



## Market Cues

Indian markets are likely to open in flat tracking global indices and SGX Nifty.

U.S. stocks bounced late in the session, paring early losses and ending little changed on Friday, reflected geopolitical concerns amid an escalating war of words between North Korean leader Kim Jong Un and President Donald Trump. The Dow Jones, fell 0.1%, to 22,349, S&P 500 SPX rose 0.06% to close at 2,502. The NASDAQ was up 0.07% to close at 6,427.

The U.K. stocks reversed course and rallied to the close on Friday after Prime Minister Theresa May failed to instill confidence about the continuing Brexit talks at a speech in Florence, sparking weakness in sterling. The FTSE 100 index UKX, finished 0.6% higher at 7,310, after opening in negative territory.

The Indian shares tumbled on Friday amid panic selling and the rupee breached the 65 per dollar level to hit its lowest level since April 5, tracking muted global cues. The benchmark BSE Sensex ended the session down 1.38 percent at 31,922. The broader Nifty index fell as much as 1.56 percent to finish at 9,964.

Developments regarding the situation with North Korea may impact trading next week, although traders are also likely to keep an eye on Fourth Bi-monthly RBI Monetary Policy Statement for 2017-18.

## News Analysis

- Amazon takes 5% stake in shoppers stop @ ₹179.26cr,

Detailed analysis is on Pg2

## Investor's Ready Reckoner

Key Domestic & Global Indicators

Stock Watch: Latest investment recommendations on 150+ stocks

Refer Pg7 onwards

## Top Picks

Company	Sector	Rating	CMP (₹)	Target (₹)	Upside (%)
Blue Star	Capital Goods	Accumulate	747	850	13.8
Dewan Housing Finance	Financials	Accumulate	568	610	7.4
Asian Granito	Others	Buy	492	570	15.9
Navkar Corporation	Others	Buy	189	265	40.2
KEI Industries	Capital Goods	Buy	319	371	16.4

More Top Picks on Pg5

## Key Upcoming Events

Date	Region	Event Description	Previous Reading	Consensus Expectations
Sep 26, 2017	US	New home sales	571.00	590.00
Sep 26, 2017	US	Consumer Confidence	122.90	119.50
Sep 28, 2017	US	Initial Jobless claims	259.00	
Sep 28, 2017	Germany	Unemployment change (000's)	(5.00)	(5.00)
Sep 28, 2017	Euro Zone	Euro-Zone Consumer Confidence	(1.20)	(1.20)

More Events on Pg7

Domestic Indices	Chg (%)	(Pts)	(Close)
BSE Sensex	(1.4)	(448)	31,922
Nifty	(1.6)	(158)	9,964
Mid Cap	(2.7)	(434)	15,610
Small Cap	(2.9)	(492)	16,293
Bankex	(1.9)	(527)	27,399

Global Indices	Chg (%)	(Pts)	(Close)
Dow Jones	(0.0)	(10)	22,350
Nasdaq	0.1	4	6,427
FTSE	0.6	47	7,311
Nikkei	(0.3)	(51)	20,296
Hang Seng	(0.8)	(230)	27,881
Shanghai Com	(0.2)	(5)	3,353

Advances / Declines	BSE	NSE
Advances	493	216
Declines	2,151	1,494
Unchanged	137	52

Volumes (₹ Cr)	
BSE#	3,928
NSE	30,085

#Net Inflows (₹ Cr)	Net	Mtd	Ytd
FII	(1,049)	(5,936)	41,35
MFs	730	6,596	75,48

Top Gainers	Price (₹)	Chg (%)
Cyient	511	1.6
Rajshexpo	749	1.6
Hcltech	881	1.3
Dbcorp	370	1.2
Vakrangee	515	1.2

Top Losers	Price (₹)	Chg (%)
Ipcalab	522	(8.8)
Ibrealst	219	(8.2)
Jindalstel	139	(8.2)
Relcapital	662	(7.8)
Nationalum	76	(7.3)

#as on 22<sup>th</sup> Sep, 2017



## News Analysis

### Amazon takes 5% stake in shoppers stop @ ₹179.26cr

American online retail giant Amazon has picked up a 5% stake in Shoppers Stop for ₹179.26cr, which valued company at and ₹3585.20cr this is 3.10% premium to Friday closing Market cap of ₹3,477.56cr. Its first foray into India's offline retail space as it looks to beat rivals Flipkart and Paytm Mall.

Other retailers are also deepening their presence beyond online retail. Globally trend of going offline has been picking up. Amazon has acquired US-based offline retail chain Whole Foods for \$13.7 billion in June. It also opened its own bookstores in major U.S. cities and even piloted a self-checkout grocery store in its hometown of Seattle.

In China, Alibaba has opened three massive Hema supermarkets, where customers can order groceries for home delivery and even eat in.

Amazon has got a licence to operate food retail, offering customers grocery. Amazon and Shoppers Stop have signed a pact that will allow the offline retailer's 400 brands to be sold on the Jeff Bezos-promoted e-commerce marketplace. Amazon will get space to set up experience centres at Shoppers Stop outlets to promote its fashion products on its online platform.

## Economic and Political News

- Government stimulus to boost economy in the process
- Finance Ministry plans series of Mudra camps starting from Varanasi
- Rupee falls as Fed gets ready to normalise its balance sheet

## Corporate News

- Essar is looking at \$15-bn revenue in FY18 and hopes to rebid for steel biz
- Deepak Fertilizers to set up brown fields Iso Propyl Alcohol plant
- GlaxoSmithKline Pharmaceuticals Ltd approves Sale of Company's land at Thane, Maharashtra
- Maruti Alto no more the best-selling car, gets overtaken by Dzire in August



## Top Picks

Company	Market Cap (₹ Cr)	CMP (₹)	Target (₹)	Upside (%)	Rationale
Alkem Laboratories	21,522	1,800	2,079	15.5	Strong growth in domestic business due to its leadership in acute therapeutic segment. Alkem expects to launch more products in USA, which bodes for its international business.
Asian Granito	1,480	492	570	15.9	We expect the company would report strong profitability owing to better product mix, higher B2C sales and amalgamation synergy.
Blue Star	7,150	747	850	13.8	Favorable outlook for the AC industry to augur well for Cooling products business which is out pacing the market growth. EMPPAC division's profitability to improve once operating environment turns around.
Dewan Housing Finance	17,807	568	610	7.4	With a focus on the low and medium income (LMI) consumer segment, the company has increased its presence in tier-II & III cities where the growth opportunity is immense.
Karur Vysya Bank	9,022	149	180	20.6	Loan growth is likely to pick up after a sluggish FY17. Lower credit cost will help in strong bottom-line growth. Increasing share of CASA will help in NIM improvement.
KEI Industries	2,479	319	371	16.4	High order book execution in EPC segment, rising B2C sales and higher exports to boost the revenues and profitability
Music Broadcast	2,220	389	434	11.6	Expected to benefit from the lower capex requirement and 15 year long radio broadcast licensing.
Navkar Corporation	2,695	189	265	40.2	Massive capacity expansion along with rail advantage at ICD as well CFS augurs well for the company
Siyaram Silk Mills	2,132	2,274	2,500	9.9	Strong brands and distribution network would boost growth going ahead. Stock currently trades at an inexpensive valuation.
TV Today Network	2,142	359	380	5.8	Market leadership in Hindi news genre and no. 2 viewership ranking in English news genre, exit from the radio business, and anticipated growth in ad spends by corporates to benefit the stock.
Maruti Suzuki	2,43,916	8,075	8,658	7.2	After GST, the company is expected to see higher volumes along with improving product mix. The Gujarat plant will also enable higher operating leverage which will be margin accretive.
GIC Housing	2,807	521	655	25.7	We expect loan book to grow at 24.3% over next two year; change in borrowing mix will help in NIM improvement..

