

Trading Calls

PETRONET Long/Buy 15th May 2018

After hitting high of 275 , scrip has seen correction till 61.8% Fibonacci retracement of the up move from 163 to 275 level which indicate halt in this fall. Point of Polarity due to falling red trendline suggest a support for the scrip . Demand zone is created due to its previous resistance which becomes its support at current juncture .

NIITLTD Long/Buy 11th May 2018

This stock is in uptrend, Formation of hammer imply up move, Golden crossover can give a positive trigger in coming session, currently it trading above golden cross over, it can take support of 102 level and extend upto 130 and above. STDC - NIIT LTD - BUY around 108-109 and 100-102, SL – 83.90, T1- 127,149

AXISBANK Long/Buy 10th May 2018

Axis bank trading above 200 wsma and given breakout of Triangle pattern, All Oscillator are in uptrend. it has stock resistance zone at 630 level . STDC : Buy AXIS BANK baround 540-545 and 520-525 sl 472 target 585/630

IRB : R25 Long/Buy 7th May 2018

Recently IRB Infrastructure Developers Limited moved from 220 to 280 levels while making higher top and higher bottom formations. We continue to maintain our positive stance on IRB henceforth for at least period of a year. Buy IRB Infra around 260-270 and 230-240 with a stop loss of 214(closing basis) for target of 360 and 400

INFY : R25 Long/Buy 7th May 2018

After hitting a low of 860, scrip showed sharp momentum on upside till 1221 level due to positive divergence along with Hammer at lower levels. On contrary, MACD negative crossover can force to take a dip towards 1090-1100 levels from where buyer can get opportunity to buy this scrip again . R25 CALL: BUY INFY @ 1135-1155 and 1090-1100 SL -1055 (CLOSING BASIS) TGT-1350, 1450

HINDCOPPER Long/Buy 23th Apr 2018

Lower band of andrew pitch fork showing support of iniatial level from where bounce back can be expect to its Center band, RSI is trading above 50 showing up move in coming session and price can extend upto 99 levels, view may remain intact till it sustain above the level of 67 .STDC - BUY HINDCOPPER AT 77-79 and 70-72, SL 61.90, TARGET 98,115

| Market | Value | % Change |
|-----------|----------|----------|
| SGX Nifty | 10757.50 | -0.63% |

Nifty Key Levels

| | | |
|------------|------------|------------|
| Support | S1 : 10680 | S2 : 10700 |
| Resistance | R1 : 10780 | R2 : 10820 |

Market Outlook

Nifty in volatile zone!
Wednesday, Nifty opened around 10812, made a high of 10929, then after making a low of 10781 closed flat around 10801(-4), however entire day trading range was 149 points.
Despite having stupendous victory of BJP in Karnataka, Selling climax is observed in the market which shows exhaustion at higher levels. Appearance of Gravestone Doji in the PRZ of Bearish Cypher harmonic pattern suggests selling on higher side. A close below 10780 levels would confirm the weakness & Nifty can fell towards 10680 & 10600 levels where it's key support lies.
However, key resistances are around 10780-10820 and immediate supports are seen around 10680-10700.

| Institutional Turnover | | | |
|------------------------|----------|-----------|----------|
| FII | Buy(Cr.) | Sale(Cr.) | Net(Cr.) |
| 15-May-18 | 4735 | 4017 | 718 |
| May-18 | 43296 | 47007 | (3711) |
| DII | Buy(Cr.) | Sale(Cr.) | Net(Cr.) |
| 15-May-18 | 3668 | 2981 | 687 |
| May-18 | 31599 | 25551 | 6048 |

| Sectoral Performance (%) | | | | |
|--------------------------|-------|--------|--------|--------|
| | 1 Day | 1 Week | 1Month | 1 Year |
| Auto Components | 0.2 | (0.3) | 10.1 | 20.3 |
| Automobiles | 0.3 | 0.8 | 5.8 | 17.0 |
| Chemicals | 0.1 | (0.5) | 7.5 | 14.6 |
| Construction Materials | (1.0) | (1.0) | 3.5 | 2.5 |
| Construction & Engg | 0.2 | 0.1 | 5.2 | 32.5 |
| Div. Financial Services | 0.9 | 2.0 | 12.2 | 58.7 |
| Electrical Equipment | (0.1) | 0.2 | 1.9 | (0.1) |
| Energy | 0.3 | 1.5 | 2.8 | 7.7 |
| Financials | 0.4 | (0.3) | 4.5 | 8.9 |
| Health Care | (0.2) | 0.8 | 5.5 | (6.2) |
| Household Durables | 1.0 | (1.2) | 5.9 | 19.88 |
| Household Pers. Products | 1.6 | 1.8 | 3.0 | 12.9 |
| Information Technology | 1.11 | 7.0 | 14.4 | 43.1 |
| Metals/Mining/Minerals | (0.2) | (2.9) | 6.9 | 21.3 |
| Telecom | (2.7) | (0.1) | (5.4) | (0.8) |
| Utilities | (0.0) | (1.9) | 2.6 | 3.2 |

