



Market Cues

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

U.S. stocks closed marginally higher Monday after the Dow and the S&P 500 posted their first weekly drops in two months last week. The recent weaknesses in indices are largely owing to worries about delays in much-anticipated corporate tax cuts out of Washington. While GE skidded 7.2% after conglomerate plans to cut its dividend by half. The Dow DJIA rose 0.07% to close at 23,440 and the S&P 500 climbed 0.1% to finish at 2,584. The NASDAQ gained 0.1% to end at 6,758.

The U.K. indices finished slightly lower on Monday, though their drop was limited by the pounds fall, which came after reports that British Prime Minister Theresa may be facing pressure to resign. The FTSE 100 fell 0.2% to close at 7415.

On domestic front, shares declined sharply in Monday, as global cues were mixed, industrial output data reports sluggish number and earnings updates from the likes of Adani Ports, DLF, Idea Cellular, BPCL and Coal India weighing on markets. Investors also awaited consumer and wholesale price inflation data this week for clues to the trajectory of food inflation in the months ahead. The benchmark BSE Sensex fell by 0.84% to end at 33,034, while the broader Nifty index dropped 0.94% to close at 10,225.

News Analysis

- Result Preview: Sun Pharmaceuticals
- CPI inflation comes in higher than expected at 3.58%

Detailed analysis on Pg2

Investor's Ready Reckoner

Key Domestic & Global Indicators

Stock Watch: Latest investment recommendations on 150+ stocks

Refer Pg5 onwards

Top Picks

Company	Sector	Rating	CMP (₹)	Target (₹)	Upside (%)
Blue Star	Capital Goods	Buy	707	867	22.6
Dewan Housing Finance	Financials	Accumulate	633	712	12.4
Asian Granito	Other	Buy	485	570	17.4
Navkar Corporation	Other	Buy	188	265	41.0
KEI Industries	Capital Goods	Accumulate	329	380	15.6

More Top Picks on Pg4

Key Upcoming Events

Date	Region	Event Description	Previous Reading	Consensus Expectations
Nov14	China	Industrial Production (YoY)	6.60	6.30
Nov14	Euro Zone	Euro-Zone GDP s.a. (QoQ)	0.60	0.60
Nov14	UK	CPI (YoY)	3.00	3.10
Nov14	Germany	GDP nsa (YoY)	0.80	2.00
Nov14	India	Monthly Wholesale Prices YoY%	2.60	3.01

More Events on Pg7

Domestic Indices	Chg (%)	(Pts)	(Close)
BSE Sensex	(0.8)	(281)	33,034
Nifty	(0.9)	(97)	10,225
Mid Cap	(0.2)	(32)	16,531
Small Cap	(0.4)	(73)	17,571
Bankex	(0.5)	(141)	28,780

Global Indices	Chg (%)	(Pts)	(Close)
Dow Jones	0.1	17	23,440
Nasdaq	0.1	7	6,758
FTSE	(0.2)	(18)	7,415
Nikkei	0.3	74	22,455
Hang Seng	(0.0)	(8)	29,174
Shanghai Com	(0.5)	(17)	3,431

Advances / Declines	BSE	NSE
Advances	1,074	646
Declines	1,686	1,094
Unchanged	146	53

Volumes (₹ Cr)	
BSE	4,375
NSE	30,441

Net Inflows (₹ Cr)	Net	Mtd	Ytd
FII	(28)	9,738	48,190
MFs	2,326	3,825	99,236

Top Gainers	Price (₹)	Chg (%)
Jpassociat	21	16.4
Balkrisind	2,046	6.5
Justdial	533	6.5
Amarajabat	789	5.0
Adanitrans	215	5.0

Top Losers	Price (₹)	Chg (%)
Rcom	12	(13.5)
Marksans	42	(13.5)
Rtnpower	7	(7.4)
Il&Fstrans	78	(7.0)
lpcalab	544	(6.4)

