

KEY LEVELS

Support 1 : 9881
Support 2: 9831

Resistance1 : 10043
Resistance 2: 10095

Nifty Intraday Chart



Market Outlook

Indian equities have given a smart up move yesterday and after giving a gap up opening, Nifty continuously rose to make an intraday high of 9988.70. At the end of the day the index closed at 9979.70. It had a net gain of 0.92% over the previous trading day's close.

The broader market was also in favor of bulls as the midcap and small cap indices out-performed the benchmark index and closed the day after gaining over 1.34% both.

On the sectoral front, the buying was witnessed across the board. Media, Auto, Metal and Private banking stocks were on the buyers' radar. The breadth of the market was positive and about three shares advanced for two shares declined at NSE.

Combination of continuous EPS downgrades and Nifty trading at PE of 21.5 times at the level of 10,000 surely suggests a price correction or a time correction. In terms of price setup, Nifty saved its pattern of the higher top and higher bottom by not falling below 9685 during its sharp fall in September and that remains the long-term support for the market.

Market

Market	Value	% Change
Morning Traded Market		
SGX NIFTY	9,982.50	-0.38%
NIKKIE	20690.71	0.30%
HANG SENG	28,321.25	-0.48%
Yesterday Closing Market		
Sensex	31,814.22	0.70%
Nifty	9,979.70	0.92%
DOW	22,773.67	-0.01%
NASDAQ	6,577.35	-0.12%
CAC	5,359.90	-0.36%
DAX	12,955.94	-0.09%
FTSE	7,522.87	0.20%
EW ALL SHARE	18,319.00	1.00%

% Change in 1 day

Commodity Price (Yesterday Closing)

Commodity/Currencies	Value	% Change
GOLD	29573.00	0.63%
SILVER	39596.00	1.08%
CRUDEOIL	55.52	-2.60%
NATURALGAS	188.30	-2.33%
DOLLAR/RS.	65.37	0.35%
EURO/RS.	76.55	0.05%
POUND/RS.	85.55	-0.26%

% Change in 1 day

Institutional Turnover

FII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
06-Oct-17	3602	4642	(1040)
Oct-17	16537	19559	(3022)
2017	955926	974238	(18311)
DII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
06-Oct-17	3978	2738	1240
Oct-17	13542	9645	3896
2017	600362	534524	65838

Event Today

Quote of the Day : "The best way to think about investments is to be in a room with no one else and just think. And if that doesn't work, nothing else is going to work." **Warren Buffett**

Indian Energy Exchange Ltd : IPO Note

"AVOID"

9th Oct 2017

Indian Energy Exchange Ltd. (IEX) is the largest exchange for the trading of a range of electricity products in India. The share of electricity contracts traded over power exchanges has grown from 23.8% to 34.5% of the short term market between the FY13-17. Also, the short term electricity market in India is expected to grow to 21.1% of electricity generated in India by the financial year 2022, of which 43.0% is expected to be traded over power exchanges. There will be Higher spending for power infrastructure by government over next 5 years. All these augurs well for the company and hence justifies Long term investment in the company. IEX is being offered at 17 times P/B with ROE of 40% and div yield of 2.2%. The valuations appears costly keeping in mind other listed exchanges in India (BSE trading at 1.65 times BV and MCX trading at 3.9 times BV with Roe ranging around 8-10%) We recommend avoid for short term investment

Dilip Buildcon

"BUY"

6th Oct 2017

Dilip Buildcon is one of the best EPC Company in Roads and Highway with strong execution capabilities. DBL has completed deal for monetization of its 14 operational, 4 under construction and 6 under development projects to Shrem Group for the aggregate value of Rs.1600 Cr. Post this deal around Rs.1700 Cr of project related debt will transfer to buyer. DBL will receive Rs.550 Cr in cash in FY18 and rest in FY19 which will be used for repayment of debt and acquiring new projects. Reduction in debt will boost the bottom line going ahead. Till date in FY18 DBL has not received any new orders except small order of Rs.125 Cr, which drag down the revenue visibilities from 3.4x to 2.7x of TTM. However we expect at least Rs.6000-8000 Cr of new orders in FY18. We continue to expect 23% and 17% revenue growth in FY18 and FY19 respective. Currently stock has achieved our recommended target price of Rs.680 and we do not see further upside from here on based on given fundamental. Hence, we recommend to book profit at this level. We had initiated our coverage on this stock on 14th June 2017 with BUY rating and target price of Rs.504. Subsequently after achieving our target price we revised it twice on 16th Aug & 29th Aug 2017 for Rs.595 and Rs.680 respectively.