Participant wise Open Interest In Equities Derivative (no. of contracts)

| Long Position | | | | |
|-------------------|-------|--------|--------|---------|
| | DII | FII | Pro | Other |
| Future Index | 26063 | 133936 | 22435 | 242414 |
| Future Stock | 37649 | 696678 | 170384 | 1081014 |
| Option Index Call | 58861 | 239156 | 149397 | 476115 |
| Option Index Put | 93430 | 382697 | 155374 | 702805 |
| Option Stock Call | 256 | 35230 | 52155 | 314355 |
| Option Stock Put | 0 | 35048 | 52113 | 132189 |

| Short Position | | | | |
|-------------------|--------|--------|--------|--------|
| | DII | FII | Pro | Other |
| Future Index | 75488 | 88234 | 49450 | 211676 |
| Future Stock | 920372 | 526458 | 100035 | 438860 |
| Option Index Call | 0 | 92840 | 220942 | 609746 |
| Option Index Put | 0 | 177414 | 249946 | 906946 |
| Option Stock Call | 0 | 34653 | 117333 | 250010 |
| Option Stock Put | 0 | 23596 | 51212 | 144542 |

High ES & High PS Stock Maintaining Strength

| BSE Code | NSE CODE | 1 Month Return % |
|----------|------------|------------------|
| 500126 | MERCK | 40.3 |
| 532175 | CYIENT | 26.8 |
| 532809 | FSL | 19.1 |
| 501425 | BBTC | 18.0 |
| 511072 | DHFL | 17.7 |
| 500670 | GNFC | 17.6 |
| 500680 | PFIZER | 16.4 |
| 533179 | PERSISTENT | 16.3 |
| 532313 | MAHLIFE | 16.2 |
| 532890 | TAKE | 15.3 |

High ES & Low PS Stock Showing Strength

| BSE Code | NSE CODE | 1 Month Return % |
|----------|------------|------------------|
| 500210 | INGERRAND | 30.6 |
| 532440 | MPSLTD | 22.0 |
| 538666 | SHARDACROP | 13.0 |
| 533088 | MHRIL | 11.6 |
| 501455 | GREAVESCOT | 11.4 |
| 532756 | MAHINDCIE | 10.5 |
| 532772 | DCBbank | 7.9 |
| 532689 | PVR | 6.9 |
| 532927 | ECLERX | 6.3 |
| 534091 | MCX | 5.9 |

Low ES & Low PS Stock Maintaining Weakness

| BSE Code | NSE CODE | 1 Month Return % |
|----------|------------|------------------|
| 500185 | HCC | (35.90) |
| 530943 | SABTN | (29.06) |
| 532822 | IDEA | (27.38) |
| 532480 | ALBK | (24.13) |
| 511389 | VIDEOIND | (23.88) |
| 524404 | MARKSANS | (22.06) |
| 532418 | ANDHRABANK | (17.65) |
| 532749 | ALLCARGO | (17.37) |
| 532944 | ONMOBILE | (16.32) |
| 532505 | UCOBANK | (15.88) |

Low ES & High PS Stock Showing Weakness

| BSE Code | NSE CODE | 1 Month Return % |
|----------|------------|------------------|
| 532712 | RCOM | (44.04) |
| 500378 | JINDALSAW | (24.47) |
| 532800 | TV18BRDCST | (18.24) |
| 532939 | RPOWER | (16.35) |
| 538562 | SKIPPER | (15.65) |
| 500870 | CASTROLIND | (13.45) |
| 500116 | IDBI | (12.68) |
| 526521 | SANGHIIND | (11.92) |
| 533148 | JSWENERGY | (11.52) |
| 500380 | JKLAKSHMI | (11.46) |

* ES- Earning Score is average of EM (Earning Momentum defined as relative performance in terms of operating profit growth) and EQ (Earning Quality defined as relative balance sheet strength in terms of debt and working capital)

* PS- Price Score is of a company is relative price performance in multiple time-frame

Analysis shown here is only for companies with market cap more than Rs 1,000 Cr.

Nifty Weekly

14-May-18

Despite having hike in crude oil prices and depreciation in Indian rupee, Domestic market crossed their crucial resistance levels convincingly and gave a cheerful movement of dancing to Bulls on D-street. Long position was seen in heavyweight stocks but small-caps and mid-caps were thrashed badly. Volatility appears to be the flavour of this coming week due to the outcome of Karnataka election where victory of BJP can push Indices on higher level. If this will not happen, then market may slip lower.

