

KEY LEVELS

Support 1 : 10550
Support 1 : 10420

Resistance 1 : 10620
Resistance 2 : 10680



Market Outlook

After opening on a subdued note, Nifty traded in the negative territory throughout yesterday and closed the day at 10593.15. It had a net loss of 0.33% over the previous trading day's close. The broader market was in the grip of bears as the midcap and small cap indices underperformed the benchmark index and closed the day after losing 1.3%-2.5%.

On the sectoral front, the selling was witnessed across the board. Media, Realty, Information Technology and Pharmaceutical stocks lead to a decline. The breadth of the market was very poor and about five shares declined for every share advanced at NSE.

Nifty was being volatile throughout the day ahead of RBI policy meet. Small cap stocks got battered badly and Midcap continued to succumb under selling pressure where as Nifty not only broke its immediate support but also gave low of 10550 mark. In coming sessions, the zone of 10520-10550 act as key support, if this support is broken then it will dampen the investor sentiment and Nifty can slip down till 10420 level. On the flip side, Nifty has to sustain above 10620 to witness a bounce towards 10680 & 10740 levels.

Market		
Market	Value	% Change
Morning Traded Market		
SGX NIFTY	10,588.00	-0.18%
NIKKIE	22,569.69	0.13%
HANG SENG	31,202.87	0.35%
Yesterday Closing Market		
Sensex	34,903.21	-0.31%
Nifty	10,593.15	-0.33%
DOW	24,799.98	-0.06%
NASDAQ	7,637.86	0.41%
CAC	5,460.95	-0.22%
DAX	12,787.13	0.13%
FTSE	7,686.80	-0.71%
EW ALL SHARE	18,786.72	-1.00%

% Change in 1 day

Commodity Price (Yesterday Closing)

Commodity/Currencies	Value	% Change
GOLD	31046.00	0.46%
SILVER	39804.00	0.58%
CRUDEOIL	65.69	0.26%
NATURALGAS	194.20	-1.77%
DOLLAR/RS.	67.15	0.06%
EURO/RS.	78.43	-0.38%
POUND/RS.	89.69	-0.14%

% Change in 1 day

Institutional Turnover

FII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
05-Jun-18	4740	4897	(158)
Jun-18	18140	16146	1994
2018	581675	600340	(18665)
DII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
05-Jun-18	3221	2747	474
Jun-18	9727	9628	99
2018	415219	369623	45596

Event Today

Interim Dividend

SHGOVTR : RS 0.50/-
APTECHT : Rs 3.50/-
(Exdate : 6.6.2018)

Buy Back of Shares

AKZOINDIA
(Exdate : 6.6.2018)

Bonus issue

GRUH (Ratio : 1:1)
(Exdate : 6.6.2018)

Macro

RBI Credit Policy

Quote of the Day : "If I have noticed anything over these sixty years on Wall Street, it is that people do not succeed in forecasting what's going to happen to the stock market."

Benjamin Graham

LT

"BUY"

6th June 2018

LT performed well on back of improved performance of Infrastructure segment and we believe that the infra continue to lead the show. With management's focus on improvement of RoCE by way of divesting its share in non core business will help to improve return ratio. We expect 11% and 26% CAGR growth in revenue and bottom line respectively over FY18-20. We estimate that the RoCE will improve to 11.85% from current level of 10.85%.

We value LT on SoTP valuation method and arrived at target price of Rs.1710 and recommend BUY. We value LT standalone business at Rs.1353 (16x FY20 EPS of Rs.90) and subsidiary at Rs.357 per share.

SADBHAV

"ACCUMULATE"

5th June 2018

SADBHAV has reported its quarterly earnings numbers in line with our estimates. Revenue was up by 6.9% YoY to Rs.1104 Cr v/s our estimate of Rs.1051 Cr. Revenue was mainly led by execution of HAM projects. Revenue from HAM projects multifold to Rs.740 Cr compared to Rs.146 Cr in Q4FY17. SADBHAV has secured Rs.4886 Cr of new orders in Q4FY18 and with this order book stands at Rs.13249 Cr which is 3.6x of TTM EPC revenue. Based on the strong order book with proven execution track record we have estimated 27% CAGR growth in revenue with stable operating margin. Balance sheet quality continued to improve and management expect to reduce debt further by Rs.200 Cr. We value SADBHAV on SToP basis and recommend "ACCUMULATE" with target price of Rs.385. We value EPC business at Rs.246 (14x FY20 EPS of Rs.17.6) and its BoT/HAM business (SIPL) at Rs.139 per share

