



## Market Cues

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

U.S. Markets posted modest gains Wednesday, extending their recent streak of advances that's taken all major benchmarks to record levels. The major averages finished the session just above the unchanged line. The Dow edged up 20 points or 0.1% to 22,661.64, the Nasdaq crept up 2.9 points or less than a tenth of a % to 6,534.63 and the S&P 500 inched up 3.2 points or 0.1% to 2,537.74.

The majority of the European markets ended Wednesday's session in the red. Concerns over further political upheaval in Spain had investors in a negative mood. Shares of Spanish banks were particularly weak.


Indian Markets rose notably on Wednesday after the Reserve Bank of India (RBI) left its key interest rates unchanged, as widely expected, but slashed the statutory liquidity ratio (SLR) by 50 basis points to spur banks into lending more.


## News Analysis

- RBI keeps key policy rate unchanged

Detailed analysis is on Pg2

## Investor's Ready Reckoner

 Key Domestic & Global Indicator

 Stock Watch: Latest investment recommendations on 150+ stocks

Refer Pg7 onwards

## Top Picks

Company	Sector	Rating	CMP (₹)	Target (₹)	Upside (%)
Blue Star	Capital Goods	Accumulate	771	850	10.2
Dewan Housing Finance	Financials	Accumulate	554	610	10.1
Asian Granito	Other	Buy	466	570	22.3
Navkar Corporation	Other	Buy	182	265	45.6
KEI Industries	Capital Goods	Accumulate	357	385	8.0

More Top Picks on Pg5

## Key Upcoming Events

Date	Region	Event Description	Previous Reading	Consensus Expectations
Oct05, 2017	US	Initial Jobless claims	272.00	265.00
Oct06, 2017	India	Imports YoY%	21.00	
Oct06, 2017	US	Change in Nonfarm payrolls	156.00	80.00
Oct10, 2017	US	Unemployment rate	4.40	4.40
Oct10, 2017	India	Exports YoY%	10.30	

More Events on Pg7

Domestic Indices	Chg (%)	(Pts)	(Close)
BSE Sensex	0.6	174	31,672
Nifty	0.6	55	9,915
Mid Cap	0.4	60	15,615
Small Cap	0.8	128	16,320
Bankex	0.2	45	27,127

Global Indices	Chg (%)	(Pts)	(Close)
Dow Jones	0.1	20	22,662
Nasdaq	0.1	03	6,534
FTSE	(0.0)	(1)	7,468
Nikkei	0.1	13	20,627
Hang Seng	0.7	206	28,379
Shanghai Com	0.3	9	3,349

Advances / Declines	BSE	NSE
Advances	1,468	896
Declines	1,191	801
Unchanged	128	88

Volumes (Cr)	BSE#	NSE
BSE#		3,354
NSE		23,308

#Net Inflows (Cr)	Net	Mtd	Ytd
FII	1,077	(10,759)	36,53
MFs	1,631	17,457	86,34

Top Gainer	Price (₹)	Chg (%)
Natcopharm	954	20.0
Ipcalab	540	9.3
Marksans	46	8.7
Gnfc	343	5.6
Advenzymes	264	5.1

Top Loser	Price (₹)	Chg (%)
Dishtv	71	(4.7)
Persistent	633	(4.0)
Videoind	16	(4.0)
Thermax	900	(3.7)
Sadbhav	290	(3.2)

#as on 04<sup>th</sup> Oct, 2017



## News Analysis

### RBI keeps key policy rate unchanged

The RBI has left the key rates unchanged during its Fourth Bi-Monthly policy meet, which was largely as expected. The RBI is of the view that there is an upside risk to the inflation and accordingly it has revised its inflation forest for the 2HFY18 to 4.2-4.6% from a level of 4-4.5% earlier. Further it has revised down its GVA forecast for the year to 6.7% from a level of 7.3%, which seems was on expected line, given the disruption in the manufacturing sector due to the implementation of GST.

However, it believes the issues with regards to GST to be resolved soon. The RBI also remains cautious about the banks NPA issues as it believes the loan waiver could result in further slippages in the industry. We believe due to higher risk of inflation spiking up the RBI may continue to have a neutral stand as of now and may see some relaxation in interest rates towards the end of the year.

## Economic and Political News

- GST Council may lower tax slab from 12% to 5% of government works
- GDP growth dipped to 5.7% or below eight times during UPA regime, says PM
- RBI cuts SLR by 0.5%; frees ₹ 57,000cr for lending

## Corporate News

- BHEL pays 79% dividend for 2016-17, highest in 3 years
- SpiceJet to launch ops with up to 14-seater aircraft that can land anywhere
- nfosys bags contract from KONE, to set up Helsinki design centre



## Top Picks

Company	Market Cap (₹ Cr)	CMP (₹)	Target (₹)	Upside (%)	Rationale
Alkem Laboratories	22,170	1,854	2,079	12.1	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	1,402	466	570	22.3	We expect the company would report strong profitability owing to better product mix, higher B2C sales and amalgamation synergy.
Blue Star	7,384	771	850	10.2	Favorable outlook for the AC industry to augur well for Cooling products business which is outpacing the market growth. EMPPAC division's profitability to improve once operating environment turns around.
Dewan Housing Finance	17,366	554	610	10.1	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	8,702	144	180	25.0	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	2,773	357	385	8.0	High order book execution in EPC segment, rising B2C sales and higher exports to boost the revenues and profitability.
Music Broadcast	2,171	381	434	14.1	Expected to benefit from the lower capex requirement and 15 year long radio broadcast licensing.
Navkar Corporation	2,595	182	265	45.6	Massive capacity expansion along with rail advantage at ICD as well as CFS augur well for the company.
Siyaram Silk Mills	2,133	2,276	2,500	9.9	Strong brands and distribution network would boost growth going ahead. Stock currently trades at an inexpensive valuation.
TV Today Network	2,168	363	435	19.7	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	2,36,915	7,843	8,666	10.5	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	2,797	519	655	26.1	We expect loan book to grow at 24.3% over next two years; change in borrowing mix will help in NIM improvement.