NIFTY-

- a) Strength of Bank-nifty help Nifty to move higher above its crucial resistance level of 10780-10800.
- b) Bullish Belt Hold pattern on daily chart indicate strength and it can extend up to 10955 level where next resiatnce is seen
- c) However, Negative divergence in RSI on daily chart imply caution to Bulls
- d) On crossing below 10700-10725 level, it can slip down till 10600 level gap down opening.
- e) As long as it hold above the level of 10600, positive bias can be maintained

BANK

NIFTY-

- Banknifty continue to outperform Nifty
- Immediat resistance is seen at 26440 level above which it can inch forward till 26790 and 27020
- c) Support is located at 26100 level folllowed by 25950 levels

- a)
- b)

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

| RESISTANCE/SUPPORT | NIFTY LEVEL | JUSTIFICATION |
|--------------------|-------------|--------------------------|
| Resistance 2 | 10955 | Previous swing high |
| Resistance 1 | 10812 | Current week High |
| Close | 10806 | |
| Support 1 | 10725 | Low of Bullish Belt Hold |
| Support 2 | 10600 | Previous week low |

USDINR Weekly

14-May-18

Indian rupee can show some sign of strength in coming week as pair seems losing momentum at our mentioned resistance level. Negative divergence in RSI also confirms the same. On sustaining below 67 mark, pair can slip down till 66.55 and 65.95 mark where its key support lies. However, View will be invalidated if pair breaches 67.75 -67.80 levels, then it will extend up to 68.10 and 68.50 where next resistance are located.

CHART

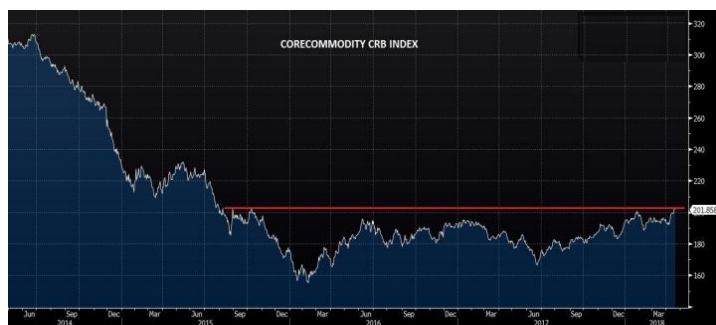


Rapid Increase in Major Commodity Prices To Boost Inflation

Rapid Increase in Major Commodity Prices To Boost Inflation.

The rapid increase in major commodity prices (particularly aluminum, oil, nickel) is going to be globally inflationary. If the commodity prices stay high for a sustained period of time, it is very likely for the inflation to rise and accelerate the Fed's rate hikes, as well as push the ECB to exit QE sooner than expected. Inflation worries are growing as oil and commodity prices have been rising in recent weeks.

Core Commodity CRB Commodity Index

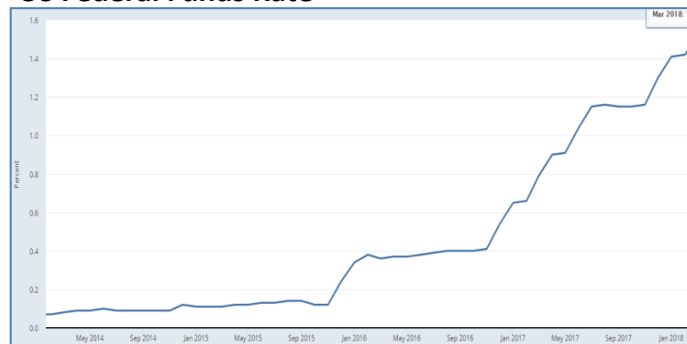


The above chart tells us the commodity prices have strengthened since the start of 2016. Currently, the CRB index is trading at 201.8 which means commodity prices are staying firm on the back of strong economic growth and rise in global demand of commodities. Currently the CRB Index is near the highest level since 2015 which makes us believe that the price of commodities will continue to rally in 2018.

US Consumer Inflation Chart YoY



US Federal Funds Rate



Commodities prices rose strongly since past 2015 and we saw inflation also taking upward momentum 2016. As we can see the above charts, how inflation has started to rise from -0.2% in 2015 to 2.4% in March 2018 and similarly the US interest rates moved higher from 0.25% in 2015 to 1.5% in this year. Commodity driven inflation prices would lead to faster pace of interest rate tightening this year or next. Several Federal bank members expect that there is the probability of four rate hikes in the U.S. this year.

As per our view, we expect inflation to reach 4% in this year or next year with expectations of interest rates to hike 3-4 times in year, US 10Y Treasury yields staring at 3%, we believe everything from mortgage to student loans to car loans will feel the pressure of higher borrowing rates leading to a stall in economic growth. Higher corporate borrowing costs will lead to decrease in corporate earnings and slowdown in growth. All these factors will lead the investors towards precious metals – safe haven assets!