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

Top News

WABAG Concall Update

- ◆Two large desalination projects are proposed in Tamil Nadu.
- ◆Water Desalination is the future going ahead. Sludge mgt. is the another growth area.
- ◆Chennai Government has decided that the Industrial will not get fresh water for the production purpose. They have to use treated water. This trend is happening all over.
 - ◆Huge expansion plan of Oil and Gas refinery in India will drive the demand.
- ◆Key programme which will drive the demand in India:- Namami Ganage, Oil and Gas Expansion Plan, Sludge Mgt. and AMRUT project.
- ◆Namami gange has capex plan of 20000 Cr and management expect 70-80% of this will awarded in this year.
- ◆Bids are coming up for Kanpur, Allahabad, Kolkata, Patna and size is 1000 Cr.
- ◆Company has made presentation to government authority and now authority will award full city integrated projects instead of small package. This will lead to increase ticket size to 1000 Cr from 100-150 Cr.
- ◆5 Projects under AMRUT is expected to award this year, worth of Rs.11000 Cr.
- ◆Chennai has 90 MLD desalination plant and government is planning to increase it to 300 MLD in next 5 years.
- ◆By the November WABAG will complete Petrobass order.
- ◆Saudi remains the most attractive and mgt. see large projects is coming up. With new head in position company is ready to grab the opportunities.
- ◆Currently LATAM is subdued but it has huge market. Currently is the best time to enter into it and once the market is start moving up it will yield good result.
- ◆Expect margin expansion based on the higher ticket size of orders and depreciation of currency.
- ◆Lack of clarity on GST delayed invoicing and collection, mgt. expect by the next quarters company will receive amendments and things will be normalized.

>> **Arvind Fashions** is planning to open 50 new stores of its men's fashion brand Arrow in tier II and III cities this financial year .

It is also looking to refurbish 40 of its existing 250 Arrow stores in the metros and tier I cities.

Company will open 50 new stores in tier II and tier III cities this financial year, where the market is growing," Sumit Dhingra, chief executive officer, heritage brands division, Arvind Fashions.

>> **Mahindra group's** e-vehicle arm Mahindra Electric today said it has inked a pact with Auroville, a township established in Tamil Nadu, to pilot country's first integrated sustainable mobility ecosystem for a community.

>> **Rcom** will not pay interest on non-convertible debentures until company completes the restructuring. Asset sale proceeds will be used for repaying debt including bonds in such manner as may be decided by the lenders' panel

>> **Unichem Laboratories** said its facility at Ghaziabad has received establishment inspection report (EIR) from the US health regulator. The inspection was conducted by United States Food and Drug Administration (USFDA) in April 2018 . Unichem's formulation manufacturing facility at Ghaziabad has received an EIR from USFDA indicating closure of inspection,

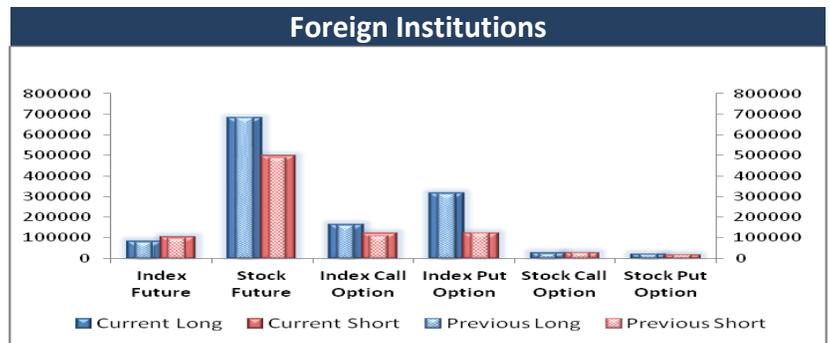
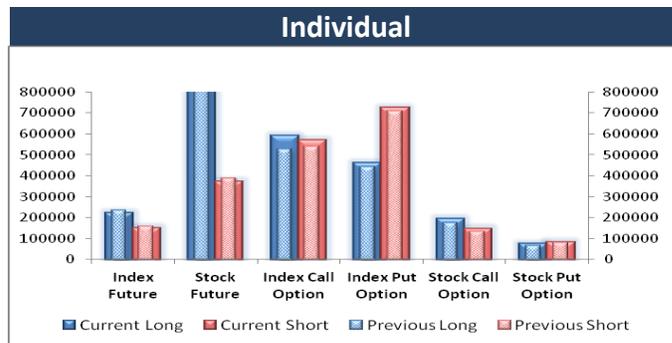
>> **Bharat Financial Inclusion Ltd (BFIL)** has received no-objection nod from stock exchanges for its merger with private sector lender IndusInd Bank. BFIL (earlier SKS Microfinance) said it received no-objection from the NSE on June 1 and from BSE on June 4 for its proposed merger with IndusInd Bank following the feedback from markets regulator Sebi.