Source: Company, Angel Research



## Key Upcoming Events

### Global economic events release calendar

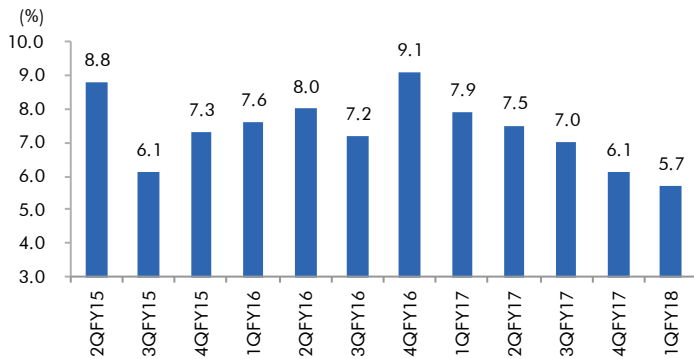
Date	Time	Country	Event Description	Unit	Period	Bloomberg Data	
						Last Reported	Estimated
Sep 26, 2017	7:30 PM	US	New home sales	Thousands	Aug	571.00	590.00
	7:30 PM	US	Consumer Confidence	S.A./ 1985=100	Sep	122.90	119.50
Sep 28, 2017	6:00 PM	US	Initial Jobless claims	Thousands	Sep 23	259.00	
	1:25 PM	Germany	Unemployment change (000's)	Thousands	Sep	(5.00)	(5.00)
	2:30 PM	Euro Zone	Euro-Zone Consumer Confidence	Value	Sep F	(1.20)	(1.20)
Sep 29, 2017	6:00 PM	US	GDP Qoq (Annualised)	% Change	2Q T	3.00	3.10
	2:00 PM	UK	GDP (YoY)	% Change	2Q F	1.70	1.70
Sep 30, 2017	6:30 AM	China	PMI Manufacturing	Value	Sep	51.70	51.70
Oct 02, 2017	2:00 PM	UK	PMI Manufacturing	Value	Sep	56.90	
Oct 04, 2017	2:30 PM	India	RBI Reverse Repo rate	%	Oct 4	5.75	
	2:30 PM	India	RBI Repo rate	%	Oct 4	6.00	
	2:30 PM	India	RBI Cash Reserve ratio	%	Oct 4	4.00	
Oct 06, 2017	6:00 PM	US	Change in Nonfarm payrolls	Thousands	Sep	156.00	25.00
	6:00 PM	US	Unemployment rate	%	Sep	4.40	
Oct 10, 2017		India	Imports YoY%	% Change	Sep	21.00	
	2:00 PM	UK	Industrial Production (YoY)	% Change	Aug	0.40	
Oct 12, 2017		India	Exports YoY%	% Change	Sep	10.30	
		US	Producer Price Index (mom)	% Change	Sep	0.50	
Oct 13, 2017	5:30 PM	India	Industrial Production YoY	% Change	Aug	1.20	
	6:00 PM	US	Consumer price index (mom)	% Change	Sep	0.40	0.50
Oct 16, 2017		China	Exports YoY%	% Change	Sep	5.50	
	12:00 PM	India	Monthly Wholesale Prices YoY%	% Change	Sep	3.24	
Oct 17, 2017	7:00 AM	China	Consumer Price Index (YoY)	% Change	Sep	1.80	
	2:30 PM	Euro Zone	Euro-Zone CPI (YoY)	%	Sep F	1.50	