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

>> **Hindustan Sanitaryware & Industries Ltd (HSIL)** is eyeing an 80-100 percent revenue growth in its fledgeling consumer products division a year from now.

HSIL said the consumer products vertical, which took off over three years ago presently contributes 7-8 percent to the company's overall turnover of Rs 2,200 crore, as on March 31, 2017.

Company is expecting to grow by 20-25 percent . The biggest growth of 80-100 percent will be from the consumer products vertical.

Building materials and packaging are the other two business verticals of HSIL.

HSIL is eyeing 5-6 percent of its sales through this platform.

The company entered the water purifiers business in 2016 and the products are manufactured indigenously at its Uttaranchal plant

>> **Zydus Cadila** has received final approval from the US health regulator to market Dutasteride capsules, used for treatment of benign prostatic hyperplasia, in the American market. The company has received the final approval from the United States Food and Drug Administration (USFDA) to market Dutasteride capsules in the strength of 0.5 mg,

>> **Granules India** has received Establishment Inspection Report (EIR) from the US health regulator for the OmniChem facility at Vizag, Andhra Pradesh. OmniChem facility is operated by 50:50 joint venture of Granules India and Ajinomoto OmniChem N V.

>> **Natco Pharma** said it plans to utilise the cash flows generated by the launch of generic versions of Teva's multiple sclerosis Copaxone 20 mg/ml and 40 mg/ml by its partner Mylan in US towards strengthening balance sheet and investing on business expansion.

It makes balance sheet much stronger than company is at the moment and gives ability to spend more aggressively on interesting things

>> **Shoppers Stop** said it has exited from the duty-free airport retail business after disposing of 40 percent stake in Nuance Group India, which operates stores at the Bengaluru International airport.

>> **Reliance Industries Ltd** has sold one of its three shale gas assets in the US for USD 126 million, offloading stake in Marcellus, operated by Carrizo.

RIL held stakes in three US shale gas ventures - 45 percent with Pioneer Natural Resources in the Eagle Ford shale play; 40 percent with Chevron and 60 percent with Carrizo Oil & Gas in the Marcellus Shale play

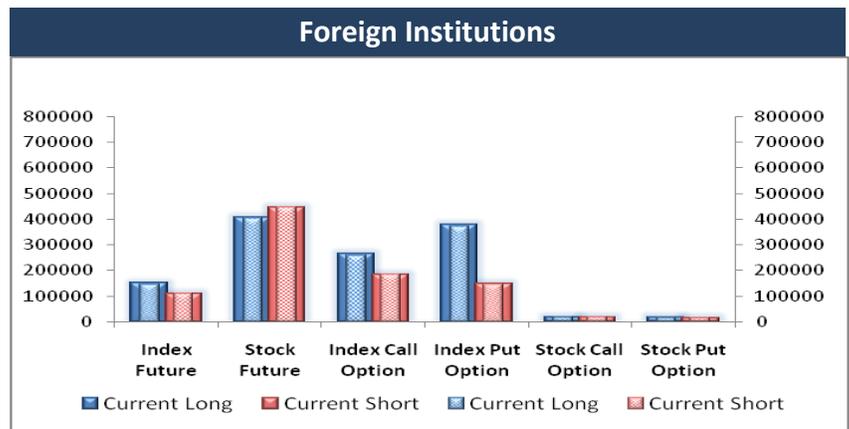
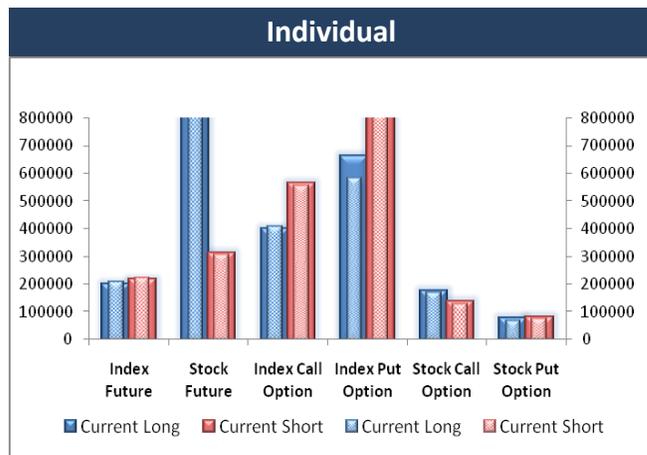
>> **Crompton Greaves** has submitted a bid for the acquisition of home appliances brand Kenstar from debt-laden Videocon Group. Kenstar, a subsidiary of the Videocon group, makes kitchen appliances, TVs, air conditioners, air coolers and health appliances

