

KEY LEVELS

Support 1 : 8134
Support 1 : 7894

Resistance 2: 8398
Resistance 3: 8598

Nifty Intraday Chart



Market Outlook

After opening on a green note, Nifty traded in the positive territory throughout yesterday's trading session and closed the day after gaining over 0.6%. The broader market was in favor of bulls as the midcap and small cap indices moved the benchmark index and closed the day in green.

On the sectoral front, the buying was witnessed across the board. Metal, Auto and Banking stocks were the main catalyst to drive the market higher. The breadth of the market was positive and about three shares advanced for two shares declined at NSE.

Domestic vehicles sales across the categories registered a decline of 18.66% at 1221929 units in December as against 1502314 units in a year ago period. Car sales were down by 8.14% yoy at 158617 units, Passengers vehicles sales declined 1.36% yoy to 227824 units, Motorcycles sales dipped by 22.5% yoy at 561690 units and the sales of commercial vehicles were also down by 5.06% yoy at 53966 units in December 2016.

The foreign investors were the net sellers in the cash segment. The sold Rs 85 crores worth of equities on Tuesday.

Nifty has shown some strength in its recent up-move yesterday with crossing resistance level of 8230. But the current rally needs to show further strength in terms of leadership, breadth and open interest distribution before one can declare the current uptrend to be start of a new sustainable move. Though we have strong positive expectations from the forthcoming budget but we can not overrule volatility. And the higher volatility expectation requires that trading should be done with proper hedges in place. Option open interest structure suggests Nifty range of 7900-8500 range both pre and post budget. Trading contrarian trade bet close to support and resistance levels with small stop loss and profit expectation is advisable.

Market

Market	Value	% Change
Morning Traded Market		
SGX NIFTY	8,325.50	0.33%
NIKKIE	19375.07	0.38%
HANG SENG	22,879.60	0.59%
Yesterday Closing Market		
Sensex	26,899.56	0.65%
Nifty	8,288.60	0.64%
DOW	19,855.00	-0.16%
NASDAQ	5,551.82	0.36%
CAC	4,888.23	0.01%
DAX	11,583.30	0.17%
FTSE	7,275.47	0.52%
EW ALL SHARE	14,936.02	0.05%

% Change in 1 day

Commodity Price (Yesterday Closing)

Commodity/Currencies	Value	% Change
GOLD	28144.00	0.33%
SILVER	41096.00	1.00%
CRUDEOIL	51.42	-1.04%
NATURALGAS	224.00	5.59%
DOLLAR/RS.	68.18	-0.04%
EURO/RS.	72.07	-0.03%
POUND/RS.	83.14	-0.05%

% Change in 1 day

Institutional Turnover

FII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
10-Jan-17	3569	3590	(21)
Jan-17	6296	7858	(1562)
2017	6296	7858	(1562)
DII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
10-Jan-17	2458	2205	253
Jan-17	5642	4632	1010
2017	5642	4632	1010

Quote of the Day : "You do things when the opportunities come along. I've had periods in my life when I've had a bundle of ideas come along, and I've had long dry spells. If I get an idea next week, I'll do something. If not, I won't do a damn thing." **Warren Buffett**

INDUSINDBK

"BUY"

11th Jan 2017

Among the mid size private bank, Indusind bank remains one of the consistent performers in growth and profitability parameter. Superior loan book growth, diversified fee income profile and low credit cost are the key drivers of the bank. We expect the IIB to maintain 25%+ loan growth in near to mid-term backed by revival in economic environment and declining interest rate. We expect the consumer loan demand to pick up with improving vehicle financing and card business giving the boost. Spike in CASA ratio and focus on consumer finance segment will help to maintain the NIM at 4%. With healthy capitalization of Tier 1 at 14.7% we expect the RoA of 1.9%+, RoE of 16%-17% and maintain BUY with our previous target price of Rs 1400.

