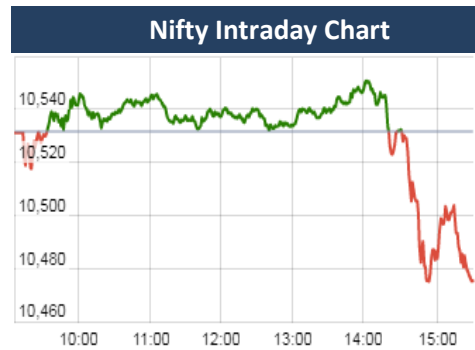


KEY LEVELS

Support 1 : 10420
Support 2 : 10370

Resistance 1 : 10550



Market Outlook

Nifty opened on a subdued note and traded in the narrow band of 10515-10550 maximum hours of yesterday's trading session. However some selling pressure was witnessed towards the closing session and the index continuously fell to make an intraday low of 10469.45. At the end of the day Nifty closed at 10490.75. It had a net loss of 0.39% over the previous trading day's close. The small cap and midcap indices also moved in line with the benchmark index and closed the day after losing 0.3%-0.5%.

On the sectoral front, some buying interest was witnessed in Pharmaceutical stocks while Banking, Realty and Metal indices lead to a decline. The breadth of the market was negative and about two shares declined for every share advanced at NSE.

Nifty is trading 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 10800. Once 10,550 is taken out convincingly, Nifty will be headed to newer heights.

Rising inflation, fiscal slippage has forced the bond yield to go up to 7.2%. This should ideally make market valuation multiple go lower. Consensus expectation for earnings growth for FY19 is upward of 24% and also 2HFY18 is expected to see turn around in earnings of Nifty. But market trading at newer high reduces major gains for the calendar year 2018.

The rush of exuberance cross equity markets globally heading into the end of the year makes risk/reward unfavorable. But at current level keeping an eye on global cues would be advisable.

Quote of the Day : "The market does reflect the available information, as the professors tell us. But just as the funhouse mirrors don't always accurately reflect your weight, the markets don't always accurately reflect that information. Usually they are too pessimistic when it's bad and too optimistic when it's good."
Bill Miller

Market

Market	Value	% Change
Morning Traded Market		
SGX NIFTY	10,519.00	0.24%
NIKKIE	22,927.06	0.07%
HANG SENG	29,668.47	0.24%
Yesterday Closing Market		
Sensex	33,911.81	-0.29%
Nifty	10,490.75	-0.39%
DOW	24,774.30	0.11%
NASDAQ	6,939.34	0.04%
CAC	5,368.84	0.08%
DAX	13,070.02	-0.02%
FTSE	7,620.68	0.37%
EW ALL SHARE	19,904.00	-0.29%

% Change in 1 day

Commodity Price (Yesterday Closing)

Commodity/Currencies	Value	% Change
GOLD	28956.00	0.44%
SILVER	38650.00	0.93%
CRUDEOIL	66.05	0.20%
NATURALGAS	175.20	1.62%
DOLLAR/RS.	64.15	0.12%
EURO/RS.	76.28	0.43%
POUND/RS.	86.05	0.52%

% Change in 1 day

Institutional Turnover

FII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
27-Dec-17	2826	2654	172
Dec-17	82160	89857	(7697)
2017	1258022	1302465	(44443)
DII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
27-Dec-17	3060	3267	(207)
Dec-17	59422	51304	8118
2017	810743	723132	87611

Event Today

Right Issue of Equity Share

SHALPAINTS

(Exdate : 28.12.2017)

MOTHERSUMI

"BUY"

28th Dec 2017

MOTHERSUMI is a market leader in wiring harness business in India with the market share of 65% and a leading manufacturer of electrical and plastic parts for automobiles globally. Despite being a 100% OEM supplier, company's margin has improved sharply from 5.8% in FY13 to 10.1% in FY17 on the back of better product mix and acquisition of better margin businesses. Going forward we believe that there is more scope for margin improvement as the company will venture out to more sophisticated product categories. The recent acquisition of PKC will help MOTHERSUMI to expand its presence in the niche market of global wiring harness business for commercial vehicles and give a much-needed foothold in US market. The management has set an ambitious revenue target of USD18 billion with RoCE of 40%, which the company will be attaining through organic and inorganic growth by 2020. It is also working towards its 3CX15 strategy where no component, customer or country would contribute over 15% of its revenue.

Based on the strong demand outlook, we expect Revenue and PAT to grow at CAGR of 20% and 28% respectively, in FY17-19E. We value it at 25x FY19E EPS and initiate BUY on MOTHERSUMI with the target price of Rs.440.

