

KEY LEVELS

Support 1 : 10370

Resistance 1 : 10495

Resistance 1 : 10580

Nifty Intraday Chart



Market Outlook

Yesterday we have seen a range bound and choppy movement of Indian equities and after opening on a subdued note, Nifty traded in the narrow band of 10405 and 10455. At the end of the day the index closed at 10442.20. It had a net gain of 0.06% over the previous trading day's close. The broader market was in the grip of bears as the midcap and small cap indices under-performed the benchmark index and closed the day after losing over 0.7% each. On the sectoral front, some buying interest was witnessed in metal and auto stocks while realty and FMCG indices have shown some weakness. 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. Once 10,550 is taken out convincingly, Nifty will be headed to newer heights. On the downside, 10300 would be a strong support level as Nifty Put has highest open interest at that level.

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.

At current level keeping an eye on global cues would be advisable.

Event Today

Bonus Issue

LANCER (Ratio : 3:5)

(Exdate : 3.1.2018)

Market

Market	Value	% Change
Morning Traded Market		
SGX NIFTY	10,474.50	0.05%
NIKKEI	Closed	
HANG SENG	30,636.01	0.39
Yesterday Closing Market		
Sensex	33,812.26	0.00%
Nifty	10,442.20	0.06%
DOW	24,824.01	0.42
NASDAQ	7,006.90	1.48
CAC	5,288.60	-0.45
DAX	12,871.39	-0.36
FTSE	7,648.10	-0.52
EW ALL SHARE	19,890.23	-0.36%

% Change in 1 day

Commodity Price (Yesterday Closing)

Commodity/Currencies	Value	% Change
GOLD	29151.00	0.10%
SILVER	39180.00	0.01%
CRUDEOIL	66.59	0.15%
NATURALGAS	193.70	1.73%
DOLLAR/RS.	63.48	-0.30%
EURO/RS.	76.60	0.27%
POUND/RS.	85.95	-0.10%

% Change in 1 day

Institutional Turnover

FII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
02-Jan-18	3162	2640	523
Jan-18	3932	3083	849
2018	3932	3083	849
DII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
02-Jan-18	3230	3166	65
Jan-18	5730	6965	(1236)
2018	5730	6965	(1236)

Quote of the Day : "The really big money tends to be made by investors who are right on qualitative decisions but, at least in my opinion, the more sure money tends to be made on the obvious quantitative decisions." **Warren Buffett**

ASHOKLEY

"ACCUMULATE"

3rd Jan 2018

Ashok Leyland reported a growth of whopping 79%YoY to 19253 units in total commercial vehicle volumes in December 2017. Sales of Medium & Heavy commercial vehicles grew by 82%YoY to 15950 units. The growth was largely attributed to increasing demand for the new tonnage vehicles and infrastructure development activities led by government funding. Light commercial vehicles volume rose 69%YoY to 3303 units during the month. Ashok Leyland ended 3QFY18 with sales of 46,647 units, a growth of 42%YoY. The products mix has also been in the favor of M&HCV segment, which will be responsible for higher margin during the quarter. Based on the strong demand outlook, we expect Revenue and PAT to grow at CAGR of 19% and 21% respectively, in FY17-19E. We expect a healthy ROE of over 21% in FY19. We value it at 21x FY19E EPS and change our rating from HOLD to ACCUMULATE with the target price of Rs.134.

SADBHAV

"ACCUMULATE"

2nd Jan 2018

Sadbhav Eng. is the one of the best EPC player in highway construction with strong execution capabilities and healthy balance sheet. Company has posted strong numbers during the Q2FY18 despite the healthy monsoon across the country. SADBHAV has legacy issues in Irrigation projects and good amount of working capital is blocked in those projects but from last couple of quarters things are resolving. During the Q2FY18 Rs.85 Cr was released from irrigation projects and management expect to complete remaining irrigation work by FY19 and will recover all the money by then. Service tax issue in mining is also settling down and we expect healthy run rate going forward. We are positive on the stock considering the strong order outlook coupled with improving balance sheet. We are rolling out our estimate to FY20 and maintain "ACCUMULATE" rating with target price Rs.483 (We value EPC business at Rs. 359, 23x FY20 EPS of Rs.15.6 and Rs.123 per share for BOT arm SIPL)

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

>> **Shivam Autotech Mgt Guideline** : The company is one of the largest manufacturers of gears in the country. Its major customer is Hero MotoCorp.

