

### KEY LEVELS

Support 1 : 8229  
Support 1 : 8134

Resistance 2: 8510  
Resistance 3: 8598

### Nifty Intraday Chart



### Market Outlook

Indian equities yesterday opened at sharp positive note, then Nifty continuously rose to make an intraday high of 8388. At the end of the nifty closed at 8380.65. It had a net gain of 1.11% over the previous day's close. The midcap indices outshined the benchmark index and closed the day after gaining 1.63% each and small cap indices was inline with benchmark and closed the day after gaining 1.02%.

On the sectoral front, some buying interest was witnessed in Metal, Auto, Banking and Realty, FMCG and Pharmaceuticals indices. Only IT indices remained subdued.

China's main province for the production of iron and steel, has increased its iron and steel capacity-reduction targets for next year. The province will reduce 17.14 million tons of iron capacity and 19.86 million tons for steel in 2017. Today Indian Nov Industrial Production data will come out, Estimate is 1%.

The foreign investors were the net sellers in the cash segment and they sold Rs 627 crores worth of equities on Wednesday. While Domestic investors were the net buyer in cash segment and they bought Rs.1116 Crore.

Post moving above initial resistance level of 8220 (this level should act as support now), Nifty has consistently scaled higher highs. But now it has come close to next resistance zone of 8400-8500. High open interest at 8400 call also will act as possible reversal trigger. We suggest reducing long position in this zone or else if maintaining long position, then keep small trailing stop loss.

### Market

Market	Value	% Change
<b>Morning Traded Market</b>		
SGX NIFTY	8,423.00	0.31%
NIKKIE	19176.51	-0.98%
HANG SENG	22,956.44	0.09%
<b>Yesterday Closing Market</b>		
Sensex	27,140.41	0.90%
Nifty	8,380.65	1.11%
DOW	19,954.88	0.50%
NASDAQ	5,563.65	0.21%
CAC	4,888.71	0.01%
DAX	11,646.41	0.54%
FTSE	7,290.49	0.21%
EW ALL SHARE	14,936.02	0.05%

% Change in 1 day

### Commodity Price ( Yesterday Closing )

Commodity/Currencies	Value	% Change
GOLD	28300.00	0.55%
SILVER	41080.00	-0.21%
CRUDEOIL	52.19	-0.11%
NATURALGAS	223.10	-0.67%
DOLLAR/RS.	68.32	0.21%
EURO/RS.	72.22	-0.02%
POUND/RS.	83.09	-0.31%

% Change in 1 day

### Institutional Turnover

FII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
10-Jan-17	3907	4534	(627)
Jan-17	91611	110444	(18833)
2017	975582	972017	3565
DII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
10-Jan-17	3964	2848	1116
Jan-17	61214	44148	17066
2017	452855	425073	27782

### Event Today

#### Board Meetings

SABOOSOD : General  
NHPC : Interim Dividend  
EVERESTO : General

#### Quarterly Results

TCS, BAJAJCORP, CYIENT  
NHPC, RIIL, ZEELEARN

#### Concall

Cyient Ltd : 4:00 PM  
Southbank: 10:30 AM  
TCS : 7PM

#### Buy Back of Shares

DHANUKA, BALRAMCHIN  
( Exdate 12 Jan 2017 )

#### Bonus Issue

OIL : Ratio : 1:3  
( Exdate 12 Jan 2017 )

#### Macro Data

IIP Data

**Quote of the Day** : " The key to making money in stocks is not to get scared out of them. " **Peter Lynch**

## AUTOMOBILES

12th Jan 2017

We expect that the most of the automobile companies may see fall in the 3QFY17 earnings. In the two wheeler segment, Eicher Motors may report ~40% growth in the revenue. In the passenger vehicle segment, Maruti has been the least impacted due to demonetization and may report double digit growth in the topline during the quarter. In the commercial vehicle segment, Ashok Leyland has seen strong recovery and may post ~12% growth in the 3QFY17.