Source: Bloomberg, Angel Research



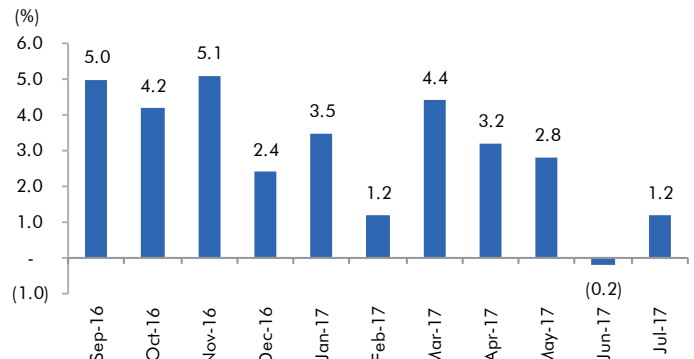
## Macro watch

**Exhibit 1: Quarterly GDP trends**



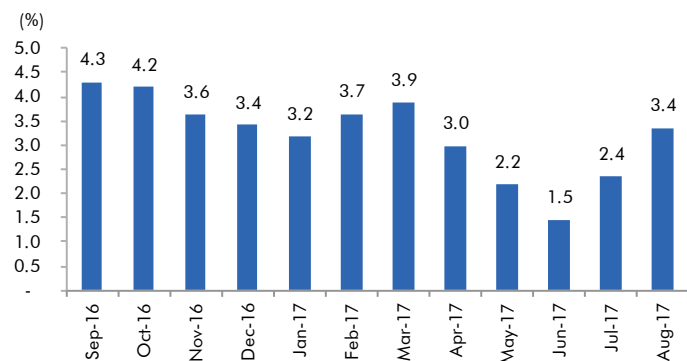
Source: CSO, Angel Research

**Exhibit 2: IIP trends**



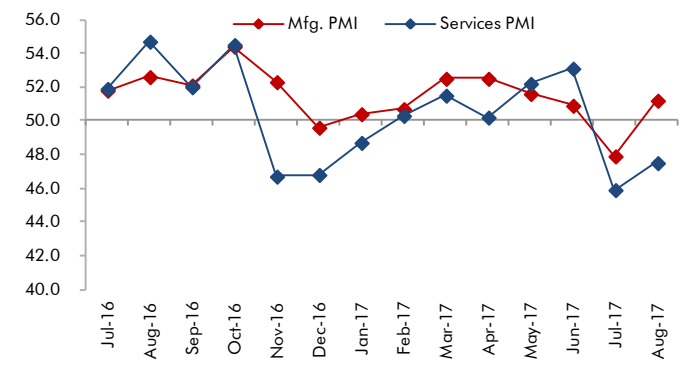
Source: MOSPI, Angel Research

**Exhibit 3: Monthly CPI inflation trends**



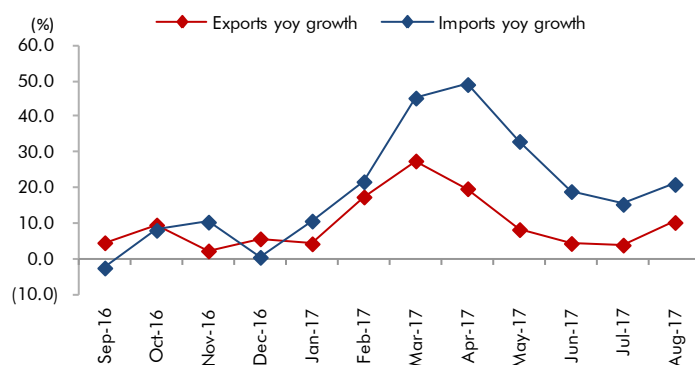
Source: MOSPI, Angel Research

**Exhibit 4: Manufacturing and services PMI**



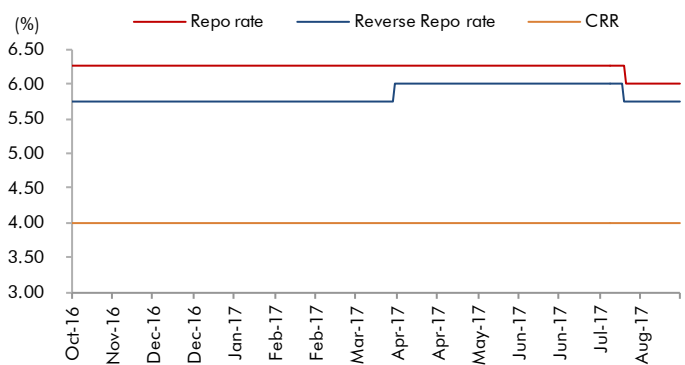
Source: Market, Angel Research; Note: Level above 50 indicates expansion

**Exhibit 5: Exports and imports growth trends**



Source: Bloomberg, Angel Research

**Exhibit 6: Key policy rates**

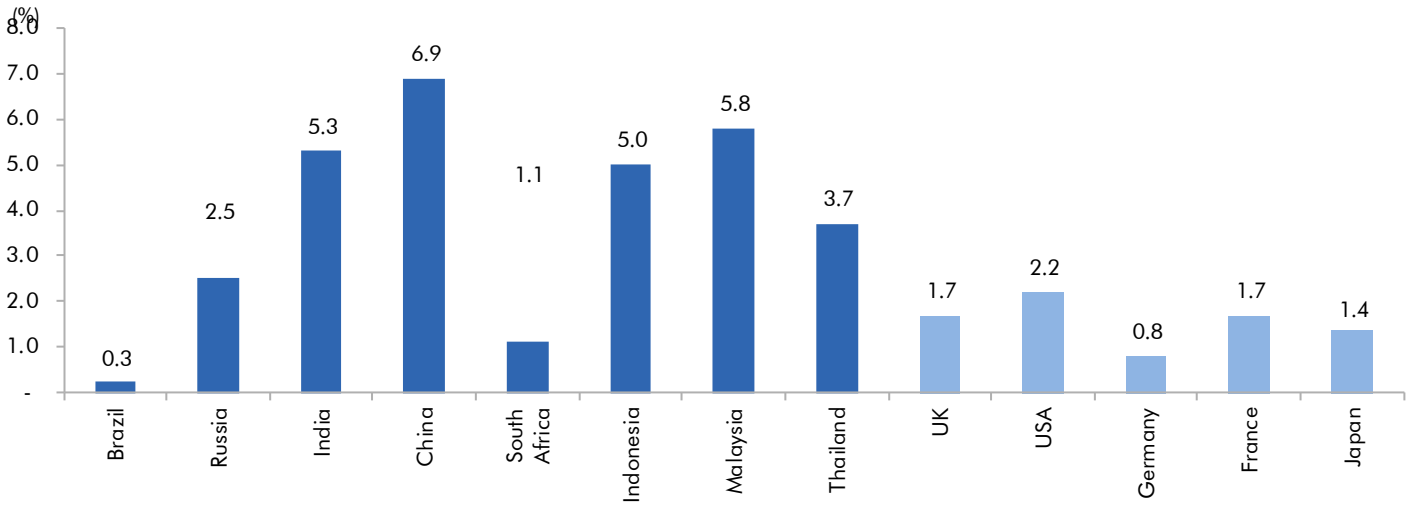


Source: RBI, Angel Research



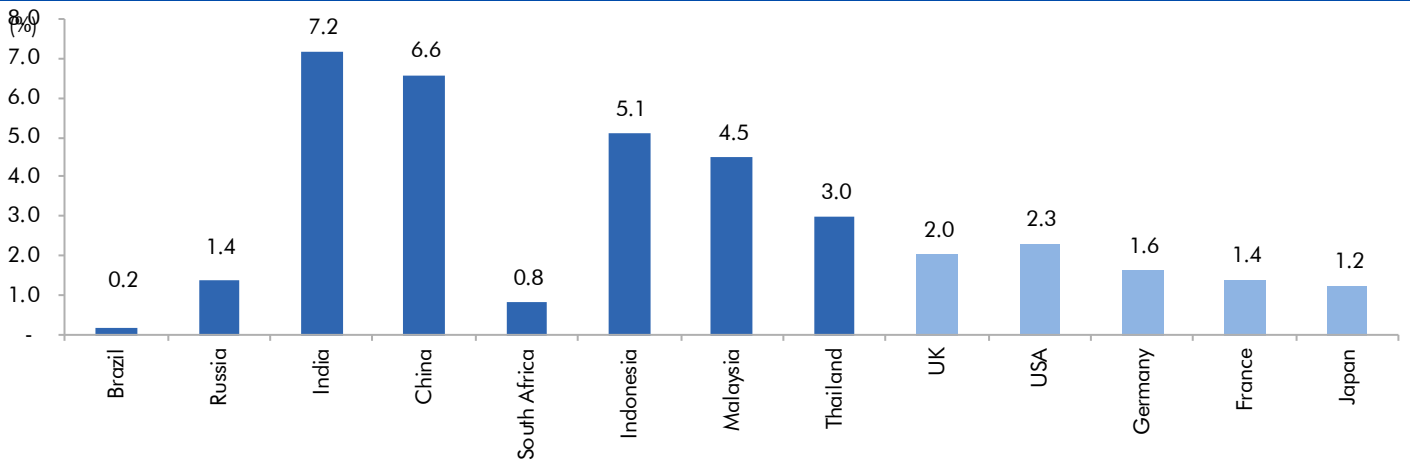
## Global watch

Exhibit 1: Latest quarterly GDP Growth (% , yoy) across select developing and developed countries



