

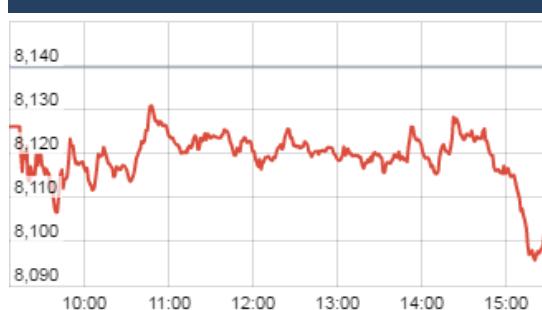
20-Dec-16

KEY LEVELS

Support 1 : 8056
Support 2 : 7916

Resistance 1: 8310
Resistance 2: 8598

Nifty Intraday Chart



Event Today

Concall

GMDC : 11:30 AM

Reliance Home Finance Ltd : 4:15 PM

Market Outlook

Indian equities gave a range bound and choppy movement throughout the day on Monday and after opening on a subdued note, Nifty traded in the band of 8094-8133. At the end of the day the index closed at 8104.35. it had a net loss of 0.43% over the previous day's close. The midcap and small cap indices also moved in line with the benchmark index and closed the day after losing 0.5% each.

On the sectoral front, some selling was witnessed in Metal, Realty, PSU Banking and Financial services stocks while the Information Technology index closed in green. The breadth of the market was negative and about two shares declined for every share advanced at NSE.

The index of mineral production of the mining and quarrying sector declined by 1.1% in October 2016 at 129.4 as compared to a year ago period. The total value of the mineral output was estimated at Rs 19359 crores in October 2016.

The contribution of coal was the highest in the index at Rs 7536 crores, followed by petroleum Rs 5545 crores, natural gas Rs 2206 crores, iron Rs 2047 crores, limestone Rs 548 crores and lignite Rs 527 crores.

After giving a pullback rally from 7916.40, Nifty is moving in the range of 7900 and 8300 since last one month. We expect the range bound movement of the index to continue for next couple of weeks as the activity of the FIIs will slow down due to Christmas vacation. Range of Nifty till December F&O expiry appears to be 8000-8300. Though, we also assume that large part of the movement will be inside small band of 8100-8200

Market

Market	Value	% Change
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Morning Traded Market

SGX NIFTY	8,123.00	-0.11%
NIKKIE	19382.93	-0.04%
HANG SENG	21,767.61	-0.30%

Yesterday Closing Market

Sensex	26,374.70	-0.43%
Nifty	8,104.35	-0.43%
DOW	19,883.06	0.20%
NASDAQ	5,457.44	0.37%
CAC	4,822.77	-0.22%
DAX	11,426.70	0.20%
FTSE	7,017.16	0.08%
EW ALL SHARE	14,598.21	-0.46%

% Change in 1 day

Commodity Price (Yesterday Closing)

Commodity/Currencies	Value	% Change
GOLD	27260.00	0.35%
SILVER	39433.00	-0.66%
CRUDEOIL	53.01	-0.09%
NATURALGAS	232.50	1.13%
DOLLAR/RS.	67.87	0.15%
EURO/RS.	70.57	0.02%
POUND/RS.	84.07	-0.04%

% Change in 1 day

Institutional Turnover

FII

Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
19-Dec-16	3078	3614	(536)
Dec-16	32430	34362	(1932)
2016	1012696	1011778	918

DII

Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
19-Dec-16	1811	1255	556
Dec-16	13501	13473	29
2016	468525	440180	28345

Quote of the Day : "With every new wave of optimism or pessimism, we are ready to abandon history and time-tested principles, but we cling tenaciously and unquestioningly to our prejudices." **Benjamin Graham**

IEA Snapshot

BEML

"BUY"

20th Dec 2016

Company has an order book of roughly about Rs 6600 cr that will set the sales target of Rs 3300 cr for FY17 as whole. However, company's performance till the first half of FY17 has not been satisfactory, as it has achieved only 23% of annual target, leaving a huge target of 77% to achieve in remaining six months. The Company has order on hand from Defense and Rail & Metro businesses and orders are steadily flowing in from Mining & Construction equipment. With dedicated and committed employees, management is confident of reaching the set target for FY17. Company has guided for Rs 3300 cr of top line for FY17 but after seeing 1st and 2nd quarter results we are not confident on the given guidance, hence we have reduced our revenue estimate from Rs 2900 cr to Rs 2500 cr . We have positive view on this stock in long term but due to below expected sales number this quarter we maintain our "HOLD" rating to the stock at a target price of Rs 1240/- (potential upside of 35%). We will review target price post further clarity from management on near term business condition.