The company invested Rs 200 crore in two new plants, one in Bengaluru and one in Rohtak. The Bangalore plant is focused on indigenisation of products for four-wheelers.

The company has also added customers like Maruti and Eicher Motors. Now the dependency has reduced and Hero MotoCorp is 70 percent of the total portfolio and 30 percent is other customers, which are going to ramp up next year with new investments

Company has invested in infrastructure and machinery so if the topline grows, the bottomline will also grow accordingly
Company expects to see more than 15 percent growth in FY19 because new products and new projects are lined up.

>> **Bajaj Auto Mgt Guideline** : This quarter has been great for three-wheeler segment both domestic and exports. Company has done almost about 118 percent growth in domestic and 200 percent growth in exports

Going forward, this type of a growth rate will sustain at least for the next 4-5 months

The export numbers are much more steadier.

Company has already started production in our plants, both Waluj as well as the Pantnagar plant. We are going to unleash two Discovers in the market, production has already started in December,

Company is not going to cannibalise any of our models, Company is going to hit into the belly of the market and in addition, this quarter they will have the full quarter benefit of this addition and going forward some more product action is going to be in place.

>> **Brigade Enterprises** goes shopping - buys 13 acres of land for Rs 218 crore in Bengaluru for developing an IT park. Company said purchase of Bengaluru land is done through internal accruals.

Company has commercial leasing space of 2.4 million square feet currently.

Company said rentals are stable and expect them to remain stable going forward . On hospitality business front, Mgt said we expect to find an investor for the business by Q1 of FY19. Debt is moving in-line with the project pipeline

>> **State Bank of India (SBI) Mgt Guideline** : Bank said that transmission of reduction in policy rate through base rate does happen with a bit of a lag. Therefore, Bank has reduced the base rate. Bank said that little less than 25 percent of the book is linked to base rate.

The many customers are shifting to marginal cost of lending rate (MCLR), so customers who are on the base rate will get benefit of the reduction in policy rates that happened.

There will not be a huge impact on net interest margins (NIMs).

Further interest rate movement will depend on Reserve Bank of India's (RBI) call on interest rates