## 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.

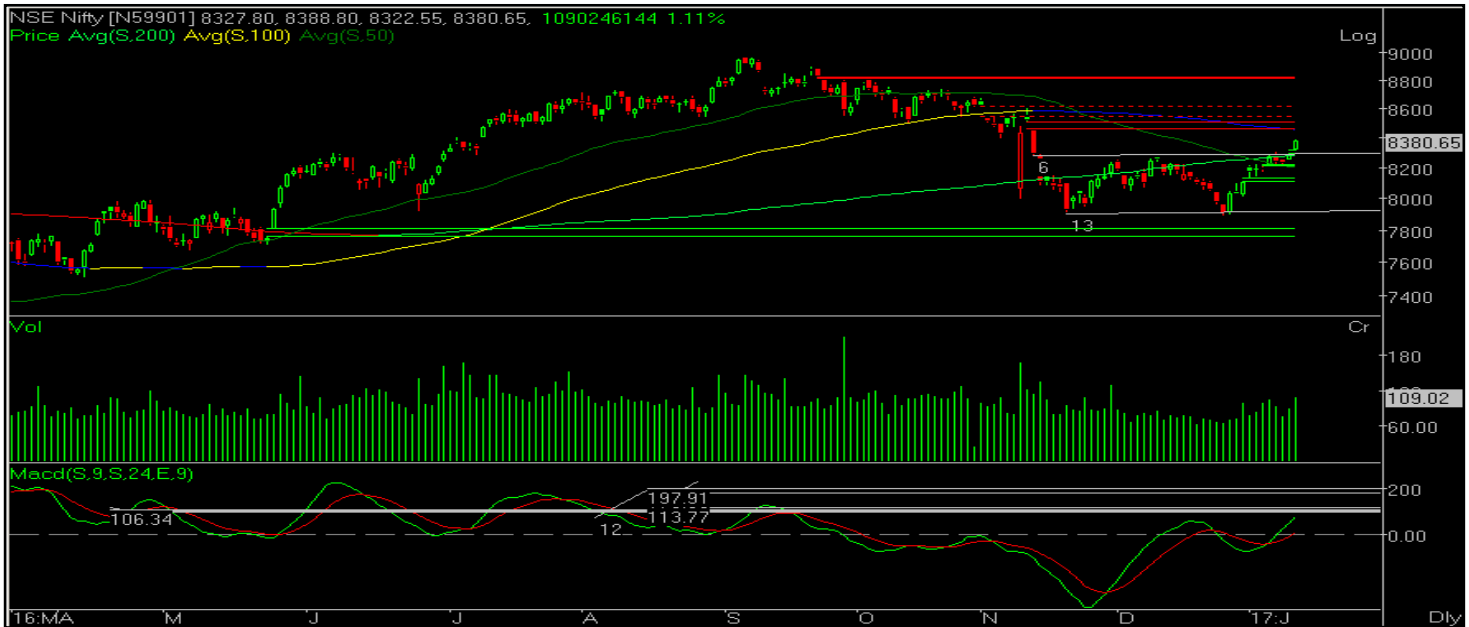
\*For details, refer to our daily report- *India Equity Analytics*