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. On the tariff front, GAIL has proposed unified tariff plan with 60% hike, but due to non-availability of quorum at PNGRB, decision is still pending and expected to take few months to resolve. 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.

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

Top News

>> **Narayana Hrudayalaya Mgt Guideline** : The individual item bills must have MRPs . The public listed hospitals are not making undue profits. The capacity expansion includes adding two new hospitals last year; one in Mumbai and second in Delhi.

Company will commission one more 200-bed hospital soon. The new hospitals have their own ramp-up cycle. Company expect matured hospital profit to grow going ahead. Company expect margin to remain in double-digit.

>> **Jindal Steel and Power Mgt Guideline** : The company announced completion of their 3 million tonne per annum (MTPA) steelmaking oxygen furnace installation at Angul in Odisha. Company expect additional steel volumes of 0.5 million tonne in FY18 from this added capacity at Angul.

Company target steel sales of 7.5 million tonne to 8 million tonne in FY19.

Company expects EBITDA per tonne to increase by Rs 1,500-2,000 post ramp up of Angul expansion

The debt levels will not go up from current levels.

Company is not worrying about working capital but we expect to come out of non-performing asset (NPA) status.

>> **ADF Foods Industries Mgt Guideline** : 95 percent of revenue comes from international business and 5 percent comes from domestic business. There is scope to grow domestic business. Therefore, expect domestic business to contribute 25 percent of sales by FY20. Company target revenue of Rs 400 crore by FY20. Company will require capital expenditure to double revenue by FY20.

>> **Puravankara Mgt Guideline** : Company's first few projects were in Mumbai and then focus shifted to south India over the years . South India currently accounts for 90 percent of sales. Company is in the process of launching projects in Pune and Mumbai. Therefore, dependence on south India is likely to reduce from 90 percent to 75-80 percent. The affordable housing space has a huge potential.

Company launched our affordable housing segment 'Provident Housing' in 2007

Company is expecting launches of 10.3 million square feet in 12-15 months in affordable housing

The affordable housing segment accounts for 44 percent of revenue. Provident Housing's contribution will increase in next two-three years

>> **Adlabs Entertainment Mgt Guideline** : Company said Imagica clocked 50,000 footfalls during last weekend that is from 23rd to 25th December. Company expects 1.5 million footfalls in FY19. Company expect good year going ahead because of better marketing strategies.