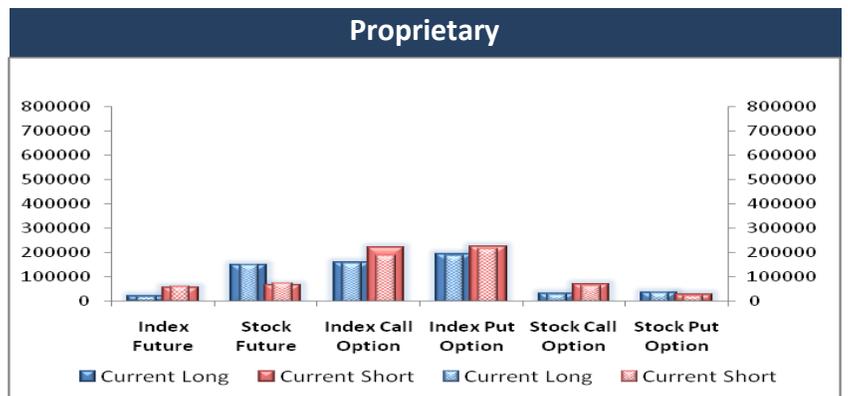
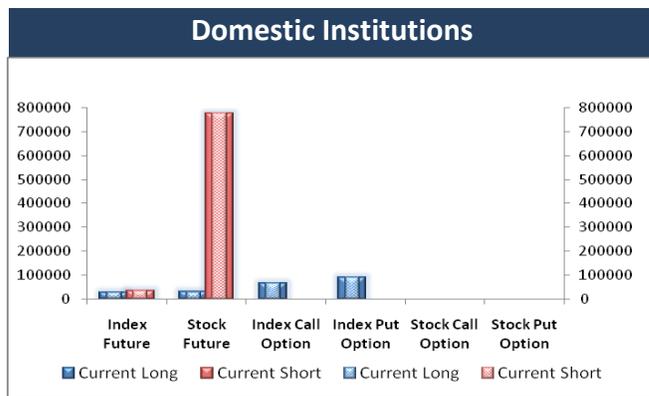
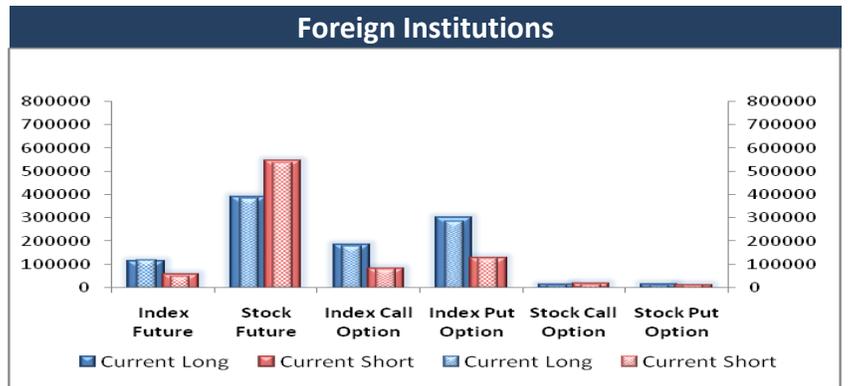
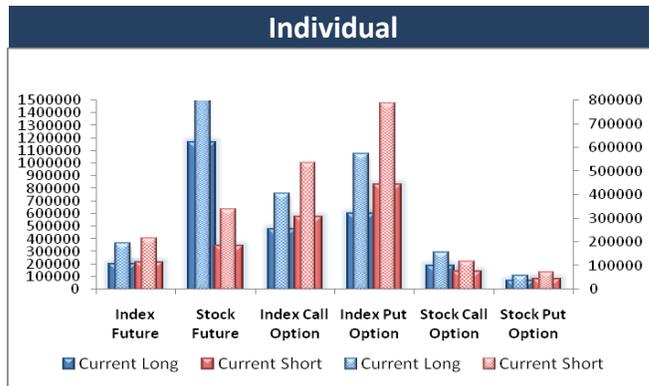
Bank of Baroda Mgt Guideline : The owners of the Pioneer Group have decided to sell their stake in Pioneer, the stake sale is not of significant amount . There is a 12-months window to see UTI MF listing. Mgt cannot comment on behalf of UTI but I think logically there is a high probability of that happening in FY18-FY19 . Company expects gross slippages to peak out by Q4 of FY18 for the industry. Bank has always given a guidance of 12-15 percent of credit growth. Bank Expect Rs 1,100-1,200 crore of quarterly provisions in 2nd list of National Company Law Tribunal (NCLT) cases