Source: Company, Angel Research



## Key Upcoming Events

### Global economic events release calendar

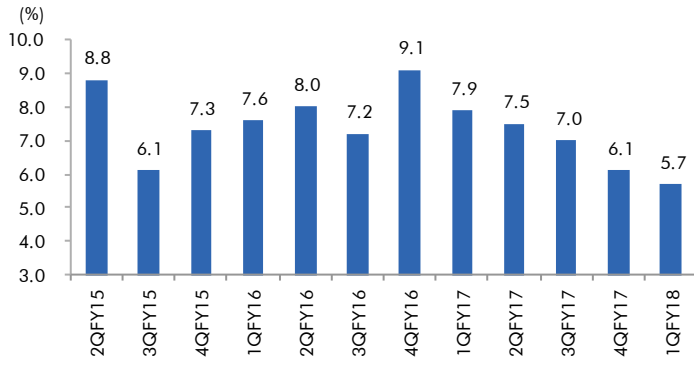
Date	Time	Country	Event Description	Unit	Period	Bloomberg Data	
						Last Reported	Estimated
Oct 05, 2017	6:00 PM	US	Initial Jobless claims	Thousands	Sep 30	272.00	265.00
Oct 06, 2017		India	Imports YoY%	% Change	Sep	21.00	
	6:00 PM	US	Change in Nonfarm payrolls	Thousands	Sep	156.00	80.00
Oct 10, 2017	6:00 PM	US	Unemployment rate	%	Sep	4.40	4.40
		India	Exports YoY%	% Change	Sep	10.30	
	2:00 PM	UK	Industrial Production (YoY)	% Change	Aug	0.40	
Oct 12, 2017		US	Producer Price Index (mom)	% Change	Sep	0.50	
	5:30 PM	India	Industrial Production YoY	% Change	Aug	1.20	
Oct 13, 2017	6:00 PM	US	Consumer price index (mom)	% Change	Sep	0.40	0.60
		China	Exports YoY%	% Change	Sep	5.60	10.30
Oct 16, 2017	12:00 PM	India	Monthly Wholesale Prices YoY%	% Change	Sep	3.24	
	7:00 AM	China	Consumer Price Index (YoY)	% Change	Sep	1.80	1.60
Oct 17, 2017	2:30 PM	Euro Zone	Euro-Zone CPI (YoY)	%	Sep F	1.50	
	2:00 PM	UK	CPI (YoY)	% Change	Sep	2.90	
	6:45 PM	US	Industrial Production	%	Sep	(0.90)	(0.10)
Oct 18, 2017	6:00 PM	US	Housing Starts	Thousands	Sep	1,180.00	1,200.00
	6:00 PM	US	Building permits	Thousands	Sep	1,272.00	1,260.00
	2:00 PM	UK	Jobless claims change	% Change	Sep	(2.80)	
Oct 19, 2017	7:30 AM	China	Industrial Production (YoY)	% Change	Sep	6.00	
	7:30 AM	China	Real GDP (YoY)	% Change	3Q	6.90	
Oct 20, 2017	7:30 PM	US	Existing home sales	Million	Sep	5.35	5.36
Oct 23, 2017	7:30 PM	Euro Zone	Euro-Zone Consumer Confidence	Value	Oct A	(1.20)	
Oct 24, 2017	0-Jan-00	Germany	PMI Manufacturing	Value	Oct P	60.60	
Oct 25, 2017	0-Jan-00	US	New home sales	Thousands	Sep	560.00	