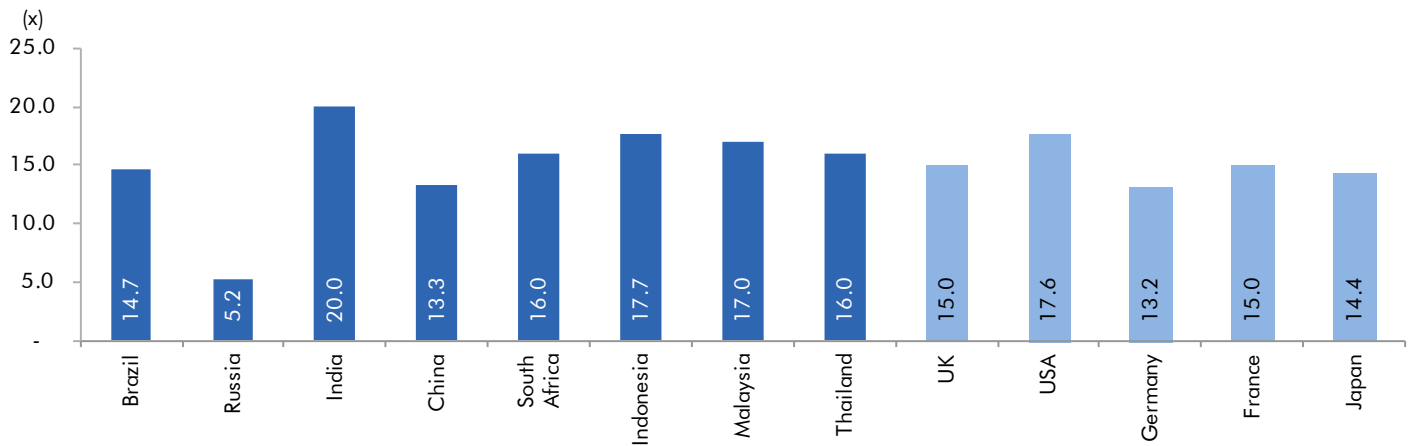
Source: Bloomberg, Angel Research

Exhibit 2: 2017 GDP Growth projection by IMF (% , yoy) across select developing and developed countries



Source: IMF, Angel Research

Exhibit 3: One year forward P-E ratio across select developing and developed countries



Source: IMF, Angel Research,


**Exhibit 4: Relative performance of indices across globe**

Country	Name of index	Closing price	1M	Returns (%)	
				3M	1YR
Brazil	Bovespa	75,390	7.7	23.4	30.6
Russia	Micex	2,052	4.8	10.3	2.7
India	Nifty	9,964	2.0	3.4	13.5
China	Shanghai Composite	3,353	2.3	4.9	10.7
South Africa	Top 40	49,565	(0.3)	9.3	11.9
Mexico	Mexbol	50,314	(1.9)	2.3	6.5
Indonesia	LQ45	983	0.3	0.9	6.0
Malaysia	KLCI	1,771	(0.3)	(1.1)	5.6
Thailand	SET 50	1,061	6.0	6.9	12.4
USA	Dow Jones	22,350	2.1	4.5	22.4
UK	FTSE	7,311	(0.8)	(2.4)	5.1
Japan	Nikkei	20,296	4.9	0.6	21.6
Germany	DAX	12,592	3.4	(1.4)	20.6
France	CAC	5,281	3.2	(0.3)	18.7

Source: Bloomberg, Angel Research,



# Stock Watch

September 25, 2017

Company Name	Reco	CMP	Target	Mkt Cap	Sales (₹ cr)		OPM(%)		EPS (₹)		PER(x)		P/BV(x)		RoE(%)		EV/Sales(x)		
		(₹)	Price (₹)	(₹ cr)	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	
<b>Agri / Agri Chemical</b>																			
Rallis	Neutral	217	-	4,210	1,873	2,099	15.0	15.0	9.5	10.5	22.8	20.6	3.5	3.1	15.8	16.0	2.1	1.9	
United Phosphorus	Neutral	807	-	41,001	18,922	21,949	18.0	18.5	36.2	45.6	22.3	17.7	4.7	3.9	22.7	23.8	2.3	2.0	
<b>Auto &amp; Auto Ancillary</b>																			
Ashok Leyland	Accumulate	114	127	33,450	23,339	27,240	10.1	10.8	4.7	6.2	24.6	18.4	4.9	4.3	20.0	23.6	1.4	1.2	
Bajaj Auto	Neutral	3,039	-	87,950	23,936	27,955	19.5	20.1	142.7	167.3	21.3	18.2	4.6	4.1	21.8	22.8	3.3	2.7	
Bharat Forge	Neutral	1,228	-	28,596	7,637	8,755	21.7	23.2	36.1	47.3	34.0	26.0	6.1	5.2	18.5	20.8	3.6	3.1	
Eicher Motors	Neutral	31,580	-	85,968	19,043	22,837	19.5	19.9	835.4	1,019.0	37.8	31.0	14.1	10.9	40.9	37.8	4.4	3.6	
Gabriel India	Neutral	188	-	2,702	1,782	2,033	9.7	10.2	7.1	8.9	26.5	21.3	5.4	4.5	21.0	22.2	1.5	1.3	
Hero Motocorp	Accumulate	3,788	4,129	75,648	32,239	36,878	16.0	15.6	184.4	206.5	20.6	18.4	6.5	5.7	31.3	30.7	2.1	1.8	
Jamna Auto Industries	Neutral	258	-	2,057	1,441	1,662	14.4	14.8	13.9	17.6	18.6	14.7	5.1	4.1	30.0	31.0	1.4	1.2	
Mahindra and Mahindra	Neutral	1,286	-	79,900	46,971	53,816	13.6	14.0	67.7	79.8	19.0	16.1	2.7	2.4	15.0	15.9	1.6	1.3	
Maruti	Accumulate	8,075	8,658	243,916	81,825	101,245	15.0	15.0	283.5	356.0	28.5	22.7	6.2	5.1	21.9	22.4	2.7	2.1	
Minda Industries	Neutral	857	-	7,405	4,328	5,084	11.0	11.9	27.3	36.4	31.5	23.5	6.7	5.2	23.1	25.6	1.8	1.5	
Motherson Sumi	Neutral	335	-	70,502	55,937	64,445	10.8	11.4	16.9	21.1	19.8	15.9	4.4	4.5	25.2	25.4	1.3	1.1	
Tata Motors	Neutral	411	-	118,728	303,167	343,649	11.8	13.8	33.1	54.7	12.4	7.5	2.0	1.6	16.9	23.0	0.4	0.4	
TVS Motor	Neutral	634	-	30,132	13,992	16,216	9.0	9.4	17.1	20.3	37.2	31.2	9.9	7.6	29.7	27.7	2.1	1.8	
Amara Raja Batteries	Accumulate	769	858	13,135	6,140	7,122	14.3	15.6	29.3	39.0	26.2	19.7	4.5	3.8	17.1	19.0	2.2	1.8	
Exide Industries	Neutral	209	-	17,786	8,689	9,854	15.1	15.2	9.7	11.0	21.7	19.0	3.8	3.4	15.7	16.1	1.8	1.6	
Apollo Tyres	Neutral	251	-	12,799	15,739	17,326	13.3	14.6	20.4	26.7	12.3	9.4	1.5	1.3	20.4	26.7	1.0	0.9	
Ceat	Neutral	1,733	-	7,011	6,661	7,717	11.1	14.2	116.2	178.2	14.9	9.7	2.6	2.2	15.2	21.3	1.2	1.0	
JK Tyres	Neutral	155	-	3,524	8,318	9,239	16.2	16.4	21.0	27.5	7.4	5.7	1.4	1.2	19.1	20.4	0.9	0.8	
Swaraj Engines	Neutral	1,989	-	2,471	788	889	16.4	16.5	71.6	81.0	27.8	24.6	8.0	7.4	29.6	31.0	2.8	2.4	
Subros	Neutral	231	-	1,388	1,855	2,135	11.6	11.8	10.3	14.7	22.6	15.8	3.4	2.9	15.8	19.1	1.0	0.8	
<b>Capital Goods</b>																			
BEML	Neutral	1,725	-	7,184	4,286	5,194	7.1	8.2	42.9	58.1	40.2	29.7	3.3	3.0	7.6	8.7	1.7	1.4	
Bharat Electronics	Neutral	181	-	40,406	10,258	12,470	19.6	19.5	7.3	8.6	24.8	21.0	0.5	0.4	20.4	21.9	3.4	2.8	
Voltas	Neutral	514	-	17,012	6,778	8,004	9.6	11.0	17.1	22.4	30.1	23.0	7.2	6.3	17.7	19.8	2.2	1.9	
BHEL	Neutral	130	-	31,758	33,200	39,167	6.8	9.5	6.2	11.2	20.9	11.6	1.0	0.9	4.6	8.0	0.5	0.4	
Blue Star	Accumulate	747	850	7,150	5,220	6,207	6.3	6.6	16.8	22.3	44.4	33.5	8.8	7.8	19.9	23.3	1.3	1.1	
CG Power and Industrial Solutions	Neutral	79	-	4,958	6,555	7,292	7.5	7.5	-	0.8	7,910.0	98.9	1.2	1.2	0.1	1.2	0.8	0.8	
Greaves Cotton	Neutral	138	-	3,376	1,778	1,993	14.7	15.1	8.1	9.1	17.1	15.2	3.8	3.6	21.8	23.6	1.7	1.5	



