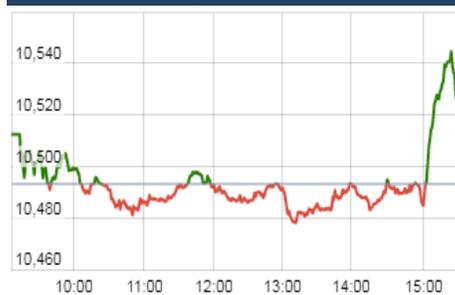


KEY LEVELS

Support 1 : 10370

Resistance 1 : 10530

Nifty Intraday Chart



Market Outlook

Nifty opened on a subdued note and traded in the narrow band of 10477-10507 maximum hours of yesterday's trading session. However a sharp pullback rally was witnessed towards the afternoon session and the index continuously rose to make a high of 10545.30. At the end of the day Nifty closed at 10531.50. It had a net gain of 0.37% over the previous trading day's close. The broader market was in favor of bulls as the small cap and midcap indices outshined the benchmark index and closed the day after gaining over 0.8% each.

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

Last week, Nifty has come close to top-end of its existing range. Initial open interest built up for January series suggests that Nifty is opening itself for levels of 10700. But till 10,550 is not taken out, we should better maintain a cautious stance at current levels. Rising inflation, fiscal slippage has forced the bond yield to go up to 7.2%. This should ideally make market valuation multiple go lower.

Interestingly sharp fall in bitcoin over last 3-4 trading session has yet not impacted any of the traditional financial markets due to non-existent institutional link. But at current level keeping an eye on global cues would be important

Market

Market	Value	% Change
Morning Traded Market		
SGX NIFTY	10,530.50	0.03%
NIKKIE	22,907.66	0.07%
HANG SENG	29,632.97	0.19%
Yesterday Closing Market		
Sensex	34,010.61	0.21%
Nifty	10,531.50	0.37%
DOW	24,746.21	-0.03%
NASDAQ	6,936.25	-0.34%
CAC	CLOSED	
DAX	CLOSED	
FTSE	CLOSED	
EW ALL SHARE	19,963.67	0.45%

% Change in 1 day

Commodity Price (Yesterday Closing)

Commodity/Currencies	Value	% Change
GOLD	28800.00	0.51%
SILVER	38296.00	0.90%
CRUDEOIL	66.14	-0.18%
NATURALGAS	172.20	0.94%
DOLLAR/RS.	64.07	0.05%
EURO/RS.	75.95	0.09%
POUND/RS.	85.61	-0.06%

% Change in 1 day

Institutional Turnover

FII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
26-Dec-17	2029	2073	(44)
Dec-17	82160	89857	(7697)
2017	1258022	1302465	(44443)
DII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
26-Dec-17	4487	3943	545
Dec-17	59422	51304	8118
2017	810743	723132	87611

Event Today
Consolidation of Shares
 CONFINT
 (Exdate : 27.12.2017)

Quote of the Day : In a bull market, one must avoid the error of the preening duck that quacks boastfully after a torrential rainstorm, thinking that its paddling skills have caused it to rise in the world. A right-thinking duck would instead compare its position after the downpour to that of the other ducks on the pond." **Warren Buffett**

GAIL**"ACCUMULATE"****27th Dec 2017**

GAIL owns and operates through a network of 10,700 kms of natural gas pipeline covering major cities across India. Recently, government has asked state-run companies to boost supply of gas and alternate fuels to cut emissions from petcoke and furnace oil. Looking at the growing gas demand of the country, GAIL has entered several US LNG contracts and will commence supply in February 2018. This will help the company to grow the gas transmission volume to the extent of 12-15% in FY19E. Further, management has guided for growth in LPG gas volume on the back of "Ujjwala scheme" which targeted to add 5 Cr new LPG connections in next 3 years to the existing 20.7 Cr connections. Looking at the historical trends, we don't expect any sharp upsurge in tariffs. Going forward, we expect ROE to become 11.84%, 266 bps improvement, with stable margins and hence we recommend ACCUMULATE rating with the target price of Rs. 542

KNRCON**"HOLD"****26th Dec 2017**

KNRCON is one of the fastest growing company in Engineering, Procurement and Construction segment. Company undertakes EPC projects in Roads and Highways, Irrigation and Urban Water Infrastructure. KNRCON posted mix set of numbers in Q2FY18. Revenue was up by the 5% YoY while adj. Revenue visibility continues to reduce from 4.1x to 2.1x of TTM revenue but we expect strong recovery in bidding activity in second half of FY18. Earlier management was reluctant to take HAM projects but now management is ready to take up and expect to win at least Rs.2500-3000 Cr of new orders (50-50% from EPC and HAM) in second half of FY18. Based on the KNRCON's strong execution capabilities we are confident that the revenue will grow by 15% CAGR over FY17 to FY20E with 8.7% CAGR earnings growth in same period. We are rolling over our estimates to FY20 and value KNRCON at 22x FY20E EPS. Recent run up in stock price limits near term further price appreciation possibility. Hence, we change our rating on the stock from "ACCUMULATE" to "HOLD" with target price 317.