Source: Bloomberg, Angel Research



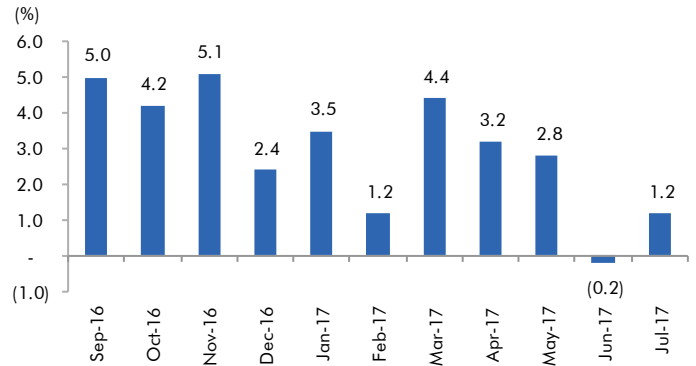
## Macro watch

**Exhibit 1: Quarterly GDP trends**



Source: CSO, Angel Research

**Exhibit 2: IIP trends**



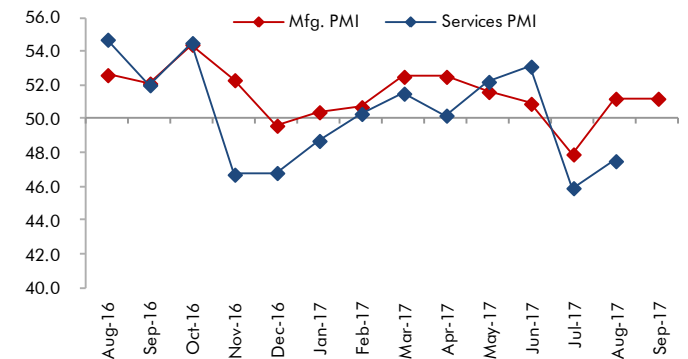
Source: MOSPI, Angel Research

**Exhibit 3: Monthly CPI inflation trends**



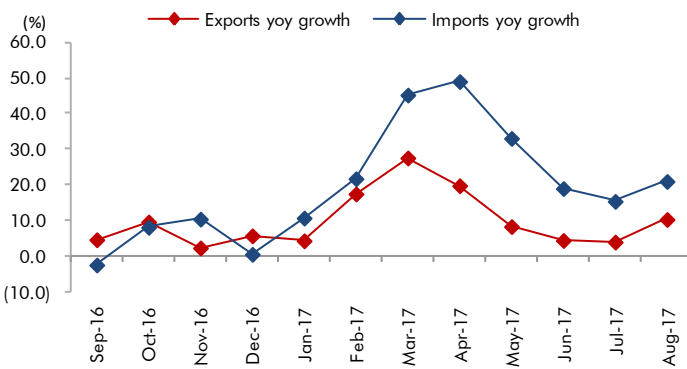
Source: MOSPI, Angel Research

**Exhibit 4: Manufacturing and services PMI**



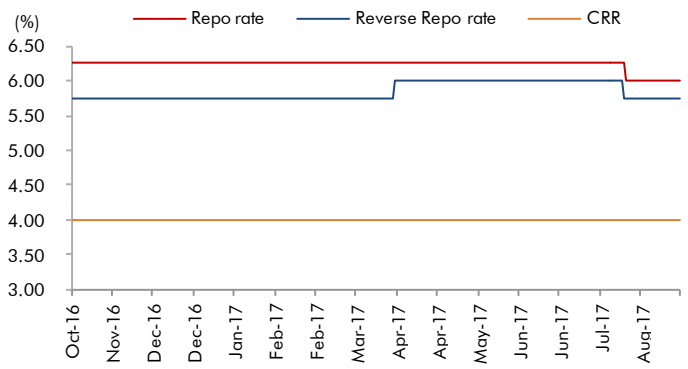
Source: Market, Angel Research; Note: Level above 50 indicates expansion