Hindustan Unilever Ltd (HUL) said it will integrate the food and refreshment categories in South Asia effective July 1. This integration will help HUL increase organisational agility and better serve local consumers while harnessing the advantage of global scale. The integration of these two categories is also in alignment with the structure of Unilever globally

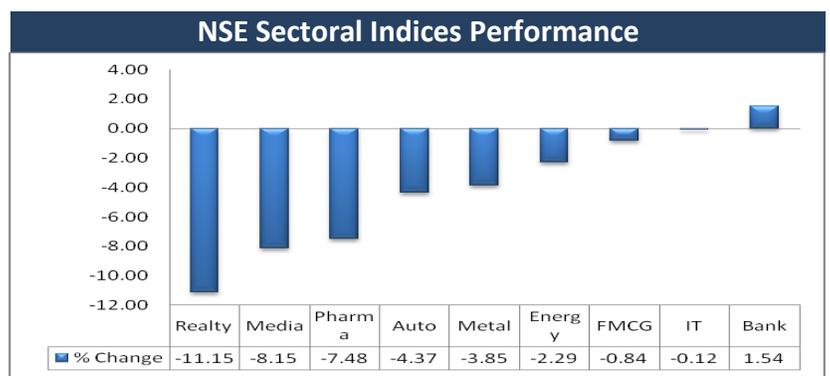
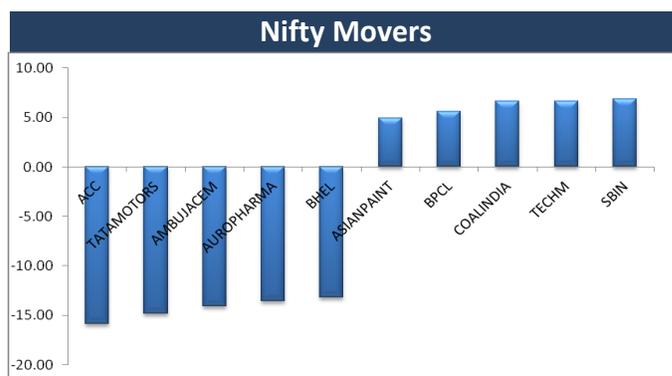
Block Deal

Exchange	Deal Date	Company	Client Name	Deal Type	Quantity	Price
NSE	05-Jun-18	BOMDYEING	JITENDRA CHANDRALAL NAVLANI	BUY	1200000	220
NSE	05-Jun-18	IBREALEST	INDIABULLS REAL ESTATE LIMITED	BUY	2701788	176
NSE	05-Jun-18	JUSTDIAL	CROSSLAND TRADING CO	BUY	660013	528
NSE	05-Jun-18	JUSTDIAL	SHAASTRA SECURITIES TRADING PRIVATE LIMITED	BUY	792244	528
NSE	05-Jun-18	PCJEWELLER	CROSSLAND TRADING CO	BUY	2382118	129
NSE	05-Jun-18	PCJEWELLER	PURITY TRADEMAX LLP	BUY	2568682	131
NSE	05-Jun-18	PCJEWELLER	SHARE INDIA SECURITIES LIMITED	BUY	2764794	129
NSE	05-Jun-18	PCJEWELLER	VAIBHAV STOCK & DERIVATIVES BROKING PVT. LTD	BUY	3764245	131
NSE	05-Jun-18	RCOM	SHAASTRA SECURITIES TRADING PRIVATE LIMITED	BUY	17065773	15
NSE	05-Jun-18	VAKRANGEE	RAHUL DOSHI	BUY	5662685	37
NSE	05-Jun-18	VAKRANGEE	SWAPNIL MEHTA	BUY	5583819	37
NSE	05-Jun-18	VIKASECO	LIMITED HANS METALS	BUY	1475078	22
NSE	05-Jun-18	CAREERP	KIFS ENTERPRISE	SELL	100500	103
NSE	05-Jun-18	JUSTDIAL	CROSSLAND TRADING CO	SELL	660013	528
NSE	05-Jun-18	JUSTDIAL	SHAASTRA SECURITIES TRADING PRIVATE LIMITED	SELL	792244	529
NSE	05-Jun-18	PCJEWELLER	CROSSLAND TRADING CO	SELL	2382118	129
NSE	05-Jun-18	PCJEWELLER	PURITY TRADEMAX LLP	SELL	2568682	131
NSE	05-Jun-18	PCJEWELLER	SHARE INDIA SECURITIES LIMITED	SELL	2688294	130
NSE	05-Jun-18	PCJEWELLER	VAIBHAV STOCK & DERIVATIVES BROKING PVT. LTD	SELL	3764245	131
NSE	05-Jun-18	RCOM	SHAASTRA SECURITIES TRADING PRIVATE LIMITED	SELL	17065773	15
NSE	05-Jun-18	TIRUMALCHM	BHAVAN KUMAR D	SELL	88754	1225
NSE	05-Jun-18	VAKRANGEE	RAHUL DOSHI	SELL	6411587	37
NSE	05-Jun-18	VAKRANGEE	SWAPNIL MEHTA	SELL	6583819	37
NSE	05-Jun-18	VIKASECO	LIMITED HANS METALS	SELL	1475078	22