CRUDE OIL UPDATE

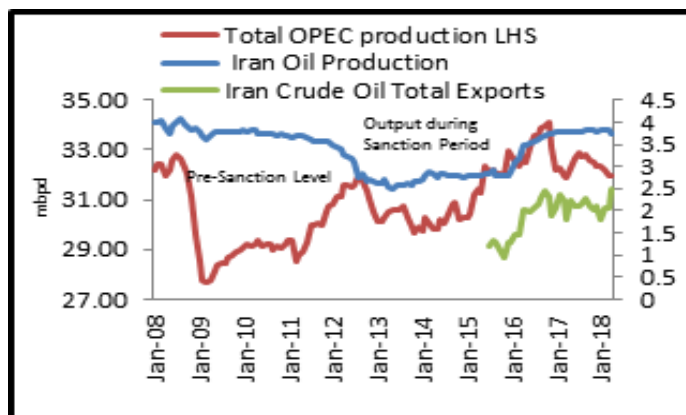
12th May decision on Iran Nuclear Deal is Alarming

Severe sanctions were imposed on Iran by US and major countries in response to illicit nuclear activities and from developing military nuclear capacity. In 2015, Iran Nuclear Deal was signed with six world powers – US, UK, France, Germany, Russia, China during the Barack Obama presidency. The deal was an agreement with Iran to limit its nuclear programme in return for lifting all the nuclear related economic sanctions.

Trump to collapse the nuclear deal: US President is expected to scrap the agreement ahead of 12th May deadline to renew its support for the deal. If the Trump abandons the deal, oil prices would see spike in prices as Iranian oil supply would be removed from the market. However, if the new sanctions are lower or results in smaller oil supply disruption than expected, then we would see a correction in oil prices.

Other nations view: Israel and United States is against the Iran's nuclear agreement. Israel and Iran relationship have always been at a risk of war while other nations like UN, France, Germany and China is in support of the nuclear agreement. United Nations Sec-Gen Antonio Guterres warned against scrapping an international deal on Iran's nuclear program unless there was a good alternative in place.

Iran's oil: Iran is the third largest oil producer of the Organization of the Petroleum Exporting Countries (OPEC) producing around 11% of the Total OPEC production. Since 2016, Iran has since managed to increase its oil production to pre-sanctions levels of 3.9 million barrels per day, with output currently averaging 3.81 million barrels per day in compliance with OPEC restrictions. Sanctions on Iran have halved the country's exports to below 1 mbpd in 2015, and currently Iran's exports have hit 2.6 million bpd at record levels. The top consumers of Iran crude are China, India, EU and South Korea.



Global impact: Any withdrawal of the deal would create havoc in the oil market. Iran was exploring various responses to such a move from the US -- including restarting nuclear activities. Iran's foreign minister said that the US demands to change its 2015 nuclear agreement with the other world powers were unacceptable. Therefore, all eyes will be now on US-Iran relations whether the agreement will be scrapped or no. One more thing to be noted is that after US sanctions on Russia, the largest aluminium producer, the impact on imposition of sanction on oil will be more disastrous as oil is much more important to the smooth-running of the global economy than aluminum.

Iran's situation is keeping the crude oil prices on the rise since the last month. Crude oil prices are also supported by the efforts of OPEC to keep the production cut intact while US production is on the rise. Another risk to crude oil is Syrian crisis where the risk of war between Iran and Israel looks real. All in all, geopolitical worries are keeping crude oil prices on fire

VIEW

15-May-18

| | |
|----------------------|----------|
| BSE Code | 532522 |
| NSE Symbol | PETRONET |
| 52wk Range H/L | 275.65 |
| Mkt Capital (Rs Cr) | 198.2 |
| Av.Cash Volume(,000) | 1690759 |
| Open Interest | NA |

| | |
|----------------|-----|
| Buy Price | 205 |
| Stop Loss | 173 |
| Target Price1 | 238 |
| Target Price2 | 270 |
| Upside in Tgt1 | 16% |
| Upside in Tgt2 | 32% |

Technical Chart



BUY PETRONET @ 205-210 SL-173 TGT-238, 270

After hitting high of 275 , scrip has seen correction till 61.8% Fibonacci retracement of the up move from 163 to 275 level which indicate halt in this fall.

Point of

Polarity due to falling red trendline suggest a support for the scrip

Demand zone is created due to its previous resistance which becomes its support at current juncture

PETRONET LNG LIMITED

Industry
Bloomberg
BSE Code
NSE Code

Oil And Gas
PLNG IN
532522
PETRONET

16 May 2018

| RATING | BUY |
|------------------|-----|
| CMP | 208 |
| Price Target | 286 |
| Previous Target | 286 |
| Potential Upside | 38% |

Stock Info

| | |
|-----------------------|---------|
| 52wk Range H/L | 275/198 |
| Mkt Capital (Rs Cr) | 31,395 |
| Free float (%) | 50% |
| Avg. Vol 1M (000) | 2621 |
| No. of Shares (Crore) | 150 |
| Promoters Pledged % | 1% |

Volume growth remain key trigger

Key Highlights

- ☑ Petcoke (alternate fuel) prices has surged by 16% in Q4 FY18, and Petronet is likely to be benefited from this hike. Hence we factor 21% volume growth YoY in Q4.
- ☑ BPCL Kochi refinery has now stabilized, Capacity utilization at Kochi terminal range between 15%-20% for the last 3 quarters and offtake by BPCL refinery will gradually go up. Further the management has guided for sequential improvement in utilization and current volume offtake trend will continue in accordance with the BPCL off taking volumes.
- ☑ Ministry has allowed use of LNG gas in heavy transport vehicles. Company plans a pilot project of LNG trucking in 2018 which will open new doors of LNG demand in the domestic market.
- ☑ Company has taken 5% hike in realization in Jan 2018. Company will slowly pass on the incremental cost of imported LNG on its customers.
- ☑ Dahej capacity expansion to 17.5MMT is on track and is expected to come on stream in the month of June-July 2018.