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



Source: Bloomberg, Angel Research

**Exhibit 6: Key policy rates**

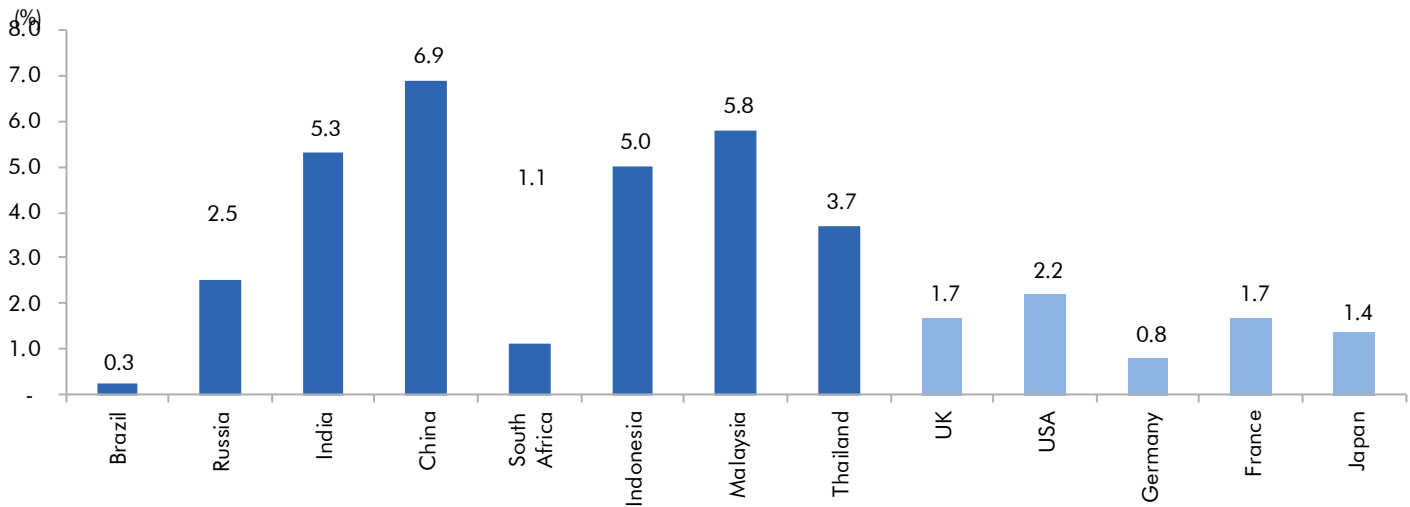


Source: RBI, Angel Research



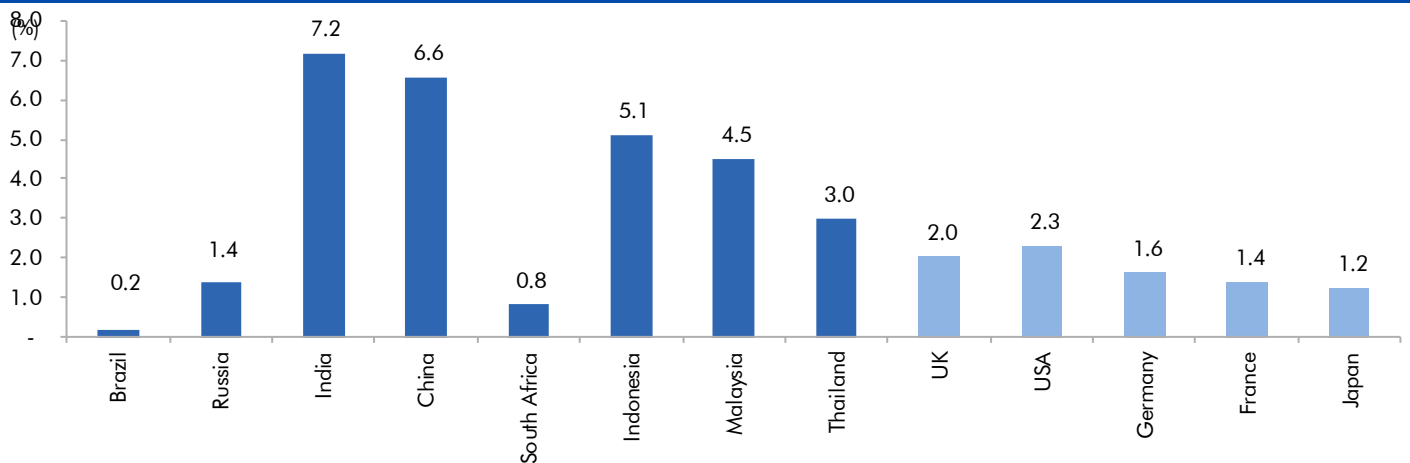
## Global watch

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



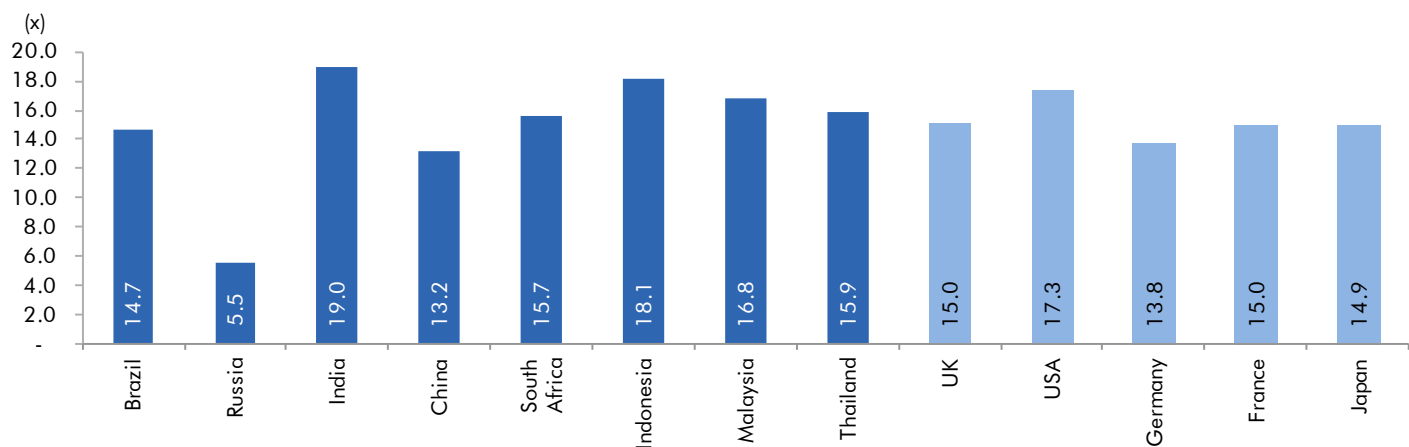
Source: Bloomberg, Angel Research

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, data as of 04<sup>th</sup> Oct-17



# Stock Watch

October 05, 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	210	-	4,084	1,873	2,099	15.0	15.0	9.5	10.5	22.1	20.0	3.4	3.0	15.8	16.0	2.1	1.9	
United Phosphorus	Neutral	788	-	40,026	18,922	21,949	18.0	18.5	36.2	45.6	21.8	17.3	4.6	3.8	22.7	23.8	2.3	1.9	
<b>Auto &amp; Auto Ancillary</b>																			
Ashok Leyland	Accumulate	123	134	35,879	23,339	27,240	10.1	10.8	4.7	6.2	26.4	19.7	5.3	4.7	20.0	23.6	1.5	1.3	
Bajaj Auto	Accumulate	3,170	3,350	91,722	23,936	27,955	19.5	20.1	142.7	167.3	22.2	18.9	4.8	4.3	21.8	22.8	3.4	2.9	
Bharat Forge	Buy	629	875	29,265	7,637	8,755	21.7	23.2	36.1	47.3	17.4	13.3	3.1	2.7	18.5	20.8	3.7	3.1	
Eicher Motors	Neutral	30,903	-	84,127	19,043	22,837	19.5	19.9	835.4	1,019.0	37.0	30.3	13.8	10.7	40.9	37.8	4.3	3.5	
Gabriel India	Neutral	196	-	2,814	1,782	2,033	9.7	10.2	7.1	8.9	27.6	22.1	5.6	4.7	21.0	22.2	1.5	1.3	
Hero Motocorp	Accumulate	3,794	4,226	75,765	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	271	-	2,159	1,441	1,662	14.4	14.8	13.9	17.6	19.5	15.4	5.3	4.3	30.0	31.0	1.5	1.3	
Mahindra and Mahindra	Neutral	1,289	-	80,062	46,971	53,816	13.6	14.0	67.7	79.8	19.0	16.2	2.7	2.4	15.0	15.9	1.6	1.3	
Maruti	Accumulate	7,843	8,666	236,915	81,825	101,245	15.0	15.0	283.5	356.0	27.7	22.0	6.0	4.9	21.9	22.4	2.6	2.0	
Minda Industries	Neutral	859	-	7,419	4,328	5,084	11.0	11.9	27.3	36.4	31.5	23.6	6.7	5.2	23.1	25.6	1.8	1.5	
Motherson Sumi	Neutral	336	-	70,639	55,937	64,445	10.8	11.4	16.9	21.1	19.9	15.9	4.4	4.5	25.2	25.4	1.3	1.1	
Tata Motors	Neutral	423	-	122,250	303,167	343,649	11.8	13.8	33.1	54.7	12.8	7.7	2.1	1.7	16.9	23.0	0.5	0.4	
TVS Motor	Neutral	654	-	31,061	13,992	16,216	9.0	9.4	17.1	20.3	38.4	32.2	10.2	7.9	29.7	27.7	2.2	1.8	
Amara Raja Batteries	Buy	701	858	11,982	6,140	7,122	14.3	15.6	29.3	39.0	23.9	18.0	4.1	3.4	17.1	19.0	2.0	1.7	
Exide Industries	Neutral	206	-	17,493	8,689	9,854	15.1	15.2	9.7	11.0	21.3	18.7	3.8	3.3	15.7	16.1	1.7	1.5	
Apollo Tyres	Neutral	239	-	12,156	15,739	17,326	13.3	14.6	20.4	26.7	11.7	8.9	1.4	1.3	20.4	26.7	1.0	0.9	
Ceat	Neutral	1,706	-	6,900	6,661	7,717	11.1	14.2	116.2	178.2	14.7	9.6	2.6	2.1	15.2	21.3	1.1	1.0	
JK Tyres	Neutral	147	-	3,332	8,318	9,239	16.2	16.4	21.0	27.5	7.0	5.3	1.4	1.1	19.1	20.4	0.8	0.7	
Swaraj Engines	Neutral	1,992	-	2,475	788	889	16.4	16.5	71.6	81.0	27.8	24.6	8.0	7.5	29.6	31.0	2.8	2.4	
Subros	Neutral	239	-	1,435	1,855	2,135	11.6	11.8	10.3	14.7	23.3	16.3	3.6	3.0	15.8	19.1	1.0	0.8	
<b>Capital Goods</b>																			
BEML	Neutral	1,670	-	6,953	4,286	5,194	7.1	8.2	42.9	58.1	38.9	28.7	3.2	2.9	7.6	8.7	1.7	1.4	
Bharat Electronics	Neutral	165	-	40,418	10,258	12,470	19.6	19.5	7.3	8.6	22.5	19.1	0.4	0.4	20.4	21.9	3.4	2.8	
Voltas	Neutral	520	-	17,198	6,778	8,004	9.6	11.0	17.1	22.4	30.4	23.2	7.3	6.4	17.7	19.8	2.2	1.9	
BHEL	Neutral	83	-	30,583	33,200	39,167	6.8	9.5	6.2	11.2	13.4	7.4	0.6	0.6	4.6	8.0	0.5	0.4	
Blue Star	Accumulate	771	850	7,384	5,220	6,207	6.3	6.6	16.8	22.3	45.9	34.6	9.1	8.1	19.9	23.3	1.4	1.1	
CG Power and Industrial Solutions	Neutral	79	-	4,926	6,555	7,292	7.5	7.5	-	0.8	7,860.0	98.3	1.2	1.2	0.1	1.2	0.8	0.8	
Greaves Cotton	Neutral	135	-	3,291	1,778	1,993	14.7	15.1	8.1	9.1	16.6	14.8	3.7	3.5	21.8	23.6	1.6	1.4	