### Top News

- Maruti Suzuki Mgt Guideline** : Company said the first unit in Gujarat will start production and sale of cars by next month. The company will rely on the Gujarat plant's production for future growth, the plant can manufacture up to 1.5 million cars. The numbers showed a downtick because it was a comparison of wholesale numbers and not retail sales. The retail dealers sold 1.83 lakh cars to customers. Demonetisation per se has not impacted sales and the company is on track to achieve double-digit growth target for the year
- Uflex** is investing Rs 1,500 crore in its greenfield plant at Sanand in Gujarat to manufacture aseptic liquid packaging and it would be commercially operational by April 2017. Company expecting that in the next 2-3 years, we should have 100 per cent capacity utilisation. We are building around 7 billion packs capacity and we should be able to block this capacity,
- South Indian Bank Mgt Guideline** : Bank said that gains in treasury income aided other income. Slippages in the third quarter were at Rs 196 crore Y-o-Y. The bank's loan growth stands at 11.4 percent in Q3. Demonetisation has not impacted the loan growth, Mathew said adding that FY17 loan growth target is 15 percent. Home loan and loan against property saw a robust growth of 33 percent YoY in the quarter gone-by.
- MRF** has signed a Memorandum of Understanding with the government of Gujarat expressing its in-principle intention to set up a new manufacturing facility in Gujarat for manufacturing of automotive tyres, tubes, flaps and related products
- Biocon** said the US drug regulator has accepted its partner Mylan's biologics license application (BLA) for the proposed biosimilar of breast cancer drug trastuzumab through the 351(k) pathway. This product is a proposed biosimilar version of Roche's Herceptin, which is indicated to treat certain HER2-positive breast cancers. The anticipated FDA goal date set under the Biosimilar User Fee Act (BsUFA) is September 3, 2017,
- Bharti Airtel** will launch Airtel Payments Bank on Thursday in presence of Finance Minister Arun Jaitley and Bharti Enterprises Chairman Sunil Bharti Mittal. The Airtel Payments Bank rollout comes ahead of Vijay Shekhar Sharma's Paytm Payments Bank which is likely to be launched on January 15.
- Great Eastern Shipping Company** plans to raise up to Rs 500 crore via issuance of non-convertible debentures on private placement basis
- Mahindra Holidays & Resorts India (MHRIL)** has increased its stake in Finland-based Holiday Club Resorts Oy by buying additional 6.33 percent shares at a consideration of Euro 4.37 million.
- US President-elect Donald Trump** said pharmaceutical companies are "getting away with murder" in the prices that they charge the government for medicines, and promised that would change.
- Japan's Bank Lending** rose to a seasonally adjusted annual rate of 2.6%, from 2.4% in the preceding quarter. Analysts had expected Japan's Bank Lending to remain unchanged at 2.4% in the last quarter.
- Brazilian Interest Rate** fell to 13.00%, from 13.75% in the preceding month. Analysts had expected Brazilian Interest Rate to fall to 13.25% last month.

**TECH VIEW**

**NIFTY ( 8380.65)**



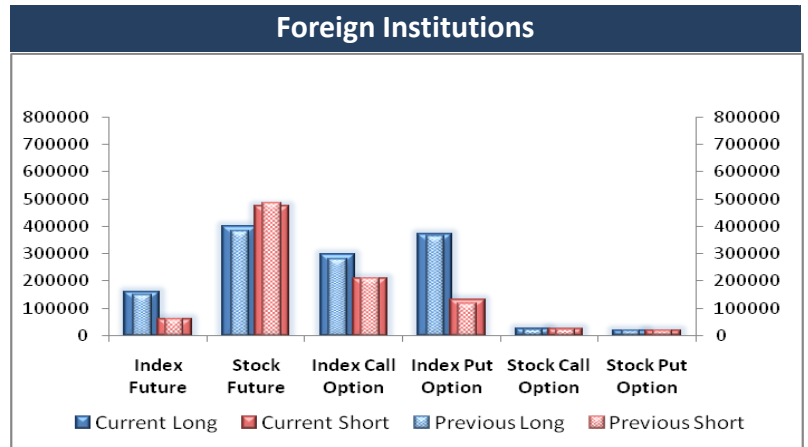
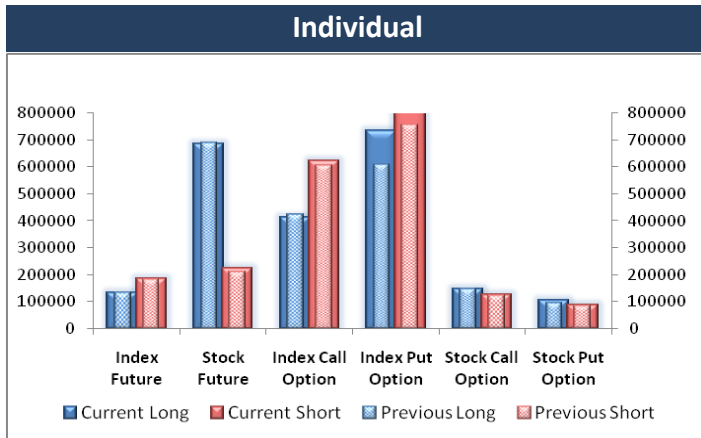
Nifty gave a rollercoaster move in the range of 7900 and 8300 since last couple of months. The index convincingly moved beyond 8300 yesterday and correspondingly Sensex moved beyond its short term crucial resistance of 26900.