# Stock Watch

September 25, 2017

Company Name	Reco	CMP	Target	Mkt Cap	Sales (₹ cr)		OPM(%)		EPS (₹)		PER(x)		P/BV(x)		RoE(%)		EV/Sales(x)		
		(₹)	Price (₹)	(₹ cr)	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	
<b>Capital Goods</b>																			
KEC International	Accumulate	306	350	7,863	9,779	11,113	9.4	9.8	14.2	18.2	21.5	16.8	4.1	3.4	21.1	22.1	1.1	0.9	
KEI Industries	Buy	319	371	2,479	3,001	3,391	10.0	10.0	13.0	16.1	24.5	19.8	4.5	3.7	18.2	18.7	1.0	0.9	
Thermax	Neutral	877	-	10,454	4,125	4,747	10.3	10.8	26.7	31.5	32.9	27.9	3.7	3.4	11.2	12.0	2.3	2.0	
VATech Wabag	Accumulate	618	681	3,374	3,867	4,126	9.6	10.0	34.9	39.8	17.7	15.5	2.9	2.5	17.7	17.5	0.9	0.8	
<b>Cement</b>																			
ACC	Neutral	1,691	-	31,749	12,255	13,350	13.5	14.3	58.0	66.2	29.2	25.5	3.5	3.2	11.5	12.2	2.6	2.3	
Ambuja Cements	Neutral	269	-	53,325	10,250	11,450	17.5	19.0	7.2	8.3	37.3	32.4	2.7	2.5	7.0	7.8	5.0	4.4	
India Cements	Neutral	176	-	5,414	6,135	6,750	14.8	15.2	8.5	11.5	20.7	15.3	1.0	1.0	4.8	6.2	1.2	1.1	
JK Cement	Neutral	952	-	6,654	4,150	4,775	19.2	20.0	49.0	63.5	19.4	15.0	3.1	2.6	17.0	18.5	2.0	1.7	
J K Lakshmi Cement	Neutral	405	-	4,769	3,422	3,757	15.5	17.0	13.5	23.2	30.0	17.5	3.1	2.7	10.8	15.5	1.8	1.6	
Orient Cement	Neutral	157	-	3,210	2,215	3,233	16.8	17.0	5.9	6.9	26.6	22.7	2.0	1.9	10.8	10.1	2.4	1.6	
UltraTech Cement	Neutral	3,994	-	109,654	28,250	35,150	20.2	23.5	77.5	122.2	51.5	32.7	4.3	3.9	9.6	14.8	4.4	3.5	
<b>Construction</b>																			
KNR Constructions	Neutral	212	-	2,985	1,846	2,203	14.5	14.5	12.1	13.7	17.5	15.6	1.0	0.8	17.5	16.7	1.7	1.4	
Larsen & Toubro	Neutral	1,185	-	165,951	95,787	109,476	10.2	11.6	44.5	50.8	26.7	23.4	3.3	3.1	12.9	13.1	2.3	2.0	
Gujarat Pipavav Port	Neutral	138	-	6,669	739	842	61.6	62.7	5.1	6.2	27.1	22.4	3.4	3.3	12.7	14.9	8.5	7.3	
PNC Infratech	Accumulate	135	143	3,463	2,040	2,935	13.0	13.0	6.4	9.0	21.1	15.0	0.6	0.5	9.7	12.2	1.7	1.2	
Simplex Infra	Neutral	460	-	2,275	6,012	6,619	11.6	11.7	21.1	31.0	21.9	14.9	1.5	1.4	6.5	8.6	0.9	0.8	
Sadbhav Engineering	Neutral	289	-	4,958	3,823	4,426	10.7	10.8	10.3	11.8	28.1	24.5	3.4	3.0	10.1	10.5	1.6	1.4	
NBCC	Neutral	217	-	19,499	9,099	12,706	6.4	6.4	7.3	9.6	29.8	22.7	1.3	1.0	27.5	30.5	2.0	1.4	
MEP Infra	Neutral	104	-	1,693	2,403	2,910	18.3	16.8	2.4	6.1	44.3	17.1	16.8	11.3	35.2	55.8	1.9	1.5	
SIPL	Neutral	95	-	3,353	2,060	2,390	46.8	47.7	(5.8)	(3.1)			3.6	4.1	(14.2)	(2.3)	6.4	6.0	
Engineers India	Neutral	153	-	10,290	1,795	2,611	21.1	22.4	5.9	8.1	25.9	18.9	1.9	1.8	12.9	16.1	4.1	2.7	
<b>Financials</b>																			
Axis Bank	Accumulate	505	580	121,091	32,558	35,843	3.5	3.2	27.8	41.0	18.2	12.3	2.0	1.7	11.4	14.9	-	-	
Bank of Baroda	Neutral	142	-	32,661	22,533	26,079	2.4	2.4	12.0	20.9	11.8	6.8	0.8	0.7	6.6	11.0	-	-	
Canara Bank	Neutral	326	-	19,475	17,925	20,235	2.0	2.1	18.5	36.5	17.6	8.9	0.7	0.6	3.4	6.2	-	-	
Can Fin Homes	Neutral	2,658	-	7,076	586	741	3.5	3.5	107.8	141.0	24.7	18.9	5.4	4.4	24.1	25.6	-	-	
Cholamandalam Inv. & Fin. Co.	Accumulate	1,135	1,230	17,740	2,826	3,307	6.3	6.3	53.7	64.6	21.2	17.6	3.6	3.1	18.3	18.9	-	-	
Dewan Housing Finance	Accumulate	568	610	17,807	2,676	3,383	2.4	2.7	37.4	49.7	15.2	11.4	2.0	1.7	13.8	16.2	-	-	
Equitas Holdings	Buy	155	235	5,267	1,125	1,380	9.6	9.8	1.5	6.0	103.6	25.9	2.4	2.2	2.4	8.2	-	-	
Federal Bank	Accumulate	114	125	22,168	4,896	5,930	2.8	3.1	5.4	7.6	21.2	15.0	1.8	1.7	8.5	11.0	-	-	