# Stock Watch

October 05, 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	315	350	8,094	9,779	11,113	9.4	9.8	14.2	18.2	22.2	17.3	4.2	3.5	21.1	22.1	1.1	1.0	
KEI Industries	Accumulate	357	385	2,773	3,001	3,391	10.0	10.0	13.0	16.1	27.4	22.1	5.0	4.1	18.2	18.7	1.1	1.0	
Thermax	Neutral	909	-	10,826	4,125	4,747	10.3	10.8	26.7	31.5	34.0	28.8	3.8	3.5	11.2	12.0	2.4	2.0	
VATech Wabag	Buy	589	681	3,217	3,867	4,126	9.6	10.0	34.9	39.8	16.9	14.8	2.8	2.4	17.7	17.5	0.8	0.8	
<b>Cement</b>																			
ACC	Neutral	1,653	-	31,040	12,255	13,350	13.5	14.3	58.0	66.2	28.5	25.0	3.4	3.2	11.5	12.2	2.5	2.3	
Ambuja Cements	Neutral	269	-	53,354	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	181	-	5,591	6,135	6,750	14.8	15.2	8.5	11.5	21.4	15.8	1.1	1.0	4.8	6.2	1.3	1.1	
JK Cement	Neutral	980	-	6,852	4,150	4,775	19.2	20.0	49.0	63.5	20.0	15.4	3.2	2.7	17.0	18.5	2.1	1.8	
J K Lakshmi Cement	Neutral	388	-	4,569	3,422	3,757	15.5	17.0	13.5	23.2	28.8	16.7	3.0	2.6	10.8	15.5	1.7	1.5	
Orient Cement	Neutral	157	-	3,215	2,215	3,233	16.8	17.0	5.9	6.9	26.6	22.8	2.0	1.9	10.8	10.1	2.4	1.6	
UltraTech Cement	Neutral	3,866	-	106,136	28,250	35,150	20.2	23.5	77.5	122.2	49.9	31.6	4.2	3.8	9.6	14.8	4.2	3.4	
<b>Construction</b>																			
KNR Constructions	Neutral	206	-	2,893	1,846	2,203	14.5	14.5	12.1	13.7	17.0	15.1	0.9	0.8	17.5	16.7	1.6	1.3	
Larsen & Toubro	Neutral	1,138	-	159,361	95,787	109,476	10.2	11.6	44.5	50.8	25.6	22.4	3.2	2.9	12.9	13.1	2.2	2.0	
Gujarat Pipavav Port	Neutral	135	-	6,502	739	842	61.6	62.7	5.1	6.2	26.4	21.9	3.3	3.2	12.7	14.9	8.3	7.1	
PNC Infratech	Neutral	141	-	3,621	2,040	2,935	13.0	13.0	6.4	9.0	22.1	15.7	0.6	0.5	9.7	12.2	1.8	1.3	
Simplex Infra	Neutral	477	-	2,359	6,012	6,619	11.6	11.7	21.1	31.0	22.7	15.4	1.6	1.4	6.5	8.6	0.9	0.8	
Sadbhav Engineering	Neutral	289	-	4,964	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	214	-	19,229	9,099	12,706	6.4	6.4	7.3	9.6	29.4	22.3	1.3	1.0	27.5	30.5	2.0	1.4	
MEP Infra	Neutral	101	-	1,644	2,403	2,910	18.3	16.8	2.4	6.1	43.0	16.6	16.3	11.0	35.2	55.8	1.8	1.5	
SIPL	Neutral	99	-	3,476	2,060	2,390	46.8	47.7	(5.8)	(3.1)			3.7	4.2	(14.2)	(2.3)	6.4	6.0	
Engineers India	Neutral	151	-	10,149	1,795	2,611	21.1	22.4	5.9	8.1	25.5	18.6	1.8	1.8	12.9	16.1	4.0	2.6	
<b>Financials</b>																			
Axis Bank	Accumulate	505	580	121,150	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	138	-	31,682	22,533	26,079	2.4	2.4	12.0	20.9	11.4	6.6	0.7	0.7	6.6	11.0	-	-	
Canara Bank	Neutral	307	-	18,334	17,925	20,235	2.0	2.1	18.5	36.5	16.6	8.4	0.6	0.6	3.4	6.2	-	-	
Can Fin Homes	Neutral	2,625	-	6,988	586	741	3.5	3.5	107.8	141.0	24.3	18.6	5.3	4.3	24.1	25.6	-	-	
Cholamandalam Inv. & Fin. Co.	Accumulate	1,099	1,230	17,183	2,826	3,307	6.3	6.3	53.7	64.6	20.5	17.0	3.5	3.0	18.3	18.9	-	-	
Dewan Housing Finance	Accumulate	554	610	17,366	2,676	3,383	2.4	2.7	37.4	49.7	14.8	11.2	1.9	1.7	13.8	16.2	-	-	
Equitas Holdings	Buy	150	235	5,097	1,125	1,380	9.6	9.8	1.5	6.0	100.3	25.1	2.3	2.1	2.4	8.2	-	-	
Federal Bank	Accumulate	113	125	22,080	4,896	5,930	2.8	3.1	5.4	7.6	21.1	15.0	1.8	1.7	8.5	11.0	-	-	



