of Contracts)



MARKET MOVERS (1 MONTH CHANGE)



TRADING IDEAS

Scrip	Reco	Initiation Price	Target 1	Target 2	Stop Loss	Rational
BRITANNIA	Buy	3220	3357	3444	3144	The stock has given a bullish breakout above Rs 3160 yesterday. Another 5-7% upside is very likely in the stock from the current level.
ITC Feb.250 PE	Short (1 lot = 2400)	1.6	0.1		2.5	After getting a strong support near Rs 254, the stock has given a sharp pullback rally since last couple days. In the short term it is very unlikely to breach this level

Result Calendar Q3FY17

BSE Code	Company Name	Date	BSE Code	Company Name	Date
532404	7TEC	02-Feb-17	539520	SHAILJA	02-Feb-17
539661	ACEMEN	02-Feb-17	535602	SHARDA	02-Feb-17
500003	AEGISLOG	02-Feb-17	520086	SICAL	02-Feb-17
505216	ALFREDHE	02-Feb-17	540211	SIFL	02-Feb-17
530723	ASITCFIN	02-Feb-17	516038	SOMAPPR	02-Feb-17
506820	ASTRAZEN	02-Feb-17	533121	SQSBFSI	02-Feb-17
505029	ATLASCYCLE	02-Feb-17	521234	SRINACHA	02-Feb-17
531900	CCLINTER	02-Feb-17	530231	SUBSM	02-Feb-17
519588	DFM	02-Feb-17	533306	SUMMITSEC	02-Feb-17
522261	DOLPHINOFF	02-Feb-17	590072	SUNDRMBRAK	02-Feb-17
533264	ESL	02-Feb-17	500403	SUNDRMFAST	02-Feb-17
500135	ESSELPRO	02-Feb-17	503816	SWADPOL	02-Feb-17
532511	EXCELCROP	02-Feb-17	532890	TAKE	02-Feb-17
523574	FEL	02-Feb-17	532349	TCI	02-Feb-17
500142	FGP	02-Feb-17	533553	TDPOWERSYS	02-Feb-17
532518	FLORENCE	02-Feb-17	539658	TEAMLEASE	02-Feb-17
505714	GABRIEL	02-Feb-17	512011	TEATIME	02-Feb-17
532309	GEPIL	02-Feb-17	500414	TIMEX	02-Feb-17
532296	GLENMARK	02-Feb-17	522113	TIMKEN	02-Feb-17
533104	GLOBUSSPR	02-Feb-17	504966	TINPLATE	02-Feb-17
500163	GODFRYPHLP	02-Feb-17	500777	TNPETRO	02-Feb-17
533150	GODREJPROP	02-Feb-17	539141	UFO	02-Feb-17
524314	GUJTERC	02-Feb-17	512205	VATSAEDU	02-Feb-17
500185	HCC	02-Feb-17	532401	VIJAYABANK	02-Feb-17
500187	HSIL	02-Feb-17	501370	WALCHPF	02-Feb-17
539984	HUIL	02-Feb-17	505163	ZFSTEERING	02-Feb-17
517044	IDM	02-Feb-17	523204	ABAN	03-Feb-17
505358	INTEGRAEN	02-Feb-17	535755	ABFRL	03-Feb-17
517063	JETKINGQ	02-Feb-17	539560	ABHIJIT	03-Feb-17
517569	KEI	02-Feb-17	500410	ACC	03-Feb-17
505890	KENNAMET	02-Feb-17	539056	ADLABS	03-Feb-17
532673	KMSUGAR	02-Feb-17	513349	AJMERA	03-Feb-17
533289	KTIL	02-Feb-17	523537	APMIN	03-Feb-17
539524	LALPATHLAB	02-Feb-17	531677	ARISINT	03-Feb-17
531642	MARICO	02-Feb-17	531297	ARTEFACT	03-Feb-17
506867	MASCH	02-Feb-17	512433	ASUTENT	03-Feb-17
503015	MODERN	02-Feb-17	508933	AYMSYNTEX	03-Feb-17
537092	MODEX	02-Feb-17	522004	BATLIBOI	03-Feb-17
512522	NEPTEXP	02-Feb-17	532330	BIOPAC	03-Feb-17
532416	NEXTMEDIA	02-Feb-17	506981	BLUECHIPT	03-Feb-17
504864	ORISSASP	02-Feb-17	531495	BLUECOAST	03-Feb-17
531887	RAHME	02-Feb-17	532929	BRIGADE	03-Feb-17
500354	RAJSREESUG	02-Feb-17	534804	CARERATING	03-Feb-17
532805	REDINGTON	02-Feb-17	531327	CHARMS	03-Feb-17
503691	SAHARA	02-Feb-17	514366	CITIZYN	03-Feb-17
517059	SALZER	02-Feb-17	540199	CMBL	03-Feb-17
526807	SEAMECLTD	02-Feb-17	533309	DALMIABHA	03-Feb-17