HDFCBANK

"BUY"

16th Dec 2016

HDFC Bank is one of the leading banks in the industry with the strong fundamentals, best in assets quality, adequate capital, steady loan growth and consistency in profitability growth. Where some of its peers in large cap are struggling with the deteriorating assets quality, HDFC Bank is well poised to take the advantage from improving macroeconomic scenario. While in the short term there may be hiccups in the lending activity due to demonetization drive and this has led to uncertainty over the earnings during this period, but the long term growth and profitability remain intact for the bank. Strategy of the management to focus on high yield products will help the bank to maintain the NIMs apart from the expected benefits from spurt in CASA (due to demonetization). We expect the RoE of 19% and maintain 'BUY' rating on this stock with our previous target price of Rs 1400

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

Top News

- **Lupin Ltd** announced the launch of generic version of its voriconazole tablets and oral suspension used for treatment of fungal infections in children . Having received approval from the US Food and Drug Administration (USFDA) earlier to market a generic equivalent of PF Prism CV's Vfend tablets, 50 mg and 200 mg and Vfend Oral Suspension 40 mg/mL

• Mgt Int : GLENMARK

See EBITDA margins at 25% over 10 years: Glenmark CMD
 >>The company is aiming for at least one outlicensing deal in the next year and Saldanha feels the pharma giant will grow at a 15-20% CAGR over the next five years.
 >>Glenmark is focussing on fields like oncology, dermatology and respiratory. It expects the sales of Zetia in the US at around USD 200-250 million over the next six months.

Mgt Int : HPCL

See no fall in Q3 sales; cashless purchase doubled: HPCL Chief
 >>Mgt hopes to have similar growth in the 3QFY17 as in the last quarter due to the spike in the offtake of the fuel during the cash chaos period.
 >>The company will be to maintain the earlier second quarter marketing margins on both petrol and diesel, ranging from Rs 1.5- Rs 2.

- **Cipla** has received final approval from the US health regulator for lipid regulating Fenofibrate tablets. The company "has received final approval for its abbreviated new drug application (ANDA) for Fenofibrate tablets USP 48mg and 145mg, from the United States Food and Drug Administration (USFDA). The tablets are generic versions of AbbVie's Tricor tablets. Tricor tablets and generic equivalents had US sales of approximately USD 307 million for the 12-month period ending October 2016

- Jayant Agro may see a 10 to 15 percent growth in the next few quarters and the growth will sustain next year.

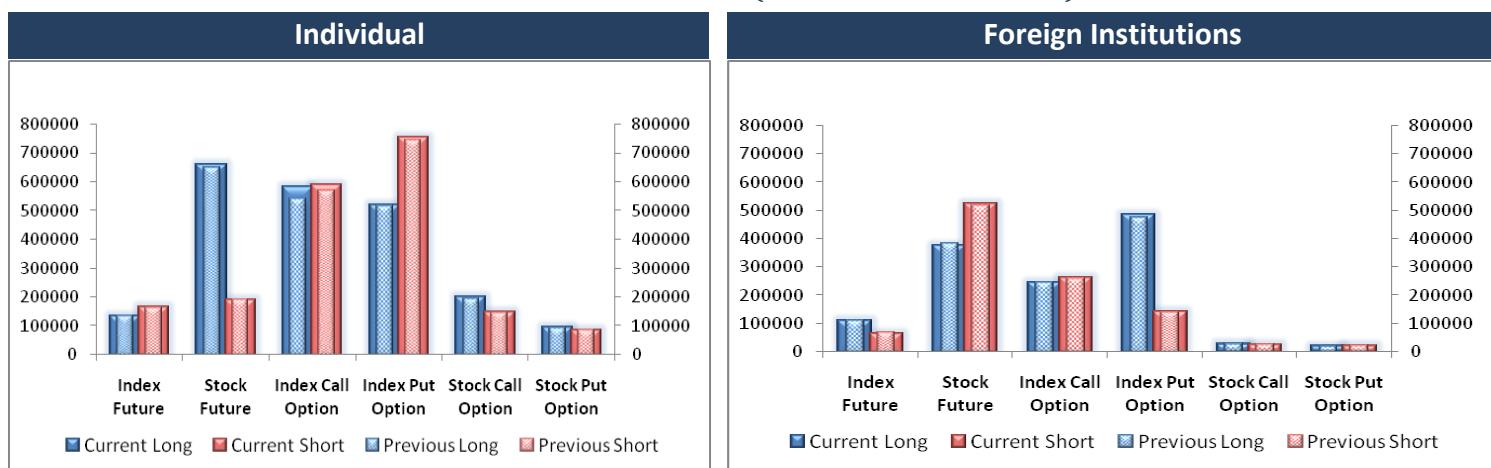
- **Zee Learn** called off its proposed merger and threatened to take legal recourse to seek damages from the failed deal. Zee Learn had said that "in the light of the recent inordinate developments at Tree House, it is withdrawing from the proposed merger process, which has been awaiting various court, shareholder and related statutory approvals

- **Polish Retail Sales** rose to a seasonally adjusted annual rate of 6.6%, from 3.7% in the preceding quarter. Analysts had expected Polish Retail Sales to rise to 4.8% in the last quarter.