>> **Ashoka Buildcon** received arbitration award worth Rs 124 crore for one of its projects viz. Ahmednagar - Karmala Road, State Highway No. 141 under BOT Scheme (with toll rights) by government of Maharashtra.

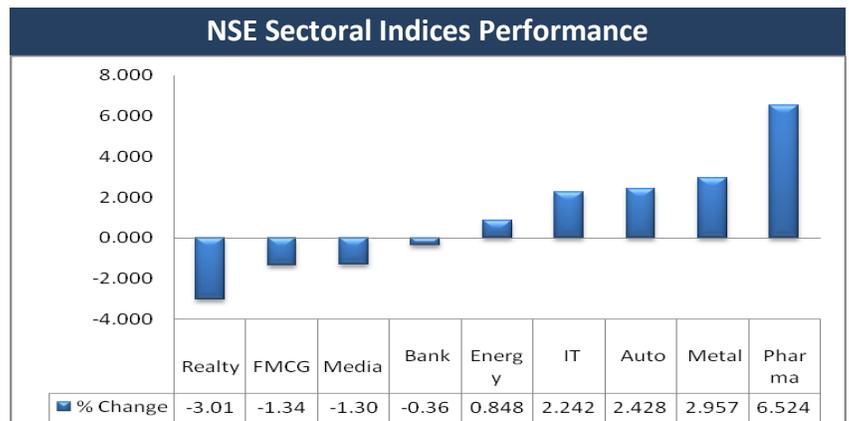
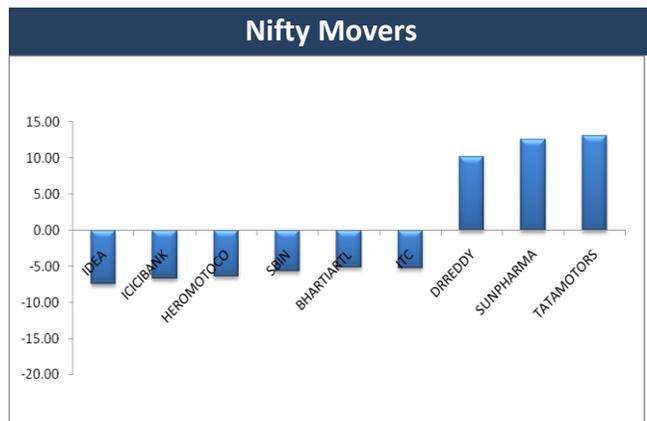
Block Deal