4Q FY18 Result:

Petronet LNG is expected to perform well in the upcoming quarter on the back of incremental volume at both Dahej and Kochi terminal. Dahej terminal is likely to be benefitted from higher offtake by the power and fertilizer plants led by the sharp upsurge in the prices of the alternate fuel in Q4 FY18. Further, BPCL's Kochi refinery expansion is now stabilized and likely to take higher volume offtake from Petronet Kochi terminal. We expect that volume growth to remain in the range of 15-17% (due to lower base) in FY18 and 11% in FY19.

View and Valuation

Considering healthy volume growth at both terminal while maintaining the margins at its current level. We remain optimistic on this stock and expect revenue and PAT grow at 12% and 16% CAGR respectively over FY18-20.

We value PETRONET at 16x FY20e EPS and arrive at a target price of Rs.286 and recommend BUY.

Key Risks to our rating and target

- ♦ Weakness of rupee against dollar will make import of LNG costlier for the company
- ♦ Decline in the prices of the alternate fuel
- ♦ Any delay in supply of Gorgon Volume will lead to lower capacity utilization

| KEY FINANCIAL/VALUATIONS | FY16 | FY17 | FY18 | FY19E | FY20E |
|--------------------------|-------|-------|-------|-------|-------|
| Net Sales | 27133 | 24616 | 29892 | 32625 | 34568 |
| EBITDA | 1586 | 2592 | 3258 | 3565 | 3777 |
| EBIT | 1265 | 2223 | 2835 | 3139 | 3348 |
| PAT | 913 | 1706 | 2110 | 2423 | 2693 |
| EPS (Rs) | 6 | 11 | 14 | 16 | 18 |
| EPS growth (%) | 1% | 87% | 24% | 15% | 11% |
| ROE (%) | 14% | 21% | 22% | 21% | 20% |
| ROCE (%) | 14% | 23% | 27% | 25% | 23% |
| BV | 44 | 54 | 65 | 77 | 91 |
| P/B (X) | 3 | 4 | 4 | 3 | 2 |
| P/E (x) | 21 | 18 | 17 | 13 | 12 |

Research Analyst

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| | | | |
|----------------------|-----------|----------------|------|
| BSE Code | 500304 | Buy Price | 108 |
| BSE Symbol | NIITLTD | Stop Loss | 83.9 |
| 52wk Range H/L | 125/82.30 | Target Price1 | 127 |
| Mkt Capital (Rs Cr) | 1,705.15 | Target Price2 | 149 |
| Av.Cash Volume(,000) | 851.24 | Upside in Tgt1 | 18% |
| Open Interest | NA | Upside in Tgt2 | 38% |

Technical Chart



STDC - NIIT LTD - BUY around 108-109 and 100-102, SL – 83.90, T1- 127,149

This stock is in uptrend, Formation of hammer imply up move, Golden crossover can give a positive trigger in coming session, currently it trading above golden cross over, it can take support of 102 level and extend upto 130 and above.

11-May-2018

Narnolia Securities Ltd | Retail Technical Research

| | |
|----------------------|---------------|
| BSE Code | INE238A01034 |
| BSE Symbol | AXISBANK |
| 52wk Range H/L | 627.50/447.80 |
| Mkt Capital (Rs Cr) | 1,40,614.79 |
| Av.Cash Volume(,000) | 62574.37 |
| Open Interest | NA |

| | |
|----------------|-----|
| Buy Price | 540 |
| Stop Loss | 472 |
| Target Price1 | 585 |
| Target Price2 | 630 |
| Upside in Tgt1 | 8% |
| Upside in Tgt2 | 17% |

Technical Chart



STDC : Buy AXIS BANK baround 540-545 and 520-525 sl 472 target 585/630

Axis bank trading above 200 wsma and given breakout of Triangle pattern, All Oscillator are in uptrend. it has stock resistance zone at 630 level.

VIEW

IRB Infrastructure Developers Limited:

Recently **IRB Infrastructure Developers Limited** moved from 220 to 280 levels while making higher top and higher bottom formations. We continue to maintain our positive stance on IRB henceforth for at least period of a year. As long as it holds recent support zone which should act as crucial support. For a strong breakout close above 292 would lead prices to higher levels with faster pace.

Some of the technical reasons supporting our view are mentioned here-

A) Formation of **cup and Handle pattern** as indicated in above chart, should push prices upside towards 350-400 levels as long as it holds 214 levels.