532099	DATABASE	03-Feb-17	505817	REILELEC	03-Feb-17
530643	ECORECO	03-Feb-17	520008	RICOAUTO	03-Feb-17
531278	ELIXIR	03-Feb-17	531448	SAFALSEC	03-Feb-17
533477	ENKEIWHEL	03-Feb-17	505141	SCOOTER	03-Feb-17
500650	EXCELINDUS	03-Feb-17	521238	SEQUELE	03-Feb-17
531599	FDC	03-Feb-17	540203	SFL	03-Feb-17
500620	GESHIP	03-Feb-17	539584	SIPTL	03-Feb-17
539991	GLOBE	03-Feb-17	540253	SNTCL	03-Feb-17
532630	GOKEX	03-Feb-17	532221	SONATSOFTW	03-Feb-17
533282	GRAVITA	03-Feb-17	532679	SORILINFRA	03-Feb-17
532015	GRAVITY	03-Feb-17	533110	SPSL	03-Feb-17
509152	GRPLTD	03-Feb-17	523756	SREINFRA	03-Feb-17
538567	GULFOILLUB	03-Feb-17	532531	STAR	03-Feb-17
533520	IBWSL	03-Feb-17	508963	STRLGUA	03-Feb-17
500850	INDHOTEL	03-Feb-17	532348	SUBEX	03-Feb-17
539083	INOXWIND	03-Feb-17	511654	SUGALDAM	03-Feb-17
505100	INRADIA	03-Feb-17	530677	SUPREME	03-Feb-17
538835	INTELLECT	03-Feb-17	535621	SVGLOBAL	03-Feb-17
512405	IPOWER	03-Feb-17	532375	TIPSINDLTD	03-Feb-17
513361	ISWL	03-Feb-17	500420	TORNTPHARM	03-Feb-17
532617	JETAIRWAYS	03-Feb-17	532928	TRIL	03-Feb-17
500380	JKLAKSHMI	03-Feb-17	505978	TRITONV	03-Feb-17
590066	KCP	03-Feb-17	507747	TTKHEALTH	03-Feb-17
502150	KLYNCEM	03-Feb-17	530363	UGARSUGAR	03-Feb-17
532924	KOLTEPATIL	03-Feb-17	512517	VINVANI	03-Feb-17
523323	KOVAI	03-Feb-17	524576	VIVIDIND	03-Feb-17
504258	LAKSELEC	03-Feb-17	534392	VSSL	03-Feb-17
538772	M3GLOBAL	03-Feb-17	538382	WESTLEIRES	03-Feb-17
506919	MAKERSL	03-Feb-17	505533	WESTLIFE	03-Feb-17
539207	MANPASAND	03-Feb-17	500238	WHIRLPOOL	03-Feb-17
539519	MAYUKH	03-Feb-17	519214	WILLIMFI	03-Feb-17
522249	MAYURUNIQ	03-Feb-17	532794	ZEEMEDIA	03-Feb-17
532654	MCLEODRUSS	03-Feb-17	531161	ABMKNO	04-Feb-17
538942	MERCANTILE	03-Feb-17	532774	AFL	04-Feb-17
500290	MRF	03-Feb-17	530499	AKCAPIT	04-Feb-17
532376	MRO-TEK	03-Feb-17	524634	ALUFLUOR	04-Feb-17
520043	MUNJALSHOW	03-Feb-17	531406	ANSINDUS	04-Feb-17
524709	NAGAAGRI	03-Feb-17	511605	ARIHCAPM	04-Feb-17
524774	NGLFINE	03-Feb-17	531017	ARISE	04-Feb-17
504058	NIPPOBATRY	03-Feb-17	507526	ASALCBR	04-Feb-17
500307	NIRLON	03-Feb-17	531795	ATULAUTO	04-Feb-17
524414	NORRIS	03-Feb-17	505506	AXONVL	04-Feb-17
508924	NORTHPR	03-Feb-17	507944	BAJAJST	04-Feb-17
500672	NOVARTIND	03-Feb-17	513142	BALASORE	04-Feb-17
502165	OCL	03-Feb-17	539251	BALKRISHNA	04-Feb-17
539121	PALCO	03-Feb-17	532230	BENGALT	04-Feb-17
517417	PATELSAI	03-Feb-17	530095	BHAGWNME	04-Feb-17
539333	PENPEBS	03-Feb-17	511501	BHARAT	04-Feb-17
532460	PONNIERODE	03-Feb-17	533276	BSLIMITED	04-Feb-17
530589	PRIMAPLA	03-Feb-17	513375	CARBORUNIV	04-Feb-17
532689	PVR	03-Feb-17	532885	CENTRALBK	04-Feb-17
539678	QUICKHEAL	03-Feb-17	539527	CREATIVE	04-Feb-17
539814	RADHEY	03-Feb-17			