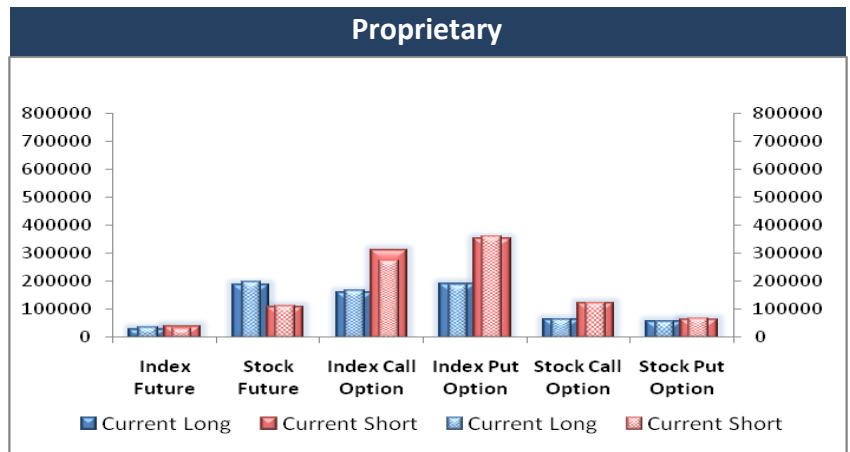
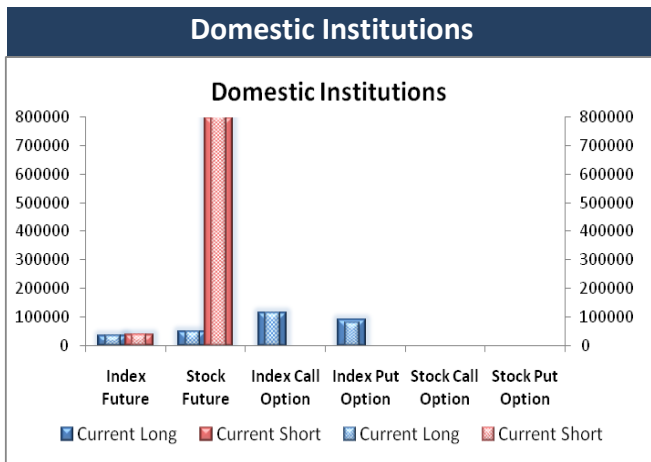
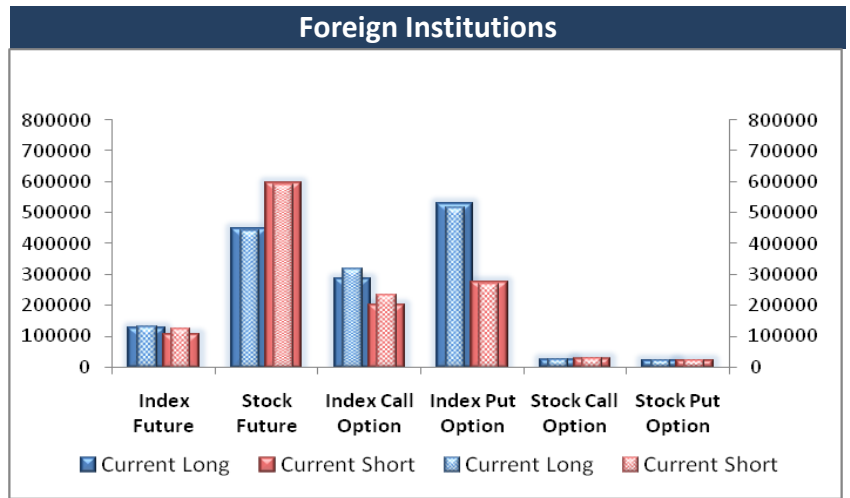
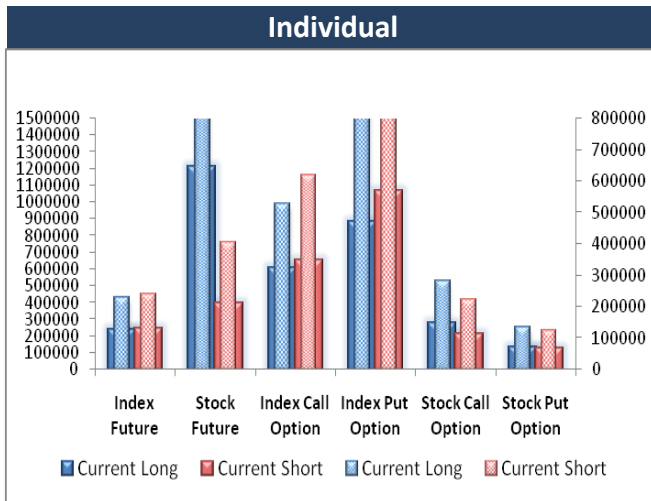
>> **Welspun Corp Mgt Guideline** : The company has won two new orders -- one for an oil and gas project and the other for a water project. As well, the company is a beneficiary of rising crude oil prices. Company have got 124,000 odd tonne of an order from one of the geographical territories we operate in, Capacity utilisation, Company expect 15 percent jump in it in this financial year.

FY18-19 looks promising and a lot of projects are coming back on table. Company expect tremendous volume growth.

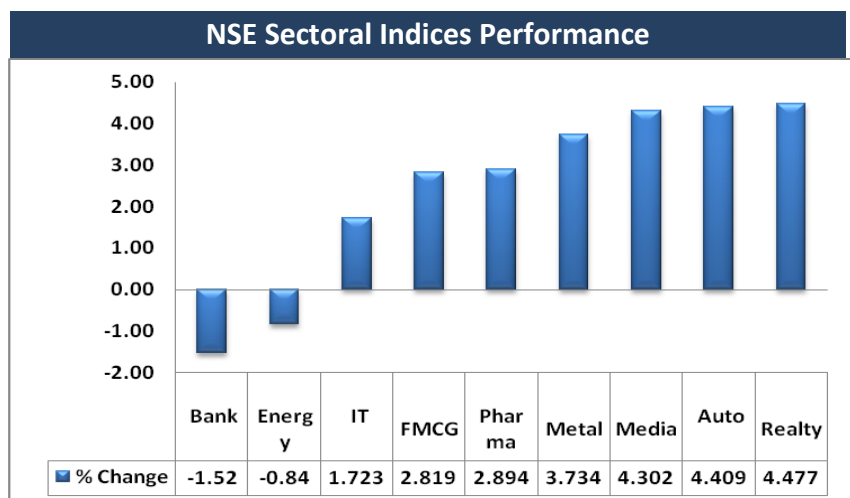
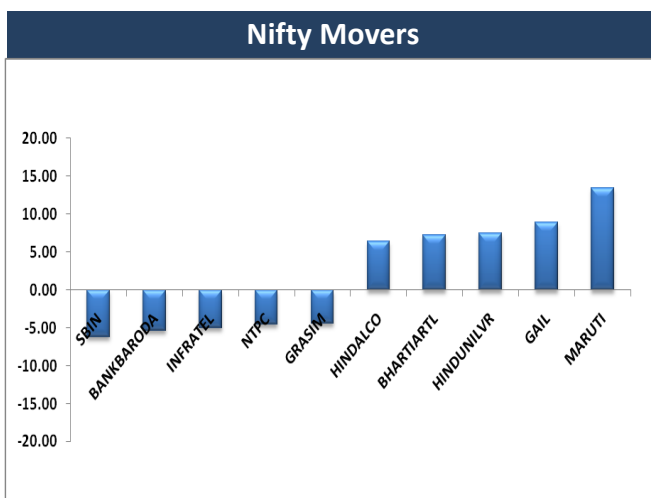
Block Deal