B) Recent **Breakout of strong resistance line** indicates prices would move higher levels.

C) Close above 260 levels which was a **strong resistance zone** shows bullishness.

D) **Strong support zone around 200-220**, would definitely act as a strong support to prices.

Looking at all technical, fundamental and derivatives aspects, we maintain our bullish view intact. We expect prices to trader higher levels towards 350-400 levels.

Concluding:- R25 CALL

Buy IRB Infra around 260-270 and 230-240 with a stop loss of 214(closing basis) for target of 360 and 400.

CHART ANALYSIS



IRB INFRASTRUCTURE DEVELOPERS LTD.

Industry
Bloomberg
BSE Code
NSE Code

Con. & Eng.
IRB IN
532947
IRB

07 May 2018

| RATING | BUY |
|------------------|-----|
| CMP | 266 |
| Price Target | 320 |
| Previous Target | 231 |
| Potential Upside | 20% |

Stock Info

| | |
|-----------------------|---------|
| 52wk Range H/L | 286/193 |
| Mkt Capital (Rs Cr) | 9364 |
| Free float (%) | 43% |
| Avg. Vol 1M (,000) | 4168 |
| No. of Shares (Crore) | 35 |
| Promoters Pledged % | 0.3% |

Strong Order book support 30-35% CAGR EPC revenue growth over FY18-20

Key Highlights

- ✓ IRB is the largest road developer of the country with 13400 lane km of projects completed or under construction or development. With entry into HAM segment will ensure continuous order book growth. IRB has secured Rs.55 bn worth of new HAM projects in last quarter.
- ✓ Company has added 5 new toll streams in FY18: 3 Rajasthan projects started construction and tolling and commissioning of Solapur Yedeshi & Kaithal Rajasthan. Tolling on these projects will keep toll revenue/profit sustainable.
- ✓ Overhang of CBI Investigation Cleared as CBI has virtually given a clean chit to top management of the company in connection with murder case of RTI activist Satish Shetty in 2010.

4Q FY18 Result:

IRB has reported Q4FY18 numbers largely in line with our estimates. Revenue was down by 15% YoY to Rs.1382 Cr v/s our estimate of Rs.1352 Cr. Revenue was down mainly due to transfer of 7 BoT assets to IRB InvIT. As result of assets transfer bottom line has improved by 15.7% YoY to Rs.240 Cr v/s our estimate of Rs.247 Cr. Till Q3FY18 IRB was struggling to get new orders but in Q4FY18 company has secured new orders worth Rs.8900 Cr. With this the current order book stands at Rs.15000 Cr, i.e 3.8x of TTM EPC revenue. Also, the CBI has virtually given a clean chit to top management of the company in connection with murder case of RTI activist Satish Shetty in 2010.

View and Valuation

IRB was struggling to get new orders but once the management has started focusing on HAM projects company has witness Rs.8900 Cr of order inflow in just 2 months. With this strong order inflow order book stands at Rs.15000 Cr, which is highest in last 30 quarters and support 30-35% CAGR EPC revenue growth over FY18-20. However the EBITDA margin is lower on HAM projects but at bottom line is at par with BoT projects. IRB has completed construction on Solapur Yedeshi & Kaithal Rajasthan and subsequently tooling has commenced. Mumbai Pune toll concession period expire in Aug 2019 which currently contributes highest in toll revenue. However, tolling on new projects will keep Toll revenue/profit sustainable. **We value IRB at 1.5x (Avg. of last 5 years) BVPS of FY20E and arrived at target price of Rs.320 and recommend "BUY".**

Key Risks to our rating and target

- ♦ Delay in appointment date
- ♦ Slow down in execution due to external factors

| KEY FINANCIAL/VALUATIONS | FY16 | FY17 | FY18E | FY19E | FY20E |
|--------------------------|------|------|-------|-------|-------|
| Net Sales | 5128 | 5846 | 5618 | 7285 | 9359 |
| EBITDA | 2660 | 3048 | 2679 | 3440 | 3480 |
| EBIT | 1807 | 2193 | 2135 | 2842 | 3027 |
| PAT | 639 | 715 | 875 | 1025 | 968 |
| EPS (Rs) | 18 | 20 | 25 | 29 | 28 |
| EPS growth (%) | 18% | 12% | 22% | 17% | -6% |
| ROE | 13% | 14% | 15% | 15% | 13% |
| ROCE | 9% | 12% | 11% | 13% | 10% |
| BVPS | 138 | 156 | 174 | 195 | 216 |
| P/B (X) | 1.7 | 1.4 | 1.6 | 1.4 | 1.3 |
| P/E (x) | 13.0 | 10.8 | 10.8 | 9.3 | 9.8 |

Research Analyst

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Please refer to the Disclaimers at WWW.Narnolia.com

VIEW

After hitting a low of 860, scrip showed sharp momentum on upside till 1221 level due to positive divergence along with Hammer at lower levels.