# Stock Watch

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Company Name	Reco	CMP	Target	Mkt Cap	Sales (₹ cr)		OPM(%)		EPS (₹)		PER(x)		P/BV(x)		RoE(%)		EV/Sales(x)		
		(₹)	Price (₹)	(₹ cr)	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	
<b>Financials</b>																			
GIC Housing	Buy	521	655	2,807	376	477	3.6	3.7	33.0	40.0	15.8	13.0	2.8	2.4	20.0	23.0	-	-	
HDFC Bank	Neutral	1,825	-	470,988	55,236	63,253	4.5	4.4	68.9	82.4	26.5	22.1	4.6	3.8	18.7	18.5	-	-	
ICICI Bank	Accumulate	277	315	177,791	42,361	51,378	3.6	3.9	18.4	25.7	15.1	10.8	1.6	1.6	11.3	15.0	-	-	
Karur Vysya Bank	Buy	149	180	9,022	3,289	3,630	3.7	3.9	10.8	14.1	13.8	10.6	1.7	1.5	12.5	14.7	-	-	
LIC Housing Finance	Neutral	638	-	32,182	4,895	6,332	3.4	3.7	50.7	66.8	12.6	9.6	2.5	2.1	21.7	23.8	-	-	
Punjab Natl.Bank	Neutral	138	-	29,323	23,708	25,758	2.1	2.1	5.9	16.4	23.5	8.4	0.7	0.7	3.0	8.3	-	-	
RBL Bank	Neutral	517	-	21,365	2,309	2,888	2.6	2.5	16.4	19.1	31.6	27.1	4.0	3.5	13.3	13.8	-	-	
Repco Home Finance	Buy	618	825	3,868	496	597	4.4	4.2	38.5	48.7	16.1	12.7	2.9	2.4	19.6	20.6	-	-	
South Ind.Bank	Neutral	29	-	5,287	3,195	3,567	3.0	3.1	3.0	3.8	9.7	7.7	1.0	0.9	10.5	11.9	-	-	
St Bk of India	Neutral	262	-	226,073	105,827	121,056	2.4	2.5	16.1	25.6	16.3	10.2	1.3	1.2	6.6	9.9	-	-	
Union Bank	Neutral	130	-	9,444	14,650	16,225	2.3	2.3	23.1	32.5	5.6	4.0	0.4	0.4	7.1	9.2	-	-	
Yes Bank	Neutral	361	-	82,617	11,088	13,138	3.0	2.9	84.0	99.3	4.3	3.6	0.7	0.6	16.3	16.8	-	-	
<b>FMCG</b>																			
Akzo Nobel India	Neutral	1,866	-	8,949	3,164	3,607	13.8	13.7	58.6	67.9	31.9	27.5	7.8	6.9	24.5	25.1	2.7	2.3	
Asian Paints	Neutral	1,215	-	116,557	17,603	20,615	18.6	18.6	2,128.9	2,543.3	0.6	0.5	12.0	10.1	28.0	28.9	6.4	5.4	
Britannia	Neutral	4,260	-	51,143	9,690	11,278	14.8	15.4	84.0	101.0	50.7	42.2	18.5	14.7	40.6	39.0	5.2	4.5	
Colgate	Neutral	1,100	-	29,929	4,420	5,074	24.9	25.3	28.6	32.8	38.5	33.6	15.2	12.3	43.8	40.5	6.5	5.6	
Dabur India	Neutral	305	-	53,691	8,346	9,344	19.6	19.9	7.8	9.0	39.1	33.9	7.9	7.1	25.2	24.8	6.0	5.3	
GlaxoSmith Con*	Neutral	4,972	-	20,910	5,072	5,760	18.2	18.4	176.3	199.2	28.2	25.0	6.0	5.4	21.2	21.7	3.4	3.0	
Godrej Consumer	Neutral	915	-	62,325	10,171	11,682	20.8	21.5	21.7	27.1	42.2	33.8	9.5	8.2	22.3	23.4	6.2	5.4	
HUL	Neutral	1,240	-	268,298	37,077	41,508	20.3	21.8	5,189.9	6,318.5	0.2	0.2	37.8	32.3	74.8	82.0	7.1	6.3	
ITC	Neutral	268	-	326,737	44,588	49,853	37.0	37.3	9.6	11.0	27.9	24.4	6.9	6.5	25.1	27.3	6.8	6.1	
Marico	Neutral	321	-	41,443	6,788	7,766	18.5	19.2	7.1	8.5	45.2	37.8	15.8	13.6	36.9	38.0	5.9	5.2	
Nestle*	Neutral	7,168	-	69,110	10,083	11,182	20.0	20.9	119.7	141.3	59.9	50.7	211.1	192.9	36.7	39.8	6.5	5.8	
Tata Global	Neutral	201	-	12,711	7,121	7,641	11.9	12.3	6.9	8.0	29.2	25.2	2.0	1.9	6.8	7.2	1.6	1.5	
Procter & Gamble Hygiene	Neutral	8,370	-	27,169	3,034	3,579	27.1	27.7	167.7	198.8	49.9	42.1	13.4	11.5	28.8	29.5	8.4	7.0	
<b>IT</b>																			
HCL Tech ^	Accumulate	885	1,014	126,231	52,342	57,053	20.9	20.9	62.8	67.6	14.1	13.1	3.2	2.7	22.4	20.6	2.1	1.8	
Infosys	Buy	898	1,179	206,279	73,963	80,619	26.0	26.0	64.4	69.3	13.9	13.0	2.8	2.5	19.7	19.6	2.2	2.0	
TCS	Accumulate	2,502	2,651	493,070	127,403	138,870	27.6	27.6	144.5	156.0	17.3	16.0	5.2	4.8	29.7	29.8	3.5	3.2	
Tech Mahindra	Buy	458	533	44,735	31,015	33,496	15.0	15.0	35.6	38.1	12.9	12.0	2.2	2.1	17.0	16.3	1.2	1.1	