Exchange	Deal Date	Company	Client Name	Deal Type	Quantity	Price
NSE	06-Oct-17	ARSSINFRA	SILVER STREAM EQUITIES PRIVATE LIMITED	BUY	261589	54
NSE	06-Oct-17	DLINKINDIA	PARTH INFIN BROKERS PVT LTD	BUY	222184	122
NSE	06-Oct-17	HIGHGROUND	GUPTA GYAN	BUY	596100	11
NSE	06-Oct-17	INDOTHAI	RAHUL DOSHI	BUY	57563	55
NSE	06-Oct-17	LAKSHMIEFL	ASHOK KUMAR GUPTA	BUY	467493	31
NSE	06-Oct-17	LAKSHMIEFL	GUPTA GYAN	BUY	427732	31
NSE	06-Oct-17	TVSELECT	BHAVIN Y MEHTA	BUY	84839	342
NSE	06-Oct-17	VLSFINANCE	ARKAYA INVESTMENTS	BUY	428712	79
NSE	06-Oct-17	ARROWGREEN	VISA CAPITAL PARTNERS	SELL	74291	527
NSE	06-Oct-17	ARSSINFRA	SILVER STREAM EQUITIES PRIVATE LIMITED	SELL	258890	54
NSE	06-Oct-17	DLINKINDIA	PARTH INFIN BROKERS PVT LTD	SELL	220284	121
NSE	06-Oct-17	GRANULES	MORGAN STANLEY (FRANCE) S.A.	SELL	1767051	119
NSE	06-Oct-17	HIGHGROUND	GUPTA GYAN	SELL	596100	10
NSE	06-Oct-17	INDOTHAI	RAHUL DOSHI	SELL	75425	54
NSE	06-Oct-17	LAKSHMIEFL	ASHOK KUMAR GUPTA	SELL	467493	31
NSE	06-Oct-17	LAKSHMIEFL	GUPTA GYAN	SELL	427732	31
NSE	06-Oct-17	TVSELECT	BHAVIN Y MEHTA	SELL	103056	344
NSE	06-Oct-17	VLSFINANCE	ARKAYA INVESTMENTS	SELL	424756	80

F&O OPEN INTEREST (Number of Contracts)



MARKET MOVERS (1 MONTH CHANGE)



Economic Calendar					
Country	Monday 9th Oct 17	Tuesday 10th Oct 17	Wednesday 11th Oct 17	Thursday 12th Oct 17	Friday 13th Oct 17
US		NFIB Small Business Index, JOLTS Job Openings, IBD/TIPP Economic Optimism	Crude Oil Inventories, 10-y Bond Auction, FOMC Meeting Minutes, Federal Budget Balance	PPI m/m, Unemployment Claims, Core PPI m/m, Natural Gas Storage, 30-y Bond Auction	CPI m/m, Core CPI m/m, Core Retail Sales m/m, Retail Sales m/m, Prelim UoM Consumer Sentiment, Business Inventories m/m, Prelim UoM Inflation Expectations
UK/EURO ZONE	German Industrial Production m/m, French Gov Budget Balance, French Industrial Production m/m, French Trade Balance, BRC Retail Sales Monitor y/y	German Trade Balance, French Final CPI m/m, Italian Industrial Production m/m, Manufacturing Production m/m, Goods Trade Balance, Construction Output m/m, Industrial Production m/m	German 10-y Bond Auction	German Final CPI m/m, Industrial Production m/m	Italian Trade Balance
INDIA				IIP Data	



Narnolia Securities Ltd

201 | 2nd Floor | Marble Arch Building | 236B-AJC Bose
Road | Kolkata-700 020 , Ph : 033-40501500

email: narnolia@narnolia.com,
website : www.narnolia.com

Risk Disclosure & Disclaimer: This report/message is for the personal information of the authorized recipient and does not construe to be any investment, legal or taxation advice to you. Narnolia Securities Ltd. (Hereinafter referred as NSL) is not soliciting any action based upon it. This report/message is not for public distribution and has been furnished to you solely for your information and should not be reproduced or redistributed to any other person in any form. The report/message is based upon publicly available information, findings of our research wing "East wind" & information that we consider reliable, but we do not represent that it is accurate or complete and we do not provide any express or implied warranty of any kind, and also these are subject to change without notice. The recipients of this report should rely on their own investigations, should use their own judgment for taking any investment decisions keeping in mind that past performance is not necessarily a guide to future performance & that the value of any investment or income are subject to market and other risks. Further it will be safe to assume that NSL and /or its Group or associate Companies, their Directors, affiliates and/or employees may have interests/ positions, financial or otherwise, individually or otherwise in the recommended/mentioned securities/mutual funds/ model funds and other investment products which may be added or disposed including & other mentioned in this report/message.