On a weekly chart, Infy formed Pole and Flag pattern which comes in continue bullish formation.

In addition, pair has been consolidating above double bottom breakout on weekly chart, which suggest bullishness in the prices near term

Moreover, price is sustaining above all higher moving averages also supportive for the prices

Stock has formed a strong base around 1055-1090 zone and has reversed after the formation of Bullish belt hold which is a positive sign

ADX is also looking supportive as it has been sustaining near 40 levels indicating strong trend

Although

RSI also highlighting further gains in the coming session

On contrary, MACD negative crossover can force to take a dip towards 1090-1100 levels from where buyer can get opportunity to buy this scrip again.

R25 CALL: BUY INFY @ 1135-1155 and 1090-1100 SL -1055 (CLOSING BASIS) TGT-1350, 1450

CHART ANALYSIS



| | |
|------------------|------|
| RATING | BUY |
| CMP | 1173 |
| Price Target | 1350 |
| Previous Target | 1233 |
| Potential Upside | 15% |

Stock Info

| | |
|-----------------------|----------|
| 52wk Range H/L | 1220/862 |
| Mkt Capital (Rs Cr) | 256176 |
| Free float (%) | 87% |
| Avg. Vol 1M (,000) | 377 |
| No. of Shares (Crore) | 229 |
| Promoters Pledged % | 0% |

Key Highlights

- Infosys shared the four pillars of its strategic plan for strong FY19 & FY20 performance [1] scaling agile digital, [2] energizing the core, [3] reskilling people and [4] expanding localization of talent.
- Infosys 's strategy has been progresssing well with 11.1% contribution from new service s(Cloud Ecosystem, Big data and Analytics , API and Micro service , Data and Mainframe modernization , Cyber)
- With continued investments in sales & marketing plan for Branding, Injecting digital specialists into accounts, Scaling large accounts, Shaping large deals, Acquiring new accounts and Enabling sales via continuous anytime-anywhere learning will improve the performance going forward.

4QFY18 Result: Strong performance in Revenue and Magin

Revenue for the quarter were Rs 18083 crore vs Rs 17794 crore with a sequentials growth of 1.6% QOQ and 5.8% YOY. Revenue from Digital offerings was at \$ 2.79 billion (25.5% of total revenue) for FY18 which grew at 3.6% sequentially in 4QFY18.Operating margin for the quarter was at 24.7% which was impacted by higher variable pay and declined utilization, but the impact was more than offset by benefit from currency, onsite reduction and expenses reduction. PAT declined 28% QOQ led by impairment loss in respect of panaya.The board of directors recommended a final dividend of Rs 20 .50 per share amounting to Rs 5349 crores including DDT.Management expected to achieve 6% to 8% in constant currency terms excluding the revenue from current acquisition. Also, BFS is expected to be better for FY19 . The traction in faster-growing segments such as E&U, Communications and Insurance remains intact.

View and Valuation

The recent quarterly result, strong growth in New service(now contributes 11.1% of total revenue) and focus on digital business has showed positive performance for FY18.With the new management strategy for Scaling the Agile digital business, energizing the client's core technology landscape via AI and automation , Re -skilling otheremployees , and expanding the localization in markets as US , Europe and Australia has filled us with confidence for growth in FY19.

Thus we recommand BUY on the stock with the target price at Rs 1350(15x FY20EPS)

| KEY FINANCIAL/VALUATIONS | FY15 | FY16 | FY17 | FY18 | FY19E |
|--------------------------|-------|-------|-------|-------|-------|
| Net Sales | 53319 | 62441 | 68485 | 70522 | 75729 |
| EBITDA | 14871 | 17120 | 18605 | 19010 | 19874 |
| EBIT | 17284 | 18982 | 19981 | 20341 | 20447 |
| PAT | 12372 | 13678 | 14353 | 16028 | 15069 |
| EPS (Rs) | 108 | 60 | 63 | 74 | 69 |
| EPS growth (%) | -42% | -45% | 5% | 17% | -6% |
| ROE (%) | 26 | 24 | 22 | 24 | 22 |
| ROCE (%) | 29 | 28 | 26 | 25 | 26 |
| BV | 444 | 253 | 302 | 298 | 337 |
| P/B (X) | 5 | 5 | 3 | 4 | 3 |
| P/E (x) | 20 | 20 | 16 | 16 | 17 |

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| | |
|----------------------|------------|
| BSE Code | 513599 |
| NSE Symbol | HINDCOPPER |
| 52wk Range H/L | 110/56 |
| Mkt Capital (Rs Cr) | 1771.98 |
| Av.Cash Volume(,000) | 3590.42 |
| Open Interest | NA |

| | |
|----------------|------|
| Buy Price | 77 |
| Stop Loss | 61.9 |
| Target Price1 | 98 |
| Target Price2 | 115 |
| Upside in Tgt1 | 27% |
| Upside in Tgt2 | 49% |