# Stock Watch

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Company Name	Reco	CMP (₹)	Target Price (₹)	Mkt Cap (₹ cr)	Sales (₹ cr)		OPM(%)		EPS (₹)		PER(x)		P/BV(x)		RoE(%)		EV/Sales(x)		
					FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	
<b>IT</b>																			
Wipro	Neutral	294	-	143,105	58,536	61,858	20.3	20.3	18.2	19.1	16.2	15.4	2.5	2.2	14.6	13.4	2.4	2.2	
<b>Media</b>																			
D B Corp	Neutral	370	-	6,801	2,404	2,625	30.5	31.5	23.7	26.9	15.6	13.8	3.7	3.1	23.5	22.8	2.7	2.4	
HT Media	Neutral	99	-	2,293	2,589	2,830	15.1	15.4	8.3	10.9	11.9	9.0	1.0	0.9	8.4	10.4	0.4	0.3	
Jagran Prakashan	Buy	179	225	5,862	2,541	2,835	28.5	28.7	12.7	14.1	14.1	12.7	2.9	2.5	21.3	21.4	2.2	1.9	
Sun TV Network	Neutral	818	-	32,238	3,238	3,789	51.9	55.1	30.9	38.0	26.5	21.5	7.6	6.6	30.0	31.0	9.5	8.0	
Hindustan Media Ventures	Neutral	267	-	1,959	1,002	1,074	23.3	23.5	29.2	33.8	9.1	7.9	1.4	1.2	15.6	15.4	1.0	0.7	
TV Today Network	Accumulate	359	380	2,142	667	727	27.7	27.7	18.6	20.1	19.3	17.9	3.0	3.1	15.6	17.3	2.7	2.6	
Music Broadcast Limited	Accumulate	389	434	2,220	271	317	91.0	109.0	6.0	10.0	64.8	38.9	4.1	3.7	6.5	9.3	7.8	6.4	
<b>Metals &amp; Mining</b>																			
Coal India	Neutral	254	-	157,606	82,301	91,235	17.0	18.0	17.1	20.5	14.9	12.4	2.8	2.6	45.0	55.0	1.6	1.4	
Hind. Zinc	Neutral	293	-	123,654	22,108	24,555	57.0	58.0	22.1	26.3	13.2	11.1	4.3	3.5	32.0	35.0	4.6	3.8	
Hindalco	Neutral	231	-	51,895	102,350	105,355	13.5	14.5	21.5	24.5	10.8	9.4	1.5	1.3	15.0	15.2	1.1	1.0	
JSW Steel	Neutral	247	-	59,693	64,500	68,245	21.1	21.5	20.1	21.2	12.3	11.7	2.3	1.9	-	-	1.6	1.6	
NMDC	Neutral	122	-	38,663	10,209	11,450	47.0	48.0	11.1	12.1	11.0	10.1	1.5	1.4	-	-	3.3	3.0	
SAIL	Neutral	58	-	23,913	54,100	63,555	3.0	10.0	(10.0)	1.5	-	38.6	0.8	0.8	-	-	1.4	1.2	
Vedanta	Neutral	308	-	114,452	81,206	87,345	28.0	29.0	26.5	33.5	11.6	9.2	2.6	2.3	-	-	2.2	1.9	
Tata Steel	Neutral	655	-	63,571	121,445	126,500	16.2	17.2	65.4	81.3	10.0	8.1	1.6	1.4	-	-	1.0	0.9	
<b>Oil &amp; Gas</b>																			
GAIL	Neutral	397	-	67,170	53,115	52,344	14.2	15.3	30.0	31.1	13.2	12.8	1.7	1.5	-	-	1.0	1.0	
ONGC	Neutral	164	-	211,043	83,111	84,934	44.2	44.9	16.4	16.9	10.0	9.7	1.2	1.1	-	-	2.4	2.4	
Indian Oil Corp	Neutral	409	-	198,485	396,116	432,560	8.5	8.8	40.1	42.2	10.2	9.7	1.8	1.6	-	-	0.6	0.6	
Reliance Industries	Neutral	818	-	531,686	257,711	267,438	17.0	18.2	89.1	89.5	9.2	9.1	0.9	0.8	-	-	1.7	1.6	
<b>Pharmaceuticals</b>																			
Alembic Pharma	Buy	489	600	9,210	3,903	4,584	18.2	19.2	21.8	27.2	22.4	18.0	4.1	3.4	19.8	20.6	2.4	2.0	
Alkem Laboratories Ltd	Buy	1,800	2,079	21,522	6,320	7,341	17.5	19.8	72.7	96.6	24.8	18.6	4.4	3.7	16.7	18.7	3.3	2.8	
Aurobindo Pharma	Accumulate	724	823	42,421	17,086	19,478	22.1	22.0	44.7	51.4	16.2	14.1	3.6	2.9	24.7	22.7	2.6	2.3	
Aventis*	Neutral	4,016	-	9,248	2,508	2,862	16.8	16.8	139.9	153.8	28.7	26.1	4.2	3.4	23.5	25.8	3.3	2.7	
Cadila Healthcare	Reduce	489	426	50,076	11,584	13,228	20.3	20.4	18.7	21.3	26.2	23.0	5.8	4.8	24.6	22.9	4.1	3.6	
Cipla	Sell	584	458	46,978	16,619	19,437	15.4	16.2	19.7	24.3	29.6	24.0	3.4	3.0	12.0	13.2	3.0	2.5	
Dr Reddy's	Neutral	2,457	-	40,729	15,844	17,973	17.6	18.2	91.7	111.0	26.8	22.1	3.0	2.8	11.9	13.0	2.8	2.5	
GSK Pharma*	Neutral	2,428	-	20,566	3,260	3,651	15.0	18.0	46.1	58.6	52.7	41.4	10.8	11.2	20.0	26.5	6.2	5.7	
Indoco Remedies	Sell	202	153	1,862	1,154	1,310	14.9	14.9	11.3	12.7	17.9	15.9	2.5	2.2	15.0	15.0	1.7	1.5	