# Stock Watch

October 05, 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>Financials</b>																			
GIC Housing	Buy	519	655	2,797	376	477	3.6	3.7	33.0	40.0	15.7	13.0	2.8	2.4	20.0	23.0	-	-	
HDFC Bank	Neutral	1,797	-	463,825	55,236	63,253	4.5	4.4	68.9	82.4	26.1	21.8	4.5	3.8	18.7	18.5	-	-	
ICICI Bank	Accumulate	276	315	177,086	42,361	51,378	3.6	3.9	18.4	25.7	15.0	10.7	1.6	1.6	11.3	15.0	-	-	
Karur Vysya Bank	Buy	144	180	8,702	3,289	3,630	3.7	3.9	10.8	14.1	13.3	10.2	1.6	1.4	12.5	14.7	-	-	
LIC Housing Finance	Neutral	644	-	32,523	4,895	6,332	3.4	3.7	50.7	66.8	12.7	9.7	2.5	2.1	21.7	23.8	-	-	
Punjab Natl.Bank	Neutral	130	-	27,706	23,708	25,758	2.1	2.1	5.9	16.4	22.2	7.9	0.7	0.6	3.0	8.3	-	-	
RBL Bank	Neutral	510	-	21,066	2,309	2,888	2.6	2.5	16.4	19.1	31.2	26.7	3.9	3.5	13.3	13.8	-	-	
Repco Home Finance	Buy	644	825	4,029	496	597	4.4	4.2	38.5	48.7	16.7	13.2	3.0	2.5	19.6	20.6	-	-	
South Ind.Bank	Neutral	29	-	5,296	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	253	-	218,693	105,827	121,056	2.4	2.5	16.1	25.6	15.7	9.9	1.2	1.1	6.6	9.9	-	-	
Union Bank	Neutral	126	-	9,157	14,650	16,225	2.3	2.3	23.1	32.5	5.5	3.9	0.4	0.4	7.1	9.2	-	-	
Yes Bank	Neutral	356	-	81,540	11,088	13,138	3.0	2.9	84.0	99.3	4.2	3.6	0.7	0.6	16.3	16.8	-	-	
<b>FMCG</b>																			
Akzo Nobel India	Neutral	1,905	-	9,138	3,164	3,607	13.8	13.7	58.6	67.9	32.5	28.0	8.0	7.0	24.5	25.1	2.7	2.4	
Asian Paints	Neutral	1,155	-	110,749	17,603	20,615	18.6	18.6	2,128.9	2,543.3	0.5	0.5	11.4	9.6	28.0	28.9	6.1	5.1	
Britannia	Neutral	4,338	-	52,080	9,690	11,278	14.8	15.4	84.0	101.0	51.6	43.0	18.8	15.0	40.6	39.0	5.3	4.6	
Colgate	Neutral	1,078	-	29,325	4,420	5,074	24.9	25.3	28.6	32.8	37.7	32.9	14.9	12.0	43.8	40.5	6.4	5.5	
Dabur India	Neutral	315	-	55,567	8,346	9,344	19.6	19.9	7.8	9.0	40.4	35.1	8.2	7.4	25.2	24.8	6.3	5.5	
GlaxoSmith Con*	Neutral	5,020	-	21,112	5,072	5,760	18.2	18.4	176.3	199.2	28.5	25.2	6.0	5.5	21.2	21.7	3.5	3.0	
Godrej Consumer	Neutral	970	-	66,079	10,171	11,682	20.8	21.5	21.7	27.1	44.7	35.8	10.1	8.6	22.3	23.4	6.6	5.7	
HUL	Neutral	1,197	-	259,175	37,077	41,508	20.3	21.8	5,189.9	6,318.5	0.2	0.2	36.5	31.2	74.8	82.0	6.8	6.1	
ITC	Neutral	267	-	325,641	44,588	49,853	37.0	37.3	9.6	11.0	27.9	24.3	6.8	6.5	25.1	27.3	6.8	6.0	
Marico	Neutral	310	-	39,998	6,788	7,766	18.5	19.2	7.1	8.5	43.7	36.5	15.3	13.1	36.9	38.0	5.7	5.0	
Nestle*	Neutral	7,326	-	70,630	10,083	11,182	20.0	20.9	119.7	141.3	61.2	51.8	215.7	197.1	36.7	39.8	6.7	6.0	
Tata Global	Neutral	205	-	12,935	7,121	7,641	11.9	12.3	6.9	8.0	29.7	25.6	2.0	1.9	6.8	7.2	1.6	1.5	
Procter & Gamble Hygiene	Neutral	8,494	-	27,572	3,034	3,579	27.1	27.7	167.7	198.8	50.7	42.7	13.6	11.7	28.8	29.5	8.5	7.1	
<b>IT</b>																			
HCL Tech ^	Accumulate	886	1,014	126,431	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	900	1,179	206,681	73,963	80,619	26.0	26.0	64.4	69.3	14.0	13.0	2.8	2.5	19.7	19.6	2.2	2.0	
TCS	Accumulate	2,443	2,651	481,287	127,403	138,870	27.6	27.6	144.5	156.0	16.9	15.7	5.0	4.7	29.7	29.8	3.4	3.1	
Tech Mahindra	Accumulate	464	533	45,287	31,015	33,496	15.0	15.0	35.6	38.1	13.0	12.2	2.2	2.1	17.0	16.3	1.2	1.1	