Technical Chart



STDC - BUY HINDCOPPER AT 77-79 and 70-72, SL 61.90, TARGET 98,115

Lower band of andrew pitch fork showing support of inital level from where bounce back can be expect to its Center band, RSI is trading above 50 showing up move in coming session and price can extend upto 99 levels, view may remain intact till it sustain above the level of 67

15th May 2018

Narnolia Securities Ltd | Retail Technical Research

18-Apr-18

| | | | |
|----------------------|--------------|----------------|------|
| NSE Code | INE455F01025 | Buy Price | 20.3 |
| NSE Symbol | JPASSOCIAT | Stop Loss | 16.5 |
| 52wk Range H/L | 30.45/9.15 | Target Price1 | 27 |
| Mkt Capital (Rs Cr) | 2908.25 | Target Price2 | 33 |
| Av.Cash Volume(,000) | 11,68,02,42 | Upside in Tgt1 | 33% |
| Open Interest | NA | Upside in Tgt2 | 63% |

The chart displays the S&P 500 index from August 2017 to May 2018. The blue line represents the daily index, showing a peak in late 2017 followed by a decline and then a recovery. The red line is a moving average, and the black line is a trendline. A green shaded area represents a volatility band, and a blue shaded area represents a price band. A vertical line marks the start of the 2018 bull market. A table on the right lists key price levels: 30.00, 28.00, 26.00, 24.00, 22.00, 21.15, 21.00, 20.30, 18.17, 16.55, 16.00, 14.00, 12.00, 10.00, 8.00, 6.00, 116.802, and 94.586M.

- a) Formation of Cup and Handle pattern on daily chart signifying up move
- b) 20 DMA crossed 50 DMA and 100 DMA while going on upside giving confirmation of Golden cross over
- c) Construction of Flag is going on weekly chart but break out is expected to come above 22 mark
- d) After crossing above 61.8% fibonacci retracement of the fall from 27 to 13 mark, buying momentum will increase.

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VIEW

16-Apr-18

| | | | |
|----------------------|-----------|----------------|------|
| BSE Code | 500092 | Buy Price | 1935 |
| NSE Symbol | CRISIL | Stop Loss | 1760 |
| 52wk Range H/L | 2023/1761 | Target Price1 | 2350 |
| Mkt Capital (Rs Cr) | 4615.18 | Target Price2 | 2600 |
| Av.Cash Volume(,000) | 18082 | Upside in Tgt1 | 21% |
| Open Interest | NA | Upside in Tgt2 | 34% |

Technical Chart



BUY CRISIL @ 1920-1950 SL-1760 (CLOSING BASIS) TGT-2350, 2600

- Appearance of Cup and handle pattern on weekly chart after a bull rally signals initiation of a prolonged up move in prices.
- After good accumulation, appearance of big white candle near 20 and 50 DMA points can make attempt for a fresh break out.
- Probable formation of Inverted H&S on weekly chart where left shoulder and head is completed but right shoulder is about to construct in coming days. Its breakout comes above the neckline after crossing 2023 levels.
- Indicator and oscillator lending support to price action

15th May 2018

Narnolia Securities Ltd | Retail Technical Research

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| |
|--|

| NO | Market Segment | Date | Day | Description |
|----|----------------|-----------|-----------|----------------------------|
| 1 | CD | 26-Jan-18 | Friday | Republic Day |
| 2 | CD | 13-Feb-18 | Tuesday | Mahashivratri |
| 3 | CD | 19-Feb-18 | Monday | Chatrapati Shivaji Jayanti |
| 4 | CD | 02-Mar-18 | Friday | Holi |
| 5 | CD | 29-Mar-18 | Thursday | Mahavir Jayanti |
| 6 | CD | 30-Mar-18 | Friday | Good Friday |
| 7 | CD | 02-Apr-18 | Monday | Annual Bank Closing |
| 8 | CD | 30-Apr-18 | Monday | Buddha Pournima |
| 9 | CD | 01-May-18 | Tuesday | Maharashtra Day |
| 10 | CD | 15-Aug-18 | Wednesday | Independence Day |
| 11 | CD | 17-Aug-18 | Friday | Parsi New Year |
| 12 | CD | 22-Aug-18 | Wednesday | Bakri Id |
| 13 | CD | 13-Sep-18 | Thursday | Ganesh Chaturthi |
| 14 | CD | 20-Sep-18 | Thursday | Moharram |
| 15 | CD | 02-Oct-18 | Tuesday | Mahatma Gandhi Jayanti |
| 16 | CD | 18-Oct-18 | Thursday | Dasera |
| 17 | CD | 07-Nov-18 | Wednesday | Diwali-Laxmi Pujan* |
| 18 | CD | 08-Nov-18 | Thursday | Diwali-Balipratipada |
| 19 | CD | 21-Nov-18 | Wednesday | Id-E-Milad |
| 20 | CD | 23-Nov-18 | Friday | Gurunanak Jayanti |
| 21 | CD | 25-Dec-18 | Tuesday | Christmas |

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