Exchange	Deal Date	Company	Client Name	Deal Type	Quantity	Price
NSE	27-Dec-17	3IINFOTECH	ADROIT FINANCIAL SERVICES PRIVATE LIMITED	BUY	10530273	6
NSE	27-Dec-17	ADFFOODS	KUBER INDIA FUND	BUY	600000	324
NSE	27-Dec-17	LYKALABS	ARKAYA INVESTMENTS	BUY	211517	66
NSE	27-Dec-17	RCOM	ADROIT FINANCIAL SERVICES PRIVATE LIMITED	BUY	41159937	27
NSE	27-Dec-17	RCOM	ADROIT SHARE & STOCK BROKER PVT. LTD.	BUY	42432351	27
NSE	27-Dec-17	RCOM	DYNAMIC EQUITIES PRIVATE LIMITED	BUY	17177289	27
NSE	27-Dec-17	RCOM	PURITY TRADEMAX LLP	BUY	29303393	28
NSE	27-Dec-17	RCOM	SHAASTRA SECURITIES TRADING PRIVATE LIMITED	BUY	44434955	28
NSE	27-Dec-17	RELIABLE	ELITE ACCFIN SOLUTIONS PRIVATE LIMITED	BUY	250000	61
NSE	27-Dec-17	RSSOFTWARE	ARKAYA INVESTMENTS	BUY	251069	91
NSE	27-Dec-17	SAMBHAAV	BARUN MORE HUF	BUY	39450	16
NSE	27-Dec-17	SUNDARAM	AGARWAL SANGEETA	BUY	1952222	5
NSE	27-Dec-17	SUNDARAM	VIHIT INVESTMENT	BUY	1376908	5
NSE	27-Dec-17	XPROINDIA	PAREKH HASMUKH	BUY	80000	73
NSE	27-Dec-17	3IINFOTECH	ADROIT FINANCIAL SERVICES PRIVATE LIMITED	SELL	10482657	6
NSE	27-Dec-17	ADFFOODS	THAKKAR BHAVESH PRIYANKA	SELL	800000	324
NSE	27-Dec-17	JHS	SIXTH SENSE INDIA OPPORTUNITIES-I	SELL	316606	74
NSE	27-Dec-17	LYKALABS	ARKAYA INVESTMENTS	SELL	211517	66
NSE	27-Dec-17	MPTODAY	ROMY BANSAL	SELL	40000	132
NSE	27-Dec-17	RCOM	ADROIT FINANCIAL SERVICES PRIVATE LIMITED	SELL	41062871	27
NSE	27-Dec-17	RCOM	ADROIT SHARE & STOCK BROKER PVT. LTD.	SELL	42390351	27
NSE	27-Dec-17	RCOM	DYNAMIC EQUITIES PRIVATE LIMITED	SELL	17178289	27
NSE	27-Dec-17	RCOM	PURITY TRADEMAX LLP	SELL	29303393	28
NSE	27-Dec-17	RCOM	SHAASTRA SECURITIES TRADING PRIVATE LIMITED	SELL	44434955	28
NSE	27-Dec-17	RELIABLE	AIRAN LIMITED	SELL	250000	61
NSE	27-Dec-17	RSSOFTWARE	ARKAYA INVESTMENTS	SELL	257069	90
NSE	27-Dec-17	SAMBHAAV	BARUN MORE HUF	SELL	970000	16
NSE	27-Dec-17	SAMBHAAV	VOHERA SECURITIES PVT LTD .	SELL	960000	16
NSE	27-Dec-17	SPTL	HYPNOS FUND LIMITED	SELL	3000000	81
NSE	27-Dec-17	SUNDARAM	AGARWAL SANGEETA	SELL	1952222	5
NSE	27-Dec-17	SUNDARAM	VIHIT INVESTMENT	SELL	1376908	5
NSE	27-Dec-17	XPROINDIA	PAREKH HASMUKH	SELL	30000	79

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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