AUROPHARMA

"HOLD"

10th Jan 2017

Post this acquisition ARBP will jump from current 11th position in Portugal market to no. 1 player and becomes part of the top-10 generic company in EU (from no 13 earlier). For Aurobindo the Europe push comes amid Aurobindo's successful turnaround of the money-losing Western European commercial operations of Irish drug maker Actavis Plc, which it bought for 30 million Euros in 2014. Considering fruitful synergy benefits coming out of this deal, we maintain "HOLD" rating in this stock.

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

Top News

- **Aurobindo Pharma** is gearing up for a massive push in Europe as it plans to be USD 1-billion company by sales in that continent in next three years.

Aurobindo — which has sales of around USD 500 million in Europe — is planning to double the revenues through a combination of buyouts and organic expansion. Company aim is to be in the top 5 generic companies in Europe, Dani said. Currently, Aurobindo is among the top 10 generic players in seven European countries namely Portugal, Netherlands, France, Germany, Belgium, Spain and Italy.

- **Indraprastha Gas Ltd (IGL)** saw no impact of demonetisation on its CNG volume . The company has capex plans of Rs 250 crore for 2017 and an additional Rs 100 crore plan for its Rewadi project next year. IGL plans for a double digit CNG volume growth in 2017 compared to 2016.

Manaksia Industries restructuring and substantial cost cutting in fuel consumption helped improve margins in this quarter. The company's current capacity utilisation is at 55-60 percent and is expected to increase to 70-75 percent going ahead.

- **Japan's Suzuki Motor Corporation** said its new automotive plant in Gujarat will start production from next month.

The production capacity of Gujarat plant will be expanded to 7,50,000 units in future, he said, adding that the Gujarat plant will play an "important role" in the company's overall business plans.

ABB won a \$640 million contract for a 1,830-km (1,137-mile) power link in India to connect thermal and wind power plants

- **Power Grid Corporation of India Limited (PGCIL)** evinced interest in investing in power transmission lines in Telangana. PGCIL to complete the power lines to connect southern states with the North East West Grid as it would enable to coordinate the demand and supply of power all over the country.

- **Adani** announced investment of Rs 49,000 crore in Gujarat for expansion of port capacity as well as foraying into water and cement businesses over the next five years. Adani Group will set up a 10 million tonnes cement clinker plant at an investment of Rs 5,500 crore and another Rs 2,000 crore in a desalination plant in Gujarat, he said at the 8th Vibrant Gujarat Global Summit here.

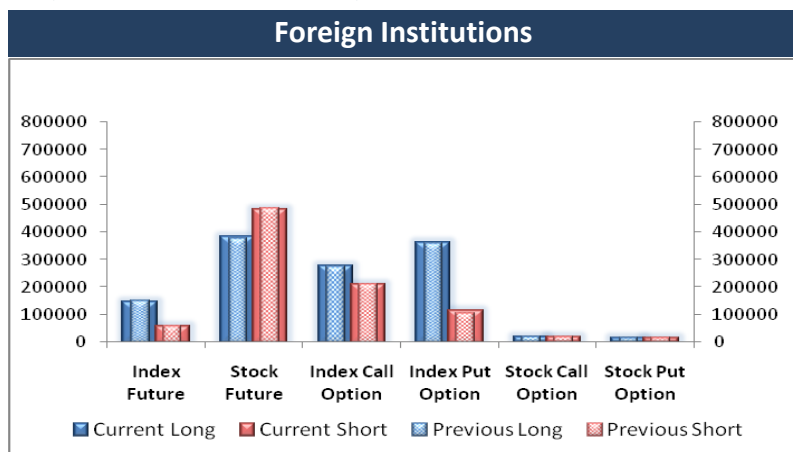
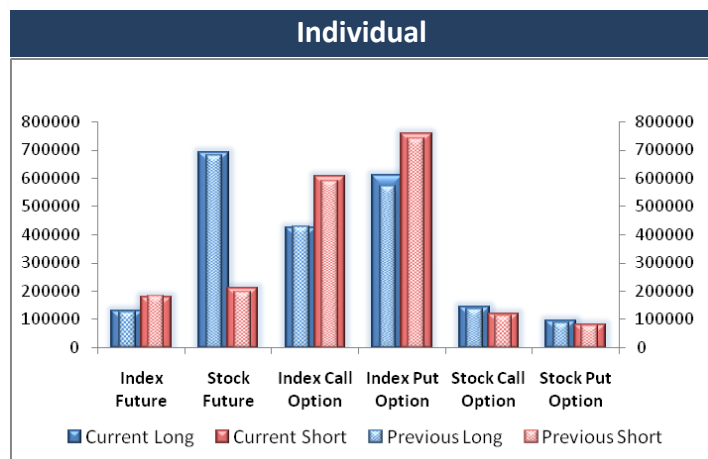
- **Hikal Ltd** said its active pharmaceutical ingredients and intermediates manufacturing unit at Bengaluru has been successfully inspected by the US health regulator. The company's API and intermediates manufacturing facility located at Jigani, Bangalore, was recently inspected by the United States Food and Drug Administration (USFDA) in compliance with their requirements

