

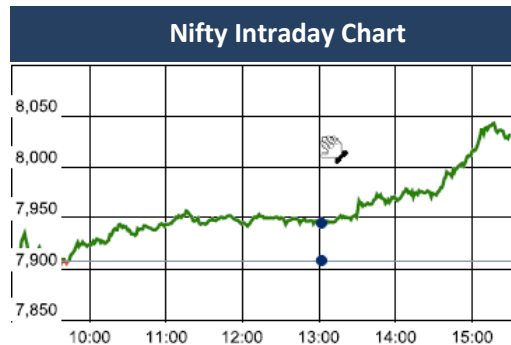


28-Dec-16

KEY LEVELS

Support 1 : 7941

Resistance 1: 8111
Resistance 2: 8229



Market Outlook

After opening on a subdued note, nifty traded in the narrow range band of 7905 and 7950 in the morning session of market. However some pullback rally was witnessed towards the afternoon session and index continuously rose to make high of 8042.60. At the end of the day index closed at 8032.85. It had a net gain of 1.58% over the previous day closing. Both midcap and small cap indices outperformed the nifty in yesterday. The midcap & small cap were closed up by 1.94% & 1.74% respectively.

The FMCG & Metal stocks were the main catalyst of yesterday rally and both sector rose over more than 2.5%. Other sector like, Media, Pharma, Bank, IT, Auto, Realty were witnessed in buying interest. The breadth of the market was positive with more advance than decline.

A number of global fund managers say they are buying emerging market assets for 2017 after the beating the sector has taken since the US election in November.

The foreign investors were the net seller in the cash and they sold Rs 712 Cr. Of equities on Tuesday. Sharp upswing yesterday has brought Nifty back inside its trading range of 8000- 8200. Frequent sharp changes in open interest of various calls and puts around 8000 suggest indecisiveness among market participants. Also open interest built up for January series is not significant enough to suggest any decisive move for the market just now.

Market

Market	Value	% Change
Morning Traded Market		
SGX NIFTY	7,919.00	-0.10%
NIKKIE	19416.31	0.07%
HANG SENG	21,568.05	-0.03%
Yesterday Closing Market		
Sensex	26,213.44	1.57%
Nifty	8,032.85	1.58%
DOW	19,959.66	0.13%
NASDAQ	5,493.17	0.55%
CAC	4,848.28	0.18%
DAX	11,472.24	0.19%
FTSE	7,068.17	0.06%
EW ALL SHARE	14,320.12	1.53%

% Change in 1 day

Commodity Price (Yesterday Closing)

Commodity/Currencies	Value	% Change
GOLD	27167.00	0.48%
SILVER	39133.00	1.61%
CRUDEOIL	53.09	0.13%
NATURALGAS	255.80	1.35%
DOLLAR/RS.	68.07	0.49%
EURO/RS.	71.06	0.33%
POUND/RS.	83.39	0.21%

% Change in 1 day

Institutional Turnover

FII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
26-Dec-16	1631	2343	(712)
Dec-16	97926	118186	(20260)
2016	981896	979759	2137

DII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
26-Dec-16	2559	1056	1502
Dec-16	65941	46838	19103
2016	457582	427764	29819

Event Today

Board Meeting

JKTYRE : General

GOODLUCK : General

VITANAGRO : General



Quote of the Day : "Humility about how little I know has encouraged me to listen more carefully and more wisely." **John Templeton**

VOLTAS

"NEUTRAL"

28th Dec 2016

The company is cautious in taking new orders in the EMPS segment and its focus is primarily on Govt. projects i.e. smart cities, rural electrification and water treatment wherein execution cycle is steady and payments are secured. Management expects profitability to improve after closing most of its low-margin and loss-making legacy projects by end-FY17. Going forward we expect near-term earnings to be under pressure due to lower sales and margin in the UCP segment and continued subdued performance in EMPS segment. Right now we are not seeing any major uptick in demand so we revised our estimates with flat revenue growth from 5% to 0.7% in FY17E and presently we are "NEUTRAL" on this stock at a revised target of Rs 330 (from Rs 345).

ASHOKLEY

"BUY"

27th Dec 2016

Going forward, We assume that the upcoming emission norms BS-IV to BS-VI, focus towards the export markets, improvement in demand from infrastructure segment, diminution of investments in subsidiaries will help the company to focus on its commercial vehicle business and government's initiative to develop defence products in the country can be volume boosters for the company in FY17. The current demonetization issue has impacted the transport sector most because a lot of transactions happen through cash. The sales may be down by 10-12% for next couple of months but we are hopeful that the situation might improve in 4QFY17 due to pre-buying during the quarter. We expect that the company will maintain a healthy ROE of over 20% going ahead. We maintain 'BUY' looking at the huge growth potential going ahead but considering the uncertain demand scenario we reduce our target to Rs.110.