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

>> **Power Mech Projects** has formed a new joint venture (JV) to support its international operations with Skipper T&D in the Dubai Multi Commodities Centre (DMCC). The JV is to facilitate transfer of funds from Nigeria to Dubai.

It's a relocation of existing JV from Nigeria to Dubai,

The project will start in February 2018 and will be completed in two years.

Company expect 15 percent growth in revenue next year.

Company is looking for opportunities in road and cross-country pipeline

>> **Manappuram General Finance Mgt Guideline** : There is no intention of selling stake and neither did they have any discussion with that regards with anyone.

The gold loan book which had declined in the earlier quarters is now coming back and he expected a 5-8 percent growth in second half of FY18.

In gold loan book there are no non-performing assets (NPAs) and the 1 percent NPA shown in the books is just a technical NPA, which will be cleared in the upcoming quarters.

Company said the microfinance business (MFI) saw some losses in H1FY18 but expect an improvement in H2FY18.

>> **PNB Housing Finance Mgt Guideline** : The increase in borrowing cost will rise slowly and not immediately. 82 percent of company's portfolio is on variable interest rate. Company expects borrowing cost to rise by 12-15 bps for FY18. Company is not seeing stress in any segments of the book currently. The construction finance is doing well and we are seeing sales velocity and good collection efficiency there.

>>**Amara Raja Batteries** has commissioned the first phase of its Rs 700-crore two-wheeler battery manufacturing facility in Andhra's Chittoor district, making it the largest such facility in the country with 17 million units annual output.

The first phase of the plant will have a capacity of 5 million units and which will touch 17 million on completion of the entire project, taking the total capacity for two-wheeler batteries to 29 million units per annum,

This plant is a step forward to boost capabilities to match global competitiveness. The advanced, high-speed assembly lines will help increase efficiency to drive higher productivity and shorter delivery times

The facility, which will employ 1,300 workforce on its optimum capacity, has also set up a 2.7-mw roof top solar power plant which generates 4.5 million kWh of energy

>> **GNA Axles Mgt Guideline** : Company is buzzing in trade on the back of inter se transfer of promoter stakes. The total holding was in the tune of 70 percent. Now the promoter holding is around 66 percent . one promoter has sold 6-7 percent currently. According to him, dilution by promoters will become stable going ahead. Company is hopeful to improve order book going ahead. Company expect Rs 1,000 crore revenues by 2020.

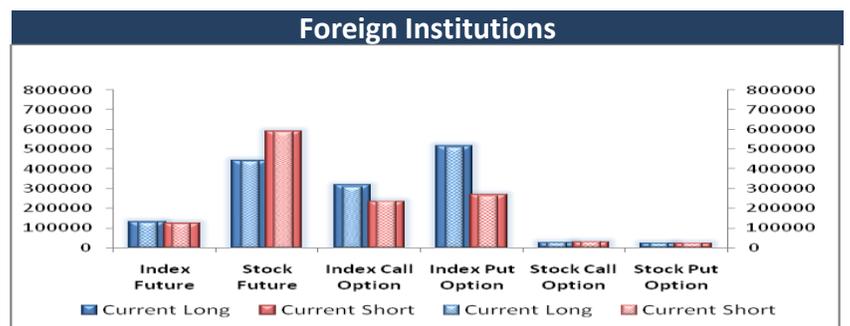
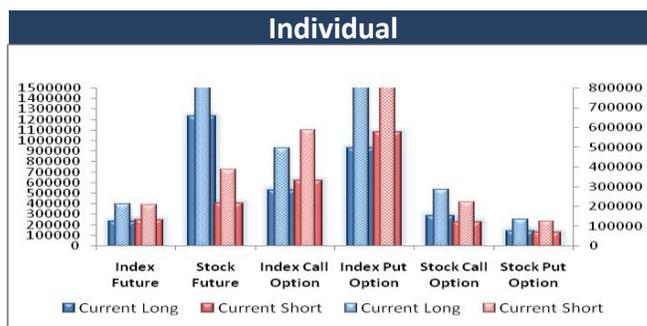
>> **Dr.Reddy's Laboratories** said it has launched Melphalan Hydrochloride for Injection, a therapeutic equivalent generic version of Alkeran (melphalan hydrochloride) for Injection, in the United States market.

The drug, which is used to treat certain types of cancer, was earlier approved by the US Food and Drug Administration (USFDA)

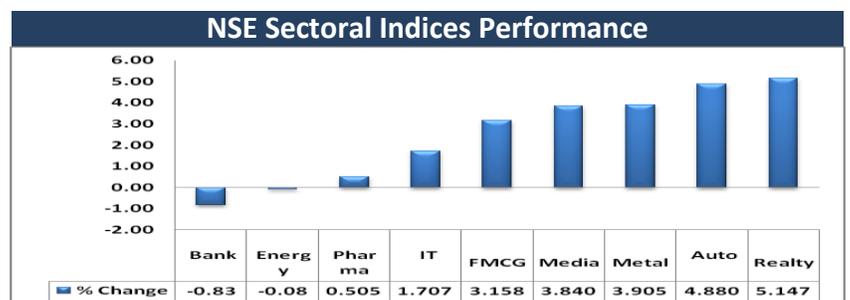
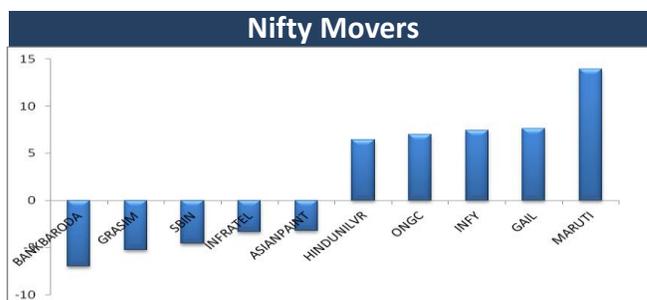
Block Deal