- **U.S. Wholesale Inventories** rose to a seasonally adjusted annual rate of 1.0%, from 0.9% in the preceding quarter. Analysts had expected U.S. Wholesale Inventories to rise 0.9% in the last quarter.

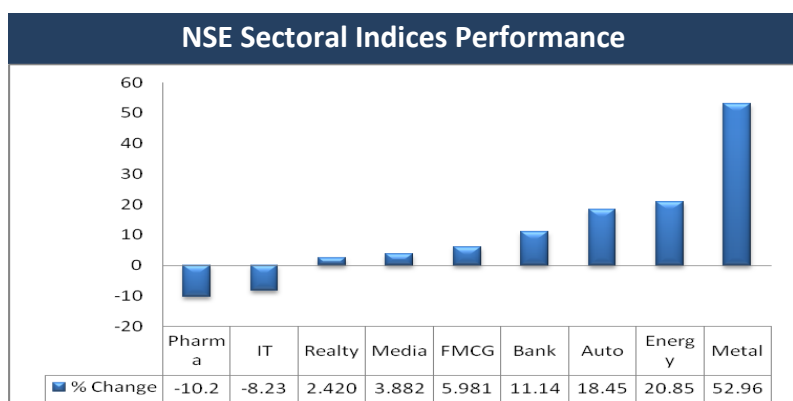
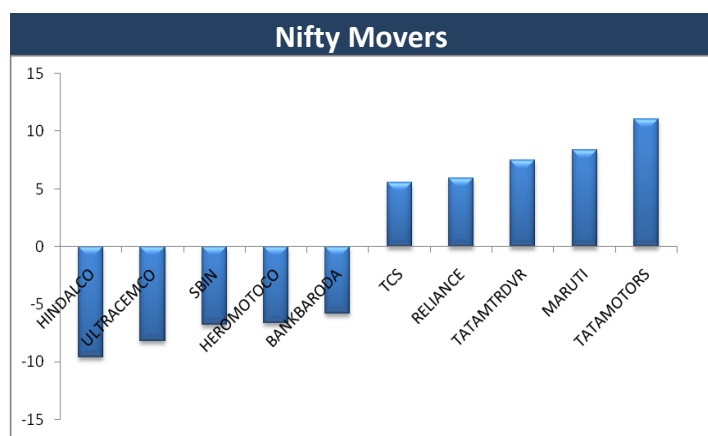
- **Canadian building permits** fell to a seasonally adjusted annual rate of -0.1%, from 10.5% in the preceding month whose figure was revised up from 8.7%. Analysts had expected Canadian building permits to fall to 2.4% last month.

- **Brazilian Retail Sales** rose to a seasonally adjusted -3.5%, from -8.1% in the preceding month whose figure was revised up from -8.2%. Analysts had expected Brazilian Retail Sales to rise to -5.5% last month.