Block Deal

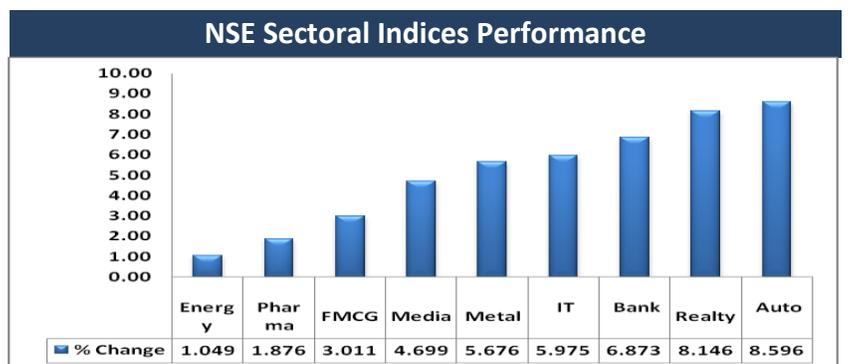
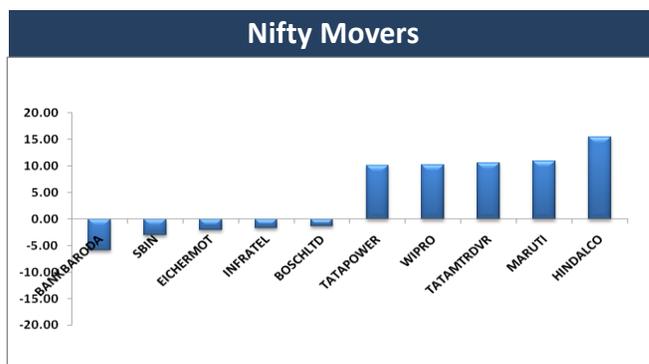
Exchange	Deal Date	Company	Client Name	Deal Type	Quantity	Price
NSE	02-Jan-18	AIFL	SUNGLOW CAPITAL SERVICES LTD.	BUY	47075	459
NSE	02-Jan-18	CGCL	CAPRI GLOBAL HOLDINGS PRIVATE LIMITED	BUY	1356248	120
NSE	02-Jan-18	HDIL	A K G SECURITIES AND CONSULTANCY LTD.	BUY	2755449	62
NSE	02-Jan-18	JVLGRO	DAVE AARTI C.	BUY	1353001	30
NSE	02-Jan-18	MTNL	KAMLESH BABALAL SHAH	BUY	628110	29
NSE	02-Jan-18	RCOM	ADROIT SHARE & STOCK BROKER PVT. LTD.	BUY	16087226	33
NSE	02-Jan-18	RCOM	DYNAMIC EQUITIES PRIVATE LIMITED	BUY	17097780	33
NSE	02-Jan-18	RCOM	SHAASTRA SECURITIES TRADING PRIVATE LIMITED	BUY	32193480	33
NSE	02-Jan-18	RIIL	DEVISHA DHARMENDRA VYAS (DEVISHA Y UPADHYAY)	BUY	98070	659
NSE	02-Jan-18	RIIL	GENUINE STOCK BROKERS PVT LTD	BUY	92542	661
NSE	02-Jan-18	RIIL	GRAVITON RESEARCH CAPITAL LLP	BUY	161622	661
NSE	02-Jan-18	RIIL	OPG SECURITIES PVT. LTD.	BUY	251256	662
NSE	02-Jan-18	RIIL	PURITY TRADEMAX LLP	BUY	81158	662
NSE	02-Jan-18	RIIL	QE SECURITIES	BUY	89158	659
NSE	02-Jan-18	RIIL	RANJAN MANUBHAI SHAH	BUY	94514	663
NSE	02-Jan-18	RIIL	SHAASTRA SECURITIES TRADING PRIVATE LIMITED	BUY	348210	662
NSE	02-Jan-18	RIIL	WAY2WEALTH ENTERPRISES PRIVATE LIMITED	BUY	157143	661
NSE	02-Jan-18	RNAVAL	CROSSLAND TRADING CO	BUY	3933707	65
NSE	02-Jan-18	RNAVAL	JMVD FINANCIAL ADVISORS LLP	BUY	4969745	65
NSE	02-Jan-18	RNAVAL	PURITY TRADEMAX LLP	BUY	5014575	64
NSE	02-Jan-18	UNITECH	ADROIT FINANCIAL SERVICES PRIVATE LIMITED	BUY	23468741	11
NSE	02-Jan-18	UNITECH	SHAASTRA SECURITIES TRADING PRIVATE LIMITED	BUY	17571877	11
NSE	02-Jan-18	UNITECH	WELLINDIA SECURITIES LIMITED	BUY	43530103	11
NSE	02-Jan-18	UTTAMSTL	ASHOKBHAI G SAKARIYA	BUY	638007	22
NSE	02-Jan-18	WEBELSOLAR	GARNET INTERNATIONAL LIMITED	BUY	2081378	123
NSE	02-Jan-18	AIFL	SUNGLOW CAPITAL SERVICES LTD.	SELL	227671	454
NSE	02-Jan-18	CELESTIAL	PADMA SINGH	SELL	161633	22
NSE	02-Jan-18	HDIL	A K G SECURITIES AND CONSULTANCY LTD.	SELL	2755802	63
NSE	02-Jan-18	JVLGRO	DAVE AARTI C.	SELL	1353001	30
NSE	02-Jan-18	MTNL	KAMLESH BABALAL SHAH	SELL	1582110	30
NSE	02-Jan-18	RCOM	ADROIT SHARE & STOCK BROKER PVT. LTD.	SELL	16103226	33
NSE	02-Jan-18	RCOM	DYNAMIC EQUITIES PRIVATE LIMITED	SELL	17097781	33
NSE	02-Jan-18	RCOM	SHAASTRA SECURITIES TRADING PRIVATE LIMITED	SELL	32193480	33
NSE	02-Jan-18	RIIL	DEVISHA DHARMENDRA VYAS (DEVISHA Y UPADHYAY)	SELL	98070	660
NSE	02-Jan-18	RIIL	GENUINE STOCK BROKERS PVT LTD	SELL	92542	662
NSE	02-Jan-18	RIIL	GRAVITON RESEARCH CAPITAL LLP	SELL	161622	662
NSE	02-Jan-18	RIIL	OPG SECURITIES PVT. LTD.	SELL	251256	662
NSE	02-Jan-18	RIIL	PURITY TRADEMAX LLP	SELL	81158	662
NSE	02-Jan-18	RIIL	QE SECURITIES	SELL	89103	662
NSE	02-Jan-18	RIIL	RANJAN MANUBHAI SHAH	SELL	96514	662
NSE	02-Jan-18	RIIL	SHAASTRA SECURITIES TRADING PRIVATE LIMITED	SELL	348210	662
NSE	02-Jan-18	RIIL	WAY2WEALTH ENTERPRISES PRIVATE LIMITED	SELL	157143	661
NSE	02-Jan-18	RNAVAL	CROSSLAND TRADING CO	SELL	3933707	65
NSE	02-Jan-18	RNAVAL	IL & FS FINANCIAL SERVICES LIMITED	SELL	9400000	63
NSE	02-Jan-18	RNAVAL	JMVD FINANCIAL ADVISORS LLP	SELL	4978917	65
NSE	02-Jan-18	RNAVAL	PURITY TRADEMAX LLP	SELL	5014575	64
NSE	02-Jan-18	UNITECH	ADROIT FINANCIAL SERVICES PRIVATE LIMITED	SELL	23525091	11
NSE	02-Jan-18	UNITECH	SHAASTRA SECURITIES TRADING PRIVATE LIMITED	SELL	17571877	11
NSE	02-Jan-18	UNITECH	WELLINDIA SECURITIES LIMITED	SELL	43362459	11