As on November, 13 2017



News Analysis

Sun Pharmaceuticals (CMP: ₹527 / TP: ₹558 /Upside: 6%)

The company is expected to post a disappointing numbers. In rupee terms, revenues are expected to come in at ₹7,118cr V/s ₹7,764cr in 2QFY2017, down 8.3% yoy, mainly driven by the dip in the USA business. On the operating front the EBITDA margin, is expected to come in at 20.0% V/s 34.3% in 2QFY2017; a yoy dip of 14400bps, mainly due to pricing pressure. Consequently, PAT is expected come in at ₹752cr V/s ₹2,235cr expected, a de-growth of 66.4% yoy. **We maintain our accumulate rating on the stock.**

Y/E	Sales (₹ cr)	OPM (%)	PAT (₹ cr)	EPS (₹)	ROE (%)	P/E (x)	P/BV (x)	EV/EBITDA (x)	EV/Sales (x)
March									
FY2018E	28,466	20.8	5,101	21.3	13.0	24.8	3.2	19.6	4.1
FY2019E	31,826	22.4	5,949	24.8	15.2	21.3	2.8	15.8	3.5

CPI inflation comes in higher than expected at 3.58%

The CPI inflation, a measure of retail inflation, for the month of October 2017 came in at 3.58%, nearly 30 basis points higher than the September levels. Food inflation went up sharply to 1.90% in October from 1.25% in September and was the big trigger for the rise in overall inflation. Interestingly, urban inflation for October is nearly 45 basis points higher than rural inflation; a reversal of the trend of the last couple of years. While pulses continued to deflate at -23%, the big boost to food inflation came from vegetables which turned sharply higher at 7.47% due to substantial wastage and crop damage. Inflation in fruits and milk also remained elevated.

While the rise in CPI inflation was largely due to the food inflation factor, higher crude oil prices have also had a downstream effect. That brings us to the core question of how will the RBI react to this inflation number when it meets for its monetary policy review on December 06th. Firstly, the CPI inflation is still well within the RBI comfort zone of 4%. Secondly, the GST Council has drastically cut the GST rates on 75% of the items in the 28% GST bracket and that is likely to have a subduing effect on retail inflation in the coming months. However, the RBI rate decision may still predicate on the Fed trajectory.

Economic and Political News

- Centre may look at PSU stake sale option to set fiscal math right
- RBI questions dealings under liberalised remittance scheme on laundering suspicion

Corporate News

- IOL Chemicals and Pharma to invest ₹200cr for expanding manufacturing capacity.
- Havells India signs a pact with South Korea's Hyundai Electric for supply of low and medium voltage protection, and switching devices.



■ Quarterly Bloomberg Brokers Consensus Estimate

Sun Pharma Ltd - Nov 14, 2017

Particulars (₹ cr)	2QFY18E	2QFY17	y-o-y (%)	1QFY18	q-o-q (%)
Sales	6803	8,250	(17.6)	6,208	9.6
EBIDTA	1374	3,167	(56.6)	1,455	(5.6)
%	20.2	38.4		2.3	
PAT	800	2,471	(67.2)	(322)	-

Tata Global Ltd - Nov 14, 2017

Particulars (₹ cr)	2QFY18E	2QFY17	y-o-y (%)	1QFY18	q-o-q (%)
Sales	1668	1,625	2.7	1,704	(2.2)
EBIDTA	207	189	9.6	244	(15.2)
%	12.4	11.7		14.3	
PAT	130	139	(6.5)	141	(7.9)

Cadila Healthcare Ltd - Nov 14, 2017

Particulars (₹ cr)	2QFY18E	2QFY17	y-o-y (%)	1QFY18	q-o-q (%)
Sales	2824	2,353	20.1	2,197	28.5
EBIDTA	760	516	47.3	277	174
%	26.9	21.9		12.6	
PAT	484	337	43.6	138	250