Exchange	Deal Date	Company	Client Name	Deal Type	Quantity	Price
NSE	26-Dec-17	BSL	MAKHAN LAL GOYAL HUF	BUY	56639	88
NSE	26-Dec-17	HCL-INSYS	PARTH INFIN BROKERS PVT LTD	BUY	1831710	57
NSE	26-Dec-17	JETAIRWAYS	CROSSLAND TRADING CO	BUY	602234	802
NSE	26-Dec-17	LYPSAGEMS	GAURANG RATHOD	BUY	3500	37
NSE	26-Dec-17	RCOM	ADROIT FINANCIAL SERVICES PRIVATE LIMITED	BUY	27049971	20
NSE	26-Dec-17	RCOM	SHAASTRA SECURITIES TRADING PRIVATE LIMITED	BUY	42245780	19
NSE	26-Dec-17	RSSOFTWARE	ARKAYA INVESTMENTS	BUY	794269	89
NSE	26-Dec-17	RSSOFTWARE	BP EQUITIES PRIVATE LIMITED	BUY	129621	90
NSE	26-Dec-17	RSSOFTWARE	GRAVITON RESEARCH CAPITAL LLP	BUY	157137	88
NSE	26-Dec-17	RSSOFTWARE	WAY2WEALTH ENTERPRISES PRIVATE LIMITED	BUY	163306	88
NSE	26-Dec-17	RUCHISOYA	PATEL MANAV NARESHBHAI	BUY	1753261	21
NSE	26-Dec-17	SUNDARAM	AGARWAL SANGEETA	BUY	1747920	6
NSE	26-Dec-17	VETO	PARU SECURITIES PVT LTD	BUY	103477	261
NSE	26-Dec-17	BSL	MAKHAN LAL GOYAL HUF	SELL	56639	89
NSE	26-Dec-17	HCL-INSYS	PARTH INFIN BROKERS PVT LTD	SELL	1830310	57
NSE	26-Dec-17	JETAIRWAYS	CROSSLAND TRADING CO	SELL	602134	803
NSE	26-Dec-17	LYPSAGEMS	GAURANG RATHOD	SELL	148500	37
NSE	26-Dec-17	RCOM	ADROIT FINANCIAL SERVICES PRIVATE LIMITED	SELL	27140966	20
NSE	26-Dec-17	RCOM	SHAASTRA SECURITIES TRADING PRIVATE LIMITED	SELL	42245780	19
NSE	26-Dec-17	RSSOFTWARE	ARKAYA INVESTMENTS	SELL	809269	90
NSE	26-Dec-17	RSSOFTWARE	BP EQUITIES PRIVATE LIMITED	SELL	106168	90
NSE	26-Dec-17	RSSOFTWARE	GRAVITON RESEARCH CAPITAL LLP	SELL	157137	88
NSE	26-Dec-17	RSSOFTWARE	WAY2WEALTH ENTERPRISES PRIVATE LIMITED	SELL	163306	88
NSE	26-Dec-17	RUCHISOYA	PATEL MANAV NARESHBHAI	SELL	1613261	21
NSE	26-Dec-17	SUNDARAM	AGARWAL SANGEETA	SELL	1747920	6
NSE	26-Dec-17	SUNDARAM	USHA DINESH SHAH	SELL	1411000	6
NSE	26-Dec-17	TARAJEWELS	RAJEEV VASANT SHETH	SELL	179843	16
NSE	26-Dec-17	VETO	PARU SECURITIES PVT LTD	SELL	103477	261

F&O OPEN INTEREST (Number of Contracts)



MARKET MOVERS (1 MONTH CHANGE)



Economic Calendar					
Country	Monday 25th Dec 17	Tuesday 26th Dec 17	Wednesday 27th Dec 17	Thursday 28th Dec 17	Friday 29th Dec 17
US			Pending Home Sales m/m	Unemployment Claims , Goods Trade Balance , Prelim Wholesale Inventories m/m , Natural Gas Storage , Crude Oil Inventories	Chicago PMI , Revised UoM Consumer Sentiment , Revised UoM Inflation Expectations
UK/EURO ZONE			French Consumer Spending m/m	French Prelim CPI m/m , ECB Economic Bulletin	German Import Prices m/m , Spanish Flash CPI y/y , M3 Money Supply y/y , Private Loans y/y , Housing Equity Withdrawal q/q
INDIA					



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