# Stock Watch

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Company Name	Reco	CMP	Target	Mkt Cap	Sales (₹ cr)		OPM(%)		EPS (₹)		PER(x)		P/BV(x)		RoE(%)		EV/Sales(x)		
		(₹)	Price (₹)	(₹ cr)	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	
<b>Pharmaceuticals</b>																			
Ipca labs	Neutral	522	-	6,592	3,593	4,022	14.5	15.5	19.4	25.2	26.9	20.7	2.5	2.2	9.5	11.2	1.9	1.7	
Lupin	Buy	1,014	1,467	45,792	18,657	21,289	21.3	23.3	52.8	66.7	19.2	15.2	2.9	2.5	16.3	17.5	2.5	2.0	
Natco Pharma	Neutral	799	-	13,921	1,836	1,946	31.8	28.9	22.1	20.6	36.1	38.7	7.3	6.5	20.1	16.7	7.4	7.0	
Sun Pharma	Accumulate	513	558	123,153	32,899	36,451	26.9	25.4	31.6	32.3	16.2	15.9	2.9	2.5	18.7	18.8	3.4	2.9	
Syngene International	Accumulate	488	557	9,761	1,402	1,823	32.8	36.0	15.9	20.7	30.7	23.6	5.7	4.7	18.7	20.0	6.9	5.3	
<b>Power</b>																			
Tata Power	Neutral	81	-	21,773	32,547	33,806	20.5	20.5	4.7	5.4	17.1	15.1	1.6	1.4	10.5	10.5	1.7	1.6	
NTPC	Neutral	166	-	137,040	86,070	101,246	28.3	30.7	12.9	16.2	12.9	10.3	1.3	1.2	10.6	12.4	3.0	2.7	
Power Grid	Accumulate	210	223	109,733	29,183	32,946	89.7	90.0	18.0	20.8	11.7	10.1	2.0	1.7	17.7	18.2	7.7	7.1	
<b>Real Estate</b>																			
Prestige Estate	Neutral	266	-	9,973	4,607	5,146	21.0	22.2	7.9	9.8	33.7	27.1	2.1	1.9	10.3	12.0	3.3	3.0	
MLIFE	Accumulate	496	522	2,545	487	590	12.3	17.8	21.0	31.2	23.6	15.9	1.2	1.2	5.2	7.4	3.9	3.2	
<b>Telecom</b>																			
Bharti Airtel	Neutral	395	-	157,937	97,903	105,233	36.0	36.3	9.3	11.1	42.5	35.8	2.1	1.9	5.0	5.6	2.6	2.3	
Idea Cellular	Neutral	78	-	28,206	35,012	37,689	27.1	27.7	(4.4)	(2.7)			1.2	1.3	(6.8)	(4.6)	2.1	1.9	
<b>zOthers</b>																			
Abbott India	Neutral	4,214	-	8,954	3,244	3,723	14.9	16.1	167.5	209.4	25.2	20.1	5.6	4.6	23.7	24.8	2.4	2.0	
Asian Granito	Buy	492	570	1,480	1,169	1,286	12.5	12.5	16.0	19.7	30.8	25.0	3.3	2.9	10.7	11.6	1.5	1.3	
Bajaj Electricals	Accumulate	373	395	3,782	4,646	5,301	6.7	7.6	16.1	22.3	23.1	16.7	3.8	3.2	16.4	19.2	0.8	0.7	
Banco Products (India)	Neutral	216	-	1,543	1,530	1,695	13.2	12.7	19.0	20.0	11.4	10.8	1.8	1.6	0.2	0.2	0.9	102.0	
Coffee Day Enterprises Ltd	Neutral	232	-	4,777	3,494	3,913	17.4	18.0	4.8	5.7	-	40.7	2.1	2.0	-	0.1	1.8	1.6	
Elecon Engineering	Neutral	58	-	650	171	201	15.0	16.2	36.0	43.0	1.6	1.4	0.1	0.1	0.1	0.1	3.2	2.7	
Garware Wall Ropes	Neutral	862	-	1,886	928	1,003	15.2	15.2	39.4	43.2	21.9	20.0	3.6	3.1	16.5	15.4	1.9	1.7	
Goodyear India*	Neutral	825	-	1,903	1,717	1,866	11.8	12.3	47.9	49.8	17.2	16.6	2.7	2.3	15.6	15.7	0.8	115.0	
Hitachi	Neutral	1,939	-	5,273	2,355	2,715	10.3	10.8	49.0	60.9	39.6	31.9	9.3	7.3	0.2	0.2	2.3	1.9	
HSIL	Neutral	382	-	2,760	2,240	2,670	14.6	15.0	17.0	22.0	22.5	17.4	1.8	1.8	0.1	0.1	1.5	1.2	
Interglobe Aviation	Neutral	1,112	-	40,203	22,570	27,955	14.2	15.0	63.6	81.8	17.5	13.6	9.2	7.8	0.5	0.6	1.5	1.1	
Jyothy Laboratories	Neutral	380	-	6,902	1,781	2,044	14.1	15.0	9.4	10.5	40.6	36.2	8.6	8.1	0.2	0.2	4.1	3.5	
Linc Pen & Plastics	Neutral	233	-	344	420	462	9.3	9.3	15.3	17.1	15.2	13.6	2.6	2.7	16.9	19.5	0.9	0.8	
M M Forgings	Neutral	652	-	787	542	642	20.1	21.0	41.6	56.8	15.7	11.5	2.2	1.8	0.1	0.2	1.9	1.6	
Mirza International	Neutral	160	-	1,922	1,148	1,285	18.0	18.0	8.0	9.4	19.9	17.1	3.3	2.8	16.3	16.1	1.8	1.6	
Navkar Corporation	Buy	189	265	2,695	561	617	41.5	41.5	11.5	12.7	16.4	14.9	1.7	1.6	10.5	10.4	5.5	4.8	
Nilkamal	Neutral	1,566	-	2,337	2,317	2,525	11.4	11.1	96.0	105.0	16.3	14.9	2.8	2.4	0.2	0.2	1.0	0.9	

# Stock Watch

September 25, 2017

Company Name	Reco	CMP	Target	Mkt Cap	Sales (₹ cr)		OPM(%)		EPS (₹)		PER(x)		P/BV(x)		RoE(%)		EV/Sales(x)		
		(₹)	Price (₹)	(₹ cr)	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	
<b>zOthers</b>																			
Parag Milk Foods	Neutral	239	-	2,009	1,987	2,379	7.6	9.0	12.4	18.3	19.3	13.1	2.7	2.4	8.2	13.2	1.1	1.0	
Radico Khaitan	Neutral	157	-	2,090	1,811	1,992	13.2	13.2	8.1	8.8	19.4	17.8	2.0	2.1	10.1	12.0	1.5	1.3	
Relaxo Footwears	Neutral	501	-	6,013	1,981	2,310	13.7	14.5	12.0	15.5	41.7	32.3	8.1	6.6	0.2	0.2	3.1	2.7	
Siyaram Silk Mills	Accumulate	2,274	2,500	2,132	1,769	1,981	12.7	12.7	113.1	131.1	20.1	17.3	3.1	2.7	15.5	15.5	1.4	1.2	
Styrolution ABS India*	Neutral	890	-	1,565	1,800	1,980	8.0	8.1	42.0	46.2	21.2	19.3	2.4	2.1	0.1	0.1	1.0	0.9	
Surya Roshni	Neutral	303	-	1,329	4,870	5,320	7.7	7.8	22.8	28.1	13.3	10.8	1.8	1.5	0.1	0.1	0.5	0.4	
TVS Srichakra	Neutral	3,181	-	2,436	2,729	2,893	12.7	12.5	248.5	265.0	12.8	12.0	3.6	3.0	0.3	0.3	0.9	0.8	
Visaka Industries	Neutral	614	-	975	1,104	1,214	12.1	12.6	31.0	37.9	19.8	16.2	2.4	2.2	0.1	0.1	1.1	1.0	
VIP Industries	Buy	244	300	3,451	1,450	1,693	10.4	10.5	6.5	7.8	37.3	31.3	7.9	6.9	21.1	22.1	2.4	2.0	
Navin Fluorine	Accumulate	646	730	3,184	945	1,154	22.4	22.6	28.7	34.8	22.5	18.6	3.7	3.2	-	-	2.9	2.2	

Source: Company, Angel Research; Note: \*December year end; #September year end; &October year end; Price as on September 22, 2017



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