# Stock Watch

October 05, 2017

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	283	-	137,776	58,536	61,858	20.3	20.3	18.2	19.1	15.6	14.8	2.4	2.1	14.6	13.4	2.3	2.2	
<b>Media</b>																			
D B Corp	Neutral	382	-	7,032	2,404	2,625	30.5	31.5	23.7	26.9	16.1	14.2	3.8	3.2	23.5	22.8	2.8	2.5	
HT Media	Neutral	97	-	2,252	2,589	2,830	15.1	15.4	8.3	10.9	11.7	8.9	0.9	0.9	8.4	10.4	0.4	0.3	
Jagran Prakashan	Buy	179	225	5,855	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	768	-	30,248	3,238	3,789	51.9	55.1	30.9	38.0	24.8	20.2	7.1	6.2	30.0	31.0	8.9	7.5	
Hindustan Media Ventures	Neutral	250	-	1,835	1,002	1,074	23.3	23.5	29.2	33.8	8.6	7.4	1.3	1.1	15.6	15.4	0.8	0.6	
TV Today Network	Buy	363	435	2,168	667	727	27.7	27.7	18.6	20.1	19.5	18.1	3.0	3.1	15.6	17.3	2.8	2.6	
Music Broadcast Limited	Accumulate	381	434	2,171	271	317	91.0	109.0	6.0	10.0	63.4	38.1	4.0	3.6	6.5	9.3	7.6	6.3	
<b>Metals &amp; Mining</b>																			
Coal India	Neutral	270	-	167,600	82,301	91,235	17.0	18.0	17.1	20.5	15.8	13.2	3.0	2.8	45.0	55.0	1.7	1.5	
Hind. Zinc	Neutral	312	-	131,745	22,108	24,555	57.0	58.0	22.1	26.3	14.1	11.9	4.6	3.7	32.0	35.0	5.0	4.1	
Hindalco	Neutral	242	-	54,183	102,350	105,355	13.5	14.5	21.5	24.5	11.2	9.9	1.6	1.3	15.0	15.2	1.1	1.1	
JSW Steel	Neutral	247	-	59,802	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	119	-	37,793	10,209	11,450	47.0	48.0	11.1	12.1	10.8	9.9	1.5	1.4	-	-	3.2	2.9	
SAIL	Neutral	54	-	22,220	54,100	63,555	3.0	10.0	(10.0)	1.5	-	35.9	0.7	0.7	-	-	1.4	1.2	
Vedanta	Neutral	319	-	118,616	81,206	87,345	28.0	29.0	26.5	33.5	12.0	9.5	2.7	2.4	-	-	2.2	1.9	
Tata Steel	Neutral	659	-	63,974	121,445	126,500	16.2	17.2	65.4	81.3	10.1	8.1	1.6	1.4	-	-	1.0	0.9	
<b>Oil &amp; Gas</b>																			
GAIL	Neutral	436	-	73,800	53,115	52,344	14.2	15.3	30.0	31.1	14.5	14.0	1.8	1.7	-	-	1.1	1.1	
ONGC	Neutral	172	-	220,732	83,111	84,934	44.2	44.9	16.4	16.9	10.5	10.2	1.3	1.2	-	-	2.5	2.5	
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	819	-	532,791	257,711	267,438	17.0	18.2	89.1	89.5	9.2	9.2	0.9	0.8	-	-	1.7	1.6	
<b>Pharmaceuticals</b>																			
Alembic Pharma	Buy	500	600	9,430	3,903	4,584	18.2	19.2	21.8	27.2	22.9	18.4	4.2	3.5	19.8	20.6	2.4	2.1	
Alkem Laboratories Ltd	Accumulate	1,854	2,079	22,170	6,320	7,341	17.5	19.8	72.7	96.6	25.5	19.2	4.5	3.8	16.7	18.7	3.4	2.9	
Aurobindo Pharma	Accumulate	724	823	42,415	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	4,091	-	9,422	2,508	2,862	16.8	16.8	139.9	153.8	29.2	26.6	4.2	3.4	23.5	25.8	3.4	2.8	
Cadila Healthcare	Reduce	493	426	50,450	11,584	13,228	20.3	20.4	18.7	21.3	26.4	23.1	5.9	4.8	24.6	22.9	4.2	3.6	
Cipla	Sell	582	458	46,805	16,619	19,437	15.4	16.2	19.7	24.3	29.5	23.9	3.4	3.0	12.0	13.2	3.0	2.5	
Dr Reddy's	Neutral	2,384	-	39,519	15,844	17,973	17.6	18.2	91.7	111.0	26.0	21.5	3.0	2.7	11.9	13.0	2.7	2.4	
GSK Pharma*	Neutral	2,448	-	20,737	3,260	3,651	15.0	18.0	46.1	58.6	53.1	41.8	10.9	11.3	20.0	26.5	6.3	5.7	
Indoco Remedies	Sell	211	153	1,948	1,154	1,310	14.9	14.9	11.3	12.7	18.7	16.6	2.7	2.4	15.0	15.0	1.8	1.5	