539197	DEVHARI	04-Feb-17	530517	RELAXO	04-Feb-17
532488	DIVISLAB	04-Feb-17	519303	RJNIEXT	04-Feb-17
500124	DRREDDY	04-Feb-17	532699	ROHLTD	04-Feb-17
532610	DWARKESH	04-Feb-17	539561	ROXY	04-Feb-17
500940	FINOLEXIND	04-Feb-17	533470	RUSHIL	04-Feb-17
536751	FIVEXTRADE	04-Feb-17	531869	SACHEMT	04-Feb-17
505744	FMGOETZE	04-Feb-17	504918	SANDUMA	04-Feb-17
524226	GAEL	04-Feb-17	537068	SATYA	04-Feb-17
509597	HARDCAS	04-Feb-17	532900	SEINV	04-Feb-17
504176	HIGHENE	04-Feb-17	502450	SESHAPAPER	04-Feb-17
531661	HITTCO	04-Feb-17	531201	SHILCTECH	04-Feb-17
523586	INDTONER	04-Feb-17	530841	SHRIBCL	04-Feb-17
533033	ISGEC	04-Feb-17	504398	SJCORP	04-Feb-17
532209	J&K BANK	04-Feb-17	531169	SKPSEC	04-Feb-17
524330	JAYAGROGN	04-Feb-17	522152	SOLIMAC	04-Feb-17
532644	JKCEMENT	04-Feb-17	524667	SOTL	04-Feb-17
531904	KARUNACAB	04-Feb-17	513605	SRIPIPES	04-Feb-17
523218	KILBURN	04-Feb-17	530419	SUMEDHA	04-Feb-17
526947	LAOPALA	04-Feb-17	526365	SWARNSAR	04-Feb-17
523792	MAZDALTD	04-Feb-17	531637	SWORDNSH	04-Feb-17
526935	MBPARIKH	04-Feb-17	539488	TFLL	04-Feb-17
520059	MUNJALAU	04-Feb-17	509945	THACKER	04-Feb-17
508875	NITINCAST	04-Feb-17	511431	VAKRANGEE	04-Feb-17
500315	ORIENTBANK	04-Feb-17	531894	VATSAMUS	04-Feb-17
535754	ORIENTCEM	04-Feb-17	522015	VCCLLTD	04-Feb-17
532521	PALRED	04-Feb-17	524200	VINATORGA	04-Feb-17
500322	PANCM	04-Feb-17	507892	WINSOMEDJ	04-Feb-17
500343	PDUMJEPULP	04-Feb-17	538451	WORTH	04-Feb-17
503031	PENINLAND	04-Feb-17	522108	YUKEN	04-Feb-17
539962	QFSL	04-Feb-17	500023	ASIANHOTNR	05-Feb-17
531572	RANJITSE	04-Feb-17	500052	BEPL	05-Feb-17
507649	RASOI	04-Feb-17			