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

Top News
• Mgt Int : PETRONET

Long-term prices steady; spot prices may fall: Petronet LNG
 >>Since procurement and sales are pre-decided by long-term contracts, movements in spot LNG prices do not impact them
 >>The company's business is mainly based on volumes coming from long-term contracts
 >>In October-November the spot volumes were steady but they saw a downtick in December and may see further fall in January

• Mgt Int : UNITEDBANK

">>cost of funds will increase if farm loan waiver is announced.
 ">>On the account of demonetization, Mgt said that the bank has received net deposit of Rs 10,500 crore.
 >>There is no major improvement in non-performing asset (NPA) recovery. However, major part of the book is clean.

• JSW Steel Mgt Guideline : The company will see an impact due to higher coking coal prices in the coming quarter.

Coking coal prices have more than doubled from August 2016. Domestic steel costs are at an 18 percent discount as compared to international prices
 Company expects domestic steel prices to go up in the first quarter of calendar year 2017.
 EBITDA per tonne from the Rs 7,000/ tonne level in the second quarter of FY16,

• **Glenmark Pharmaceuticals** has received final approval from the US health regulator USFDA for the sale of Tretinoin capsules, used in the treatment of leukemia. Glenmark Pharmaceuticals Inc., USA has been granted final approval by the United States Food & Drug Administration (USFDA) for Tretinoin capsules, 10 mg. The approved product is a generic version of Vesanoid capsules, 10 mg, of Hoffmann La Roche, Inc. (which is no longer being marketed in the US)

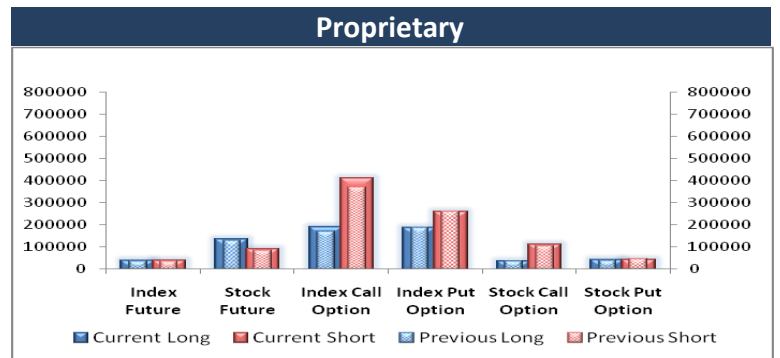
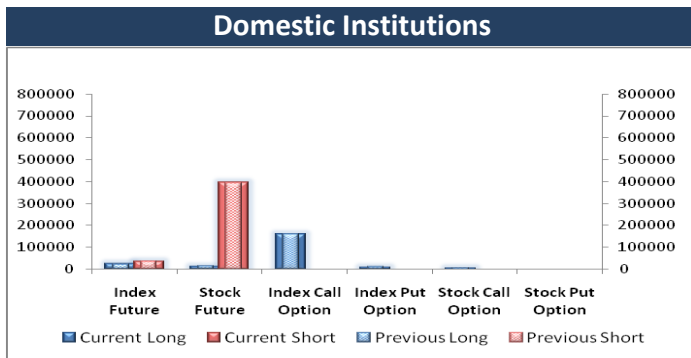
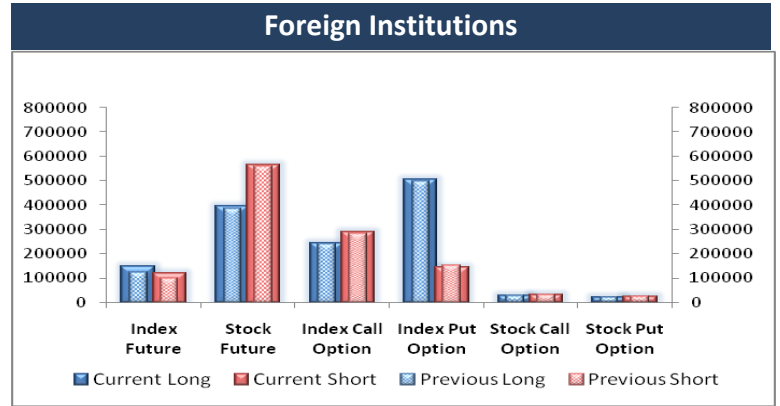
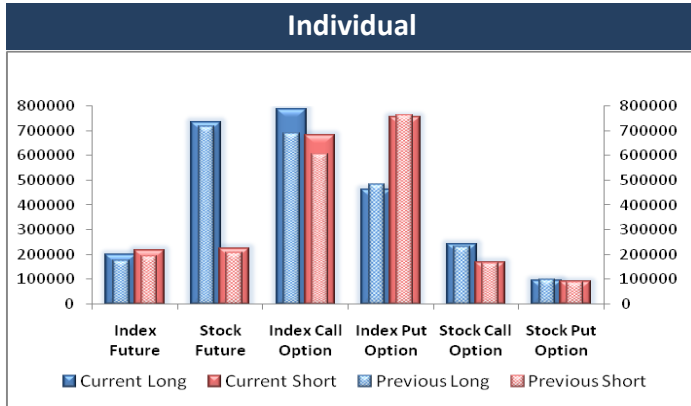
• **ITC** went up on the back of 14-15 percent price hike in two of its product offerings that is 69 mm cigarettes and 74 mm cigarettes. These products contribute almost 30 percent to the company's volume.