# Stock Watch

October 05, 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>Pharmaceuticals</b>																			
Ipca labs	Neutral	540	-	6,808	3,593	4,022	14.5	15.5	19.4	25.2	27.8	21.4	2.5	2.3	9.5	11.2	2.0	1.7	
Lupin	Buy	1,027	1,467	46,404	18,657	21,289	21.3	23.3	52.8	66.7	19.5	15.4	2.9	2.5	16.3	17.5	2.5	2.1	
Natco Pharma	Neutral	954	-	16,635	1,836	1,946	31.8	28.9	22.1	20.6	43.2	46.3	8.7	7.7	20.1	16.7	8.9	8.4	
Sun Pharma	Accumulate	518	558	124,233	32,899	36,451	26.9	25.4	31.6	32.3	16.4	16.0	2.9	2.5	18.7	18.8	3.4	2.9	
Syngene International	Accumulate	487	557	9,735	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	78	-	21,097	32,547	33,806	20.5	20.5	4.7	5.4	16.6	14.6	1.6	1.4	10.5	10.5	1.6	1.6	
NTPC	Neutral	168	-	138,359	86,070	101,246	28.3	30.7	12.9	16.2	13.0	10.4	1.3	1.2	10.6	12.4	3.0	2.7	
Power Grid	Accumulate	209	223	109,340	29,183	32,946	89.7	90.0	18.0	20.8	11.6	10.1	1.9	1.7	17.7	18.2	7.7	7.1	
<b>Real Estate</b>																			
Prestige Estate	Neutral	277	-	10,371	4,607	5,146	21.0	22.2	7.9	9.8	35.0	28.2	2.2	2.0	10.3	12.0	3.4	3.1	
MLIFE	Accumulate	472	522	2,422	487	590	12.3	17.8	21.0	31.2	22.5	15.1	1.2	1.1	5.2	7.4	3.7	3.0	
<b>Telecom</b>																			
Bharti Airtel	Neutral	377	-	150,682	97,903	105,233	36.0	36.3	9.3	11.1	40.5	34.1	2.0	1.9	5.0	5.6	2.5	2.2	
Idea Cellular	Neutral	74	-	26,781	35,012	37,689	27.1	27.7	(4.4)	(2.7)			1.2	1.2	(6.8)	(4.6)	2.1	1.9	
<b>zOthers</b>																			
Abbott India	Neutral	4,188	-	8,899	3,244	3,723	14.9	16.1	167.5	209.4	25.0	20.0	5.5	4.6	23.7	24.8	2.4	2.0	
Asian Granito	Buy	466	570	1,402	1,169	1,286	12.5	12.5	16.0	19.7	29.2	23.6	3.1	2.8	10.7	11.6	1.4	1.3	
Bajaj Electricals	Accumulate	359	395	3,646	4,646	5,301	6.7	7.6	16.1	22.3	22.3	16.1	3.6	3.1	16.4	19.2	0.8	0.7	
Banco Products (India)	Neutral	209	-	1,494	1,530	1,695	13.2	12.7	19.0	20.0	11.0	10.5	1.8	1.6	0.2	0.2	0.9	98.3	
Coffee Day Enterprises Ltd	Neutral	210	-	4,326	3,494	3,913	17.4	18.0	4.8	5.7	-	36.9	1.9	1.8	-	0.1	1.7	1.5	
Elecon Engineering	Neutral	63	-	708	171	201	15.0	16.2	36.0	43.0	1.8	1.5	0.2	0.1	0.1	0.1	3.5	3.0	
Garware Wall Ropes	Neutral	914	-	1,999	928	1,003	15.2	15.2	39.4	43.2	23.2	21.2	3.8	3.3	16.5	15.4	2.0	1.8	
Goodyear India*	Neutral	802	-	1,849	1,717	1,866	11.8	12.3	47.9	49.8	16.7	16.1	2.6	2.2	15.6	15.7	0.8	110.5	
Hitachi	Neutral	1,992	-	5,416	2,355	2,715	10.3	10.8	49.0	60.9	40.7	32.7	9.5	7.5	0.2	0.2	2.3	2.0	
HSIL	Neutral	391	-	2,824	2,240	2,670	14.6	15.0	17.0	22.0	23.0	17.8	1.9	1.8	0.1	0.1	1.5	1.2	
Interglobe Aviation	Neutral	1,095	-	39,619	22,570	27,955	14.2	15.0	63.6	81.8	17.2	13.4	9.1	7.7	0.5	0.6	1.4	1.1	
Jyothy Laboratories	Neutral	396	-	7,193	1,781	2,044	14.1	15.0	9.4	10.5	42.3	37.7	9.0	8.5	0.2	0.2	4.3	3.6	
Linc Pen & Plastics	Neutral	231	-	342	420	462	9.3	9.3	15.3	17.1	15.1	13.5	2.6	2.6	16.9	19.5	0.9	0.8	
M M Forgings	Neutral	651	-	785	542	642	20.1	21.0	41.6	56.8	15.6	11.5	2.2	1.8	0.1	0.2	1.9	1.6	
Mirza International	Neutral	158	-	1,904	1,148	1,285	18.0	18.0	8.0	9.4	19.7	16.9	3.3	2.8	16.3	16.1	1.8	1.6	
Navkar Corporation	Buy	182	265	2,595	561	617	41.5	41.5	11.5	12.7	15.8	14.3	1.7	1.5	10.5	10.4	5.3	4.6	
Nilkamal	Neutral	1,590	-	2,372	2,317	2,525	11.4	11.1	96.0	105.0	16.6	15.1	2.8	2.5	0.2	0.2	1.0	0.9	

# Stock Watch

October 05, 2017

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		(₹)	Price (₹)	(₹ cr)	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	FY18E	FY19E	
<b>zOthers</b>																			
Parag Milk Foods	Neutral	256	-	2,157	1,987	2,379	7.6	9.0	12.4	18.3	20.7	14.0	2.9	2.6	8.2	13.2	1.2	1.0	
Radico Khaitan	Neutral	175	-	2,324	1,811	1,992	13.2	13.2	8.1	8.8	21.6	19.8	2.2	2.4	10.1	12.0	1.6	1.5	
Relaxo Footwears	Neutral	523	-	6,286	1,981	2,310	13.7	14.5	12.0	15.5	43.6	33.8	8.5	6.9	0.2	0.2	3.2	2.8	
Siyaram Silk Mills	Accumulate	2,276	2,500	2,133	1,769	1,981	12.7	12.7	113.1	131.1	20.1	17.4	3.1	2.7	15.5	15.5	1.4	1.2	
Styrolution ABS India*	Neutral	947	-	1,666	1,800	1,980	8.0	8.1	42.0	46.2	22.6	20.5	2.5	2.3	0.1	0.1	1.0	1.0	
Surya Roshni	Neutral	297	-	1,303	4,870	5,320	7.7	7.8	22.8	28.1	13.1	10.6	1.7	1.5	0.1	0.1	0.5	0.4	
TVS Srichakra	Neutral	3,027	-	2,318	2,729	2,893	12.7	12.5	248.5	265.0	12.2	11.4	3.5	2.8	0.3	0.3	0.9	0.8	
Visaka Industries	Neutral	625	-	992	1,104	1,214	12.1	12.6	31.0	37.9	20.2	16.5	2.5	2.2	0.1	0.1	1.1	1.0	
VIP Industries	Buy	256	300	3,615	1,450	1,693	10.4	10.5	6.5	7.8	39.1	32.8	8.3	7.2	21.1	22.1	2.5	2.1	
Navin Fluorine	Accumulate	695	730	3,426	945	1,154	22.4	22.6	28.7	34.8	24.2	20.0	4.0	3.4	-	-	3.1	2.5	

Source: Company, Angel Research; Note: \*December year end; #September year end; &October year end; Price as on October 04, 2017



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