Earning Estimate Q3FY17

BSE Code	Company Name	SALES	sales Growth (%)	PAT	PAT Growth (%)
500410	ACC	2657	-6.70	58	-43.20
531642	MARICO	1453	-5.00	186	-8.00
532488	DIVISLAB	1035	21.50	276	12.10
500124	DRREDDY	3724	-6.10	449	-22.40
532296	GLENMARK	2342	35.80	311	82.90
500420	TORNTPHARM	1477	-4.00	225	-35.40
532689	PVR	551	10.00	26	-15.60
539207	MANPASAND	99	10.00	7	34.70

Result Q3FY17

BSE Code	Company Name	SALES	Sales Growth (%)	PAT	PAT Growth (%)
500800	TATAGLOBAL	1744.00	145.00	(14.95)	145.14
500331	PIDILITIND	1242.00	204.00	(6.78)	9.84
532670	RENUKA	2064.10	(42.00)	34.86	(8.30)
532983	RPGLIFE	66.56	0.55	(7.58)	(88.22)
514043	HIMATSEIDE	547.50	45.08	31.56	8.34
532390	TAJGVK	72.40	3.73	(0.04)	8.75
500480	CUMMINSIND	1422.71	198.09	27.53	11.07
519600	CCL	286.62	45.82	34.98	76.37

Economic Calendar

Country	Monday 30th Jan 17	Tuesday 31th Jan 17	Wednesday 1th Feb 17	Thursday 2th Feb 17	Friday 3th Feb 17
US	Core PCE Price Index m/m, Personal Spending m/m, Personal Income m/m, Pending Home Sales m/m, Loan Officer Survey.	Employment Cost Index q/q, S&P/CS Composite-20 HPI y/y, Chicago PMI, CB Consumer Confidence.	ADP Non-Farm Employment Change, ISM Non-Manufacturing PMI, Crude Oil Inventories, ISM Manufacturing Prices, Total Vehicle Sales, FOMC Statement, Federal Funds Rate.	Unemployment Claims, Prelim Nonfarm Productivity q/q, Prelim Unit Labor Costs q/q, IBD/TIPP Economic Optimism, Natural Gas Storage.	Average Hourly Earnings m/m , Non-Farm Employment Change, Unemployment Rate, Final Services PMI, ISM Non-Manufacturing PMI, Factory Orders m/m.
UK/EURO ZONE	German Import Prices m/m , Spanish Flash CPI y/y, GfK Consumer Confidence.	German Retail Sales m/m, German Unemployment Change, Net Lending to Individuals m/m, CPI Flash Estimate y/y, Core CPI Flash Estimate y/y, Prelim Flash GDP q/q, Unemployment Rate.	Italian Manufacturing PMI, Spanish Manufacturing PMI, French Final Manufacturing PMI, German Final Manufacturing PMI, Manufacturing PMI, EU Economic Forecasts, Manufacturing PMI, Spanish 10-y Bond Auction.	Spanish Unemployment Change, ECB Economic Bulletin, Italian Monthly Unemployment Rate, Construction PMI, Italian Prelim CPI m/m, BOE Inflation Report, MPC Official Bank Rate Votes, Monetary Policy Summary, Official Bank Rate, Asset Purchase Facility, MPC Asset Purchase Facility Votes.	Spanish Services PMI, Italian Services PMI, French Final Services PMI, Services PMI, Retail Sales m/m, German Final Services PMI.
INDIA		Economic Survey	Union Budget, Auto no, Nikkei Manufacturing PMI.		

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