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
AEGISCHEM	Buy	135.7	142	150	129	After getting a strong support at 200 DMA (near Rs 131), the stock has given a sharp pullback rally yesterday. Another 5-10% upside is expected from the current level in the short term.
SUNTV Jan 520 PE	Long (1 lot = 2000)	9.2	16	24	3	The stock has made a negative divergence in RSI on daily chart. Some fresh selling is likely to emerge from the current level.

Result Calendar Q3FY17

BSE Code	Company Name	Date			
531247	ALPHA	11-Jan-17	539149	ICSL	13-Jan-17
500039	BANCOINDIA	11-Jan-17	533177	IL&FSTRANS	13-Jan-17
526859	ISFL	11-Jan-17	500209	INFY	13-Jan-17
500450	MPILCORPL	11-Jan-17	532303	INTEGHIT	13-Jan-17
532218	SOUTHBANK	11-Jan-17	534091	MCX	13-Jan-17
506597	AMAL	12-Jan-17	513179	NATNLSTEEL	13-Jan-17
533229	BAJAJCORP	12-Jan-17	521062	OCTAVE	13-Jan-17
511724	BALFC	12-Jan-17	590120	PROVEST	13-Jan-17
532175	CYIENT	12-Jan-17	507966	RASRESOR	13-Jan-17
509162	INDAG	12-Jan-17	532131	TRIUMPIN	13-Jan-17
533098	NHPC	12-Jan-17	532772	DCBBANK	14-Jan-17
523445	RIIL	12-Jan-17	530079	FAZE3Q	14-Jan-17
532540	TCS	12-Jan-17	509069	INFOMEDIA	14-Jan-17
533287	ZEELEARN	12-Jan-17	507948	KEYCORP	14-Jan-17
502850	ZGAEKWAR	12-Jan-17	539016	NEIL	14-Jan-17
530885	AURUMSOFT	13-Jan-17	532798	NETWORK18	14-Jan-17
509567	GOACARBON	13-Jan-17	532800	TV18BRDCST	14-Jan-17
511288	GRUH	13-Jan-17			

Earning Estimate Q3FY17

BSE Code	Company Name	SALES	sales Growth (%)	PAT	PAT Growth (%)
532187	INDUSINDBK	1514	29	712.8	22.7
532175	CYIENT	923.4	18.1	103.1	18.8
500209	INFY	17088.7	7.5	3491.2	0.8
532540	TCS	29452.9	7.6	6252.3	2.3

Economic Calendar

Country	Monday 9th Jan 17	Tuesday 10th Jan 17	Wednesday 11th Jan 17	Thursday 12th Jan 17	Friday 13th Jan 17
US	Labor Market Conditions Index m/m , Consumer Credit m/m .	NFIB Small Business Index , JOLTS Job Openings , Final Wholesale Inventories m/m.	Crude Oil Inventories , 10-y Bond Auction , Federal Budget Balance.	Unemployment Claims , Import Prices m/m , Natural Gas Storage, 30-y Bond Auction.	Core Retail Sales m/m, PPI m/m, Retail Sales m/m, Core PPI m/m, Prelim UoM Consumer Sentiment , Business Inventories m/m, Prelim UoM Inflation Expectations.
UK/EURO ZONE	German Industrial Production m/m , German Trade Balance, French Trade Balance , Halifax HPI m/m , Italian Monthly Unemployment Rate , Sentix Investor Confidence.	French Industrial Production m/m , Italian Industrial Production m/m , NIESR GDP Estimate.	Manufacturing Production m/m , Goods Trade Balance , Construction Output m/m , Industrial Production m/m , German 10-y Bond Auction.	French Final CPI m/m, French Gov Budget Balance, Industrial Production m/m.	Italian Trade Balance , BOE Credit Conditions Survey.
INDIA				IIP Data	

Narnolia

Advance Strategy · Simple Solutions

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.