NSE	02-Jan-18	UTTAMSTL	ASHOKBHAI G SAKARIYA	SELL	746019	22
NSE	02-Jan-18	UTTAMSTL	ERISKA INVESTMENT FUND LTD	SELL	850000	22
NSE	02-Jan-18	WEBELSOLAR	ADESH VENTURES LLP	SELL	140000	128
NSE	02-Jan-18	WEBELSOLAR	GARNET INTERNATIONAL LIMITED	SELL	319166	133
NSE	02-Jan-18	WEBELSOLAR	INDIA MAX INVESTMENT FUND	SELL	1414866	121

F&O OPEN INTEREST (Number of Contracts)



MARKET MOVERS (1 MONTH CHANGE)



Economic Calendar

Country	Monday 1st Jan 18	Tuesday 2nd Jan 18	Wednesday 3rd Jan 18	Thursday 4th Jan 18	Friday 5th Jan 18
US	Chicago PMI , Revised UoM Consumer Sentiment , Revised UoM Inflation Expectations	ISM Manufacturing PMI , ISM Manufacturing Prices	Challenger Job Cuts y/y , Construction Spending m/m , Total Vehicle Sales , FOMC Meeting Minutes.	ADP Non-Farm Employment Change , Unemployment Claims , ISM Non-Manufacturing PMI , Natural Gas Storage , Crude Oil Inventories	Average Hourly Earnings m/m , Non-Farm Employment Change , Unemployment Rate , Trade Balance , Factory Orders m/m.
UK/EURO ZONE		Spanish Manufacturing PMI , Italian Manufacturing PMI, French Final Manufacturing PMI, German Final Manufacturing PMI , Final Manufacturing PMI , Manufacturing PMI	Construction PMI	Spanish Unemployment Change , Spanish Services PMI , Italian Services PMI , French Final Services PMI , German Final Services PMI , Final Services PMI , Services PMI , Net Lending to Individuals m/m	German Retail Sales m/m , CPI Flash Estimate y/y , Core CPI Flash Estimate y/y , PPI m/m
INDIA		Auto sales No , Nikkei Manufacturing PMI no		Nikkei Services PMI	

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Office No: 6 , 5th floor Tower- IIInd,
Stellar IT Park Plot No. C -25 , Sector – 62 ,
Noida – 201309 . Delhi NCR Phone : +91-120-4155509
Email: research.insti@microsec.in, Website: www.microsec.in