Eicher Motors Ltd - Nov 14, 2017

Particulars (₹ cr)	2QFY18E	2QFY17	y-o-y (%)	1QFY18	q-o-q (%)
Sales	2208	1,754	25.9	2,000	10.4
EBIDTA	697	542	28.6	620	12.5
%	5.4	30.9		31.3	
PAT	538	413	41.2	459	17.2

Gail Ltd - Nov 14, 2017

Particulars (₹ cr)	2QFY18E	2QFY17	y-o-y (%)	1QFY18	q-o-q (%)
Sales	12999	11,877	9.5	11,406	13.9
EBIDTA	1873	1,534	22.1	1,899	(1.3)
%	14.4	12.9		16.6	
PAT	1104	924	19.5	1,025	7.7

Bank of Baroda - Nov 14, 2017

Particulars (₹ cr)	2QFY18E	2QFY17	y-o-y (%)	1QFY18	q-o-q (%)
PAT	414	552	(25)	203	103



Top Picks ★★★★★

Company	Market Cap (₹ Cr)	CMP (₹)	Target (₹)	Upside (%)	Rationale
Alkem Laboratories	23,809	1,991	2,125	6.7	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	1,460	485	570	17.4	We expect the company would report strong profitability owing to better product mix, higher B2C sales and amalgamation synergy.
Blue Star	6,774	707	867	22.6	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	19,858	633	712	12.4	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	7,805	129	180	39.4	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.
KEl Industries	2,576	329	380	15.6	High order book execution in EPC segment, rising B2C sales and higher exports to boost the revenues and profitability
Music Broadcast	2,193	384	434	12.9	Expected to benefit from the lower capex requirement and 15 year long radio broadcast licensing.
Navkar Corporation	2,828	188	265	41.0	Massive capacity expansion along with rail advantage at ICD as well CFS augur well for the company
Siyaram Silk Mills	2,761	589	650	10.4	Strong brands and distribution network would boost growth going ahead. Stock currently trades at an inexpensive valuation.
TV Today Network	2,222	372	435	16.8	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 corporate to benefit the stock.
Maruti Suzuki	2,44,922	8,108	8,890	9.6	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	2,303	428	655	53.1	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

Result Calendar

Date	Company
November 14, 2017	Tata Global, JK Tyre, CEAT, Jyoti Structures, Bank of Baroda, Reliance Capital, Corporation Bank, MOIL
November 15, 2017	Automotive Axle

Source: Bloomberg, Angel Research

Global economic events release calendar

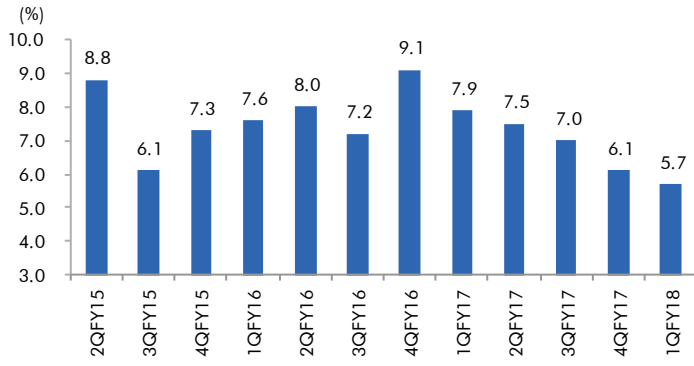
Date	Time	Country	Event Description	Unit	Period	Bloomberg Data	
						Last Reported	Estimated
Nov 14, 2017	7:30 AM	China	Industrial Production (YoY)	% Change	Oct	6.60	6.30
	3:30 PM	Euro Zone	Euro-Zone GDP s.a. (QoQ)	% Change	3Q P	0.60	0.60
	3:00 PM	UK	CPI (YoY)	% Change	Oct	3.00	3.10
	12:30 PM	Germany	GDP nsa (YoY)	% Change	3Q P	0.80	2.00
	12:00 PM	India	Monthly Wholesale Prices YoY%	% Change	Oct	2.60	3.01
		US	Producer Price Index (mom)	% Change	Oct	0.80	
Nov 15, 2017	3:00 PM	UK	Jobless claims change	% Change	Oct	1.70	
	7:00 PM	US	Consumer price index (mom)	% Change	Oct	0.50	0.10
Nov 16, 2017	7:00 PM	US	Initial Jobless claims	Thousands	Nov 11	239.00	234.50
	3:30 PM	Euro Zone	Euro-Zone CPI (YoY)	%	Oct F	1.40	1.40
	7:45 PM	US	Industrial Production	%	Oct	0.28	0.50
Nov 17, 2017	7:00 PM	US	Housing Starts	Thousands	Oct	1,127.00	1,190.00
	7:00 PM	US	Building permits	Thousands	Oct	1,225.00	1,250.00
Nov 21, 2017	8:30 PM	US	Existing home sales	Million	Oct	5.39	5.41
Nov 22, 2017	8:30 PM	Euro Zone	Euro-Zone Consumer Confidence	Value	Nov A	(1.00)	