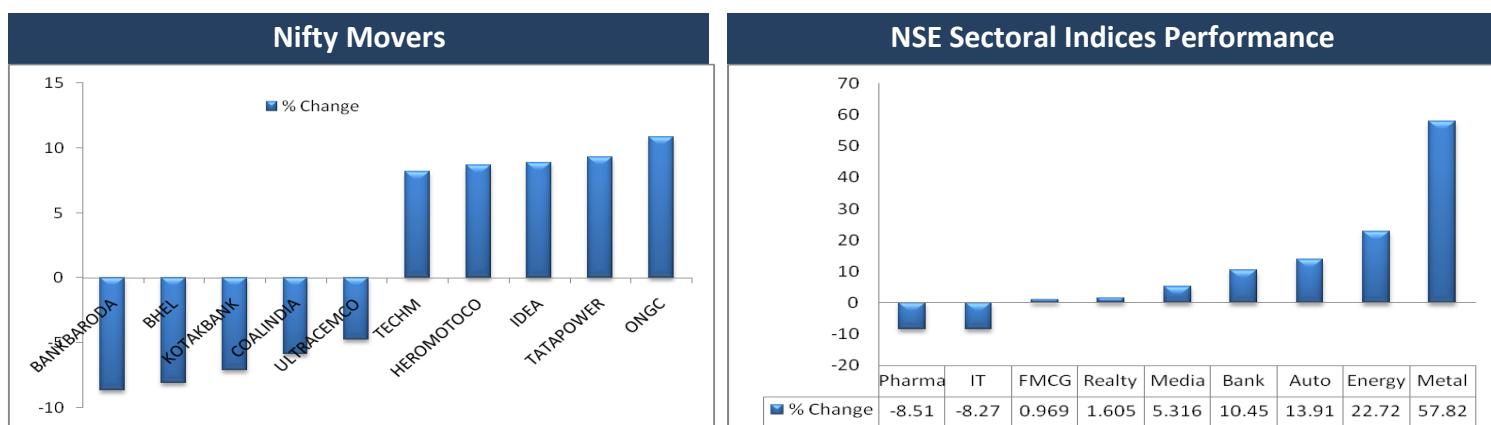
- **Euro zone core CPI** remained unchanged at a seasonally adjusted annual rate of 0.8%, from 0.8% in the preceding month. Analysts had expected Euro zone core CPI to remain unchanged at 0.8% last month.

- **U.S. number of building permits issued** fell to 1.201M, from 1.260M in the preceding month . Analysts had expected the number of building permits issued to fall to 1.240M 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
ICICIPRULI	Buy	315.5	332	364	292	The stock has given a piece volume breakout above Rs 315. Some fresh buying is likely to emerge in the stock from the current level.
RELCAPITAL Dec. 460 CE	Long (1 lot = 1500)	8	14	20	3	After getting a strong support at 200 DMA, the stock has given a smart pullback rally yesterday. It was also able to maintain above its short term crucial resistance of Rs 450. Another 8-10% upside is expected from the current level

Economic Calendar					
Country	Monday 19th Dec 16	Tuesday 20th Dec 16	Wednesday 21th Dec 16	Thursday 22th Dec 16	Friday 23th Dec 16
US			Existing Home Sales , Crude Oil Inventories , Flash Services PMI , Flash Manufacturing PMI.	Final GDP q/q , Unemployment Claims , Core PCE Price Index m/m , Personal Spending m/m.	Core Durable Goods Orders m/m , Durable Goods Orders m/m , New Home Sales , Revised UoM Consumer Sentiment .
UK/EURO ZONE	German Ifo Business Climate , CBI Realized Sales , German Buba Monthly Report.	Public Sector Net Borrowing , Italian Retail Sales m/m, Italian 10-y Bond Auction , German PPI m/m , Current Account.	French Flash Manufacturing PMI , French Flash Services PMI , Spanish Unemployment Rate , German Constitutional Court Ruling , German Flash Manufacturing PMI , German Flash Services PMI , Flash Manufacturing PMI, Flash Services PMI .	ECB Economic Bulletin , BBA Mortgage Approvals.	Italian Prelim CPI m/m.
INDIA					

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