The Nifty gained over 6% from its recent low of 7893.80 made on 26th December 2016. It was also gave a channel breakout above 8300 yesterday. So some fresh up side is expected from the current level. The immediate target for the index is 8500.

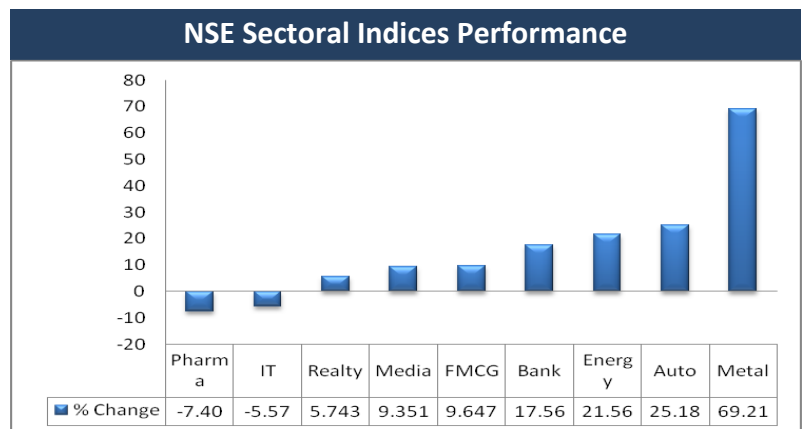
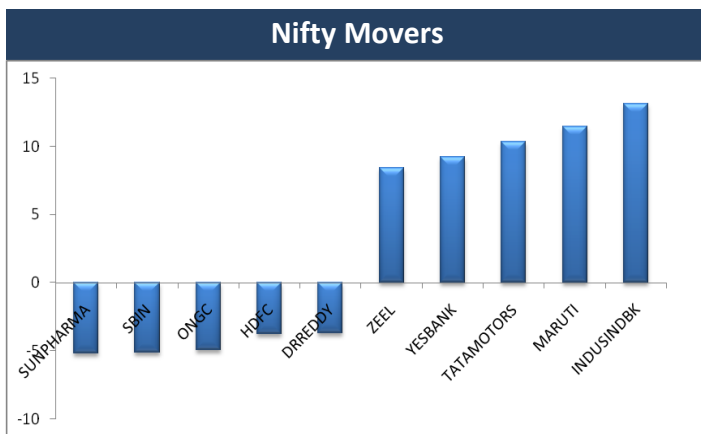
On the option front, the maximum call open interest was witnessed at strike price 8400 while the maximum put open interest was built at strike price 8000. Yesterday some fresh put writing was seen at strike prices 8100, 8200 and 8300. On the other hand some call unwinding was witnessed at strike prices 8300 and 8400 while huge amount of fresh call writing was seen at strike price 8500. The option data suggest that Nifty to find a stiff resistance near 8500 at least in the January future and option expiry.

Even through the benchmark index has given a channel breakout above 8300, we believe the upside remain capped at 8500 in the short term. The major trigger for the breakout or breakdown from there would be the outcome of the union budget for the FY 2017-18. In case of a favorable outcome, the upward rally to continue and the index is likely to test 9000 in the near future. However in case of unfavorable outcome, the index continue to move in the range 7900 and 8500.

**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
IL&FSTRANS	Buy	120.5	125	130	116	The stock has given a bullish breakout above Rs 119.50 yesterday. Some fresh buying is likely to emerge in the stock from the current level.
DIVISLAB Jan 740 CE	Long (1 lot = 600)	30.75	47	68	14	The stock is consolidating near its crucial support of Rs 725 since last few days. It has also made a positive divergence in RSI on daily chart. Some pullback is expected in the stock in the short term.

**Result Calendar Q3FY17**

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

**Earning Estimate Q3FY17**

BSE Code	Company Name	SALES	sales Growth ( % )	PAT	PAT Growth ( % )
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

**Result Q3FY17**

BSE Code	Company Name	NII	NII Growth	PAT	PAT Growth
532218	SOUTHBANK	417.5	2.7	111.4	9.6

**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	

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