• **IOC's** Mathura refinery has despatched BS VI high-speed diesel (HSD) to two auto companies to test viability and compatibility as part of its efforts to provide cleaner fuel for an eco-friendly environment. Though the government has set a very stringent target of April 2017 for meeting BS IV and April 2020 for BS VI standard fuel quality

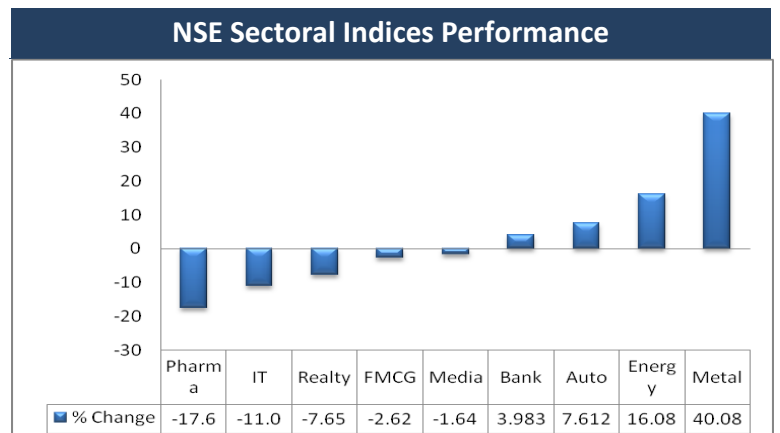
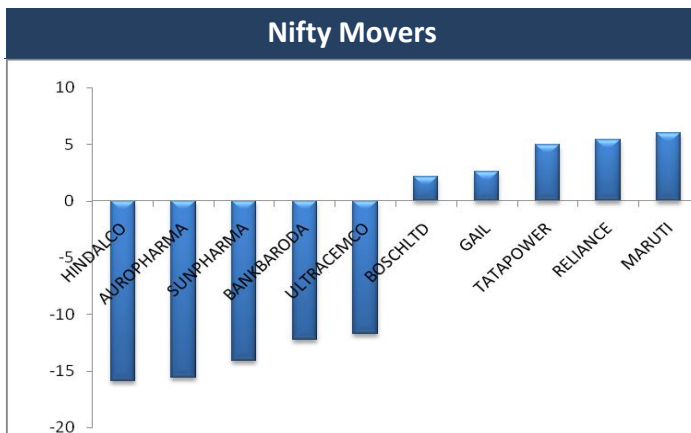
• **U.S. consumer confidence** rose to 113.7, from 109.4 in the preceding month whose figure was revised up from 107.1. Analysts had expected CB consumer confidence to rise to 109.0 last month.

• **S&P/CS House Price Index** rose to a seasonally adjusted annual rate of 5.1%, from 5.0% in the preceding quarter whose figure was revised down from 5.1%. Analysts had expected S&P/CS House Price Index to remain unchanged at 5.1% in the last quarter.

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
Bajaj-Auto	Buy	2620	2735	2750	2550	Stochastic is showing strength with good volume. ATM & OTM CE writers are also unwinding their position.

Economic Calendar

Country	Monday 26th Dec 16	Tuesday 27th Dec 16	Wednesday 28th Dec 16	Thursday 29th Dec 16	Friday 30th Dec 16
US		CB Consumer Confidence , Richmond Manufacturing Index , S&P/CS Composite-20 HPI y/y .	Pending Home Sales m/m.	Unemployment Claims , Crude Oil Inventories , Natural Gas Storage , Goods Trade Balance.	Chicago PMI.
UK/EURO ZONE		Current Account , Final GDP q/q , Index of Services 3m/3m , Revised Business Investment q/q .	German Import Prices m/m ,GfK German Consumer Climate.	Spanish Flash CPI y/y , M3 Money Supply y/y , Private Loans y/y .	Housing Equity Withdrawal q/q
INDIA					

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