F&O OPEN INTEREST (Number of Contracts)



MARKET MOVERS (1 MONTH CHANGE)



Result Calendar Q4FY18

BSE Code	Company Name	Date	BSE Code	Company Name	Date
539189	ADHBHUTIN	06-Jun-18	523283	SUPERHOUSE	06-Jun-18
535693	BRAHMINFRA	06-Jun-18	532904	SUPREMEINF	06-Jun-18
531119	CEENIK	06-Jun-18	531814	TIRSARJ	06-Jun-18
532038	EMMSONS	06-Jun-18	517393	VINTRON	06-Jun-18
532042	FRONTCORP	06-Jun-18	504340	CONFINT	07-Jun-18
507506	GIRDSGA	06-Jun-18	532219	ENERGYDEV	07-Jun-18
531913	GOPAIST	06-Jun-18	506161	ISHWATR	07-Jun-18
539894	MADHAVIPL	06-Jun-18	514360	KRRAIL	07-Jun-18
534563	MASL	06-Jun-18	531726	PANCHSHEEL	07-Jun-18
540744	MESCON	06-Jun-18	502448	ROLLT	07-Jun-18
532127	MOBILTEL	06-Jun-18	534064	AIML	08-Jun-18
531959	NEWINFRA	06-Jun-18	532894	INDOWIND	08-Jun-18
533015	NUTEK	06-Jun-18	507508	RIGASUG	08-Jun-18
540027	PTIL	06-Jun-18	513335	METALFORGE	09-Jun-18
519514	RAJSOLV	06-Jun-18	506027	BHRKALM	11-Jun-18
526193	ROYALCU	06-Jun-18	502761	BLUBLND-B	11-Jun-18
530611	STURDY	06-Jun-18	532843	FORTIS	11-Jun-18

Economic Calendar

Country	Monday 4th June 18	Tuesday 5th June 18	Wednesday 6th June 18	Thursday 7th June 18	Friday 8th June 18
US	Factory Orders m/m	NFIB Small Business Index , Final Services PMI , ISM Non-Manufacturing PMI , IBD/TIPP Economic Optimism	Revised Nonfarm Productivity q/q , Revised Unit Labor Costs q/q , Trade Balance , Crude Oil Inventories , Consumer Credit m/m	Unemployment Claims , Natural Gas Storage	Final Wholesale Inventories m/m
UK/EURO ZONE	Construction PMI , Sentix Investor Confidence , Spanish Services PMI, French 10-y Bond Auction	Spanish Unemployment Change , Italian Services PMI , French Final Services PMI , German Final Services PMI , Final Services PMI , Services PMI , Retail Sales m/m , 10-y Bond Auction	Italian Retail Sales m/m , Retail PMI , RICS House Price Balance	German Factory Orders m/m , French Gov Budget Balance , French Trade Balance , Revised GDP q/q ,	German Industrial Production m/m , German Trade Balance , Halifax HPI m/m , Manufacturing Production m/m , Consumer Inflation Expectations , Industrial Production m/m
INDIA	Nikkei Services PMI		RBI Credit Policy		

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