Source: Bloomberg, Angel Research



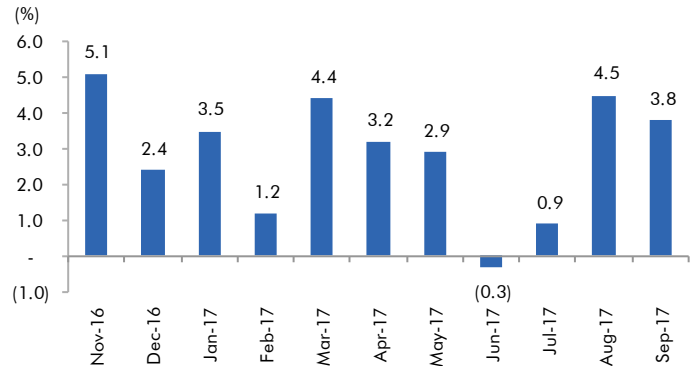
Macro watch

Exhibit 1: Quarterly GDP trends



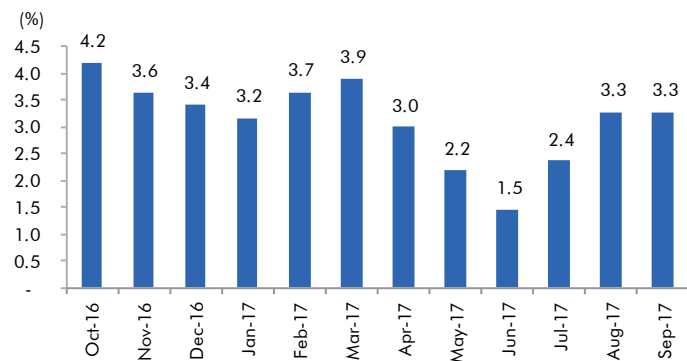
Source: CSO, Angel Research

Exhibit 2: IIP trends



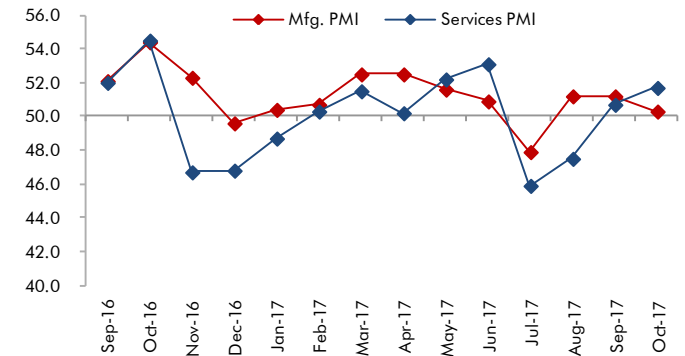
Source: MOSPI, Angel Research

Exhibit 3: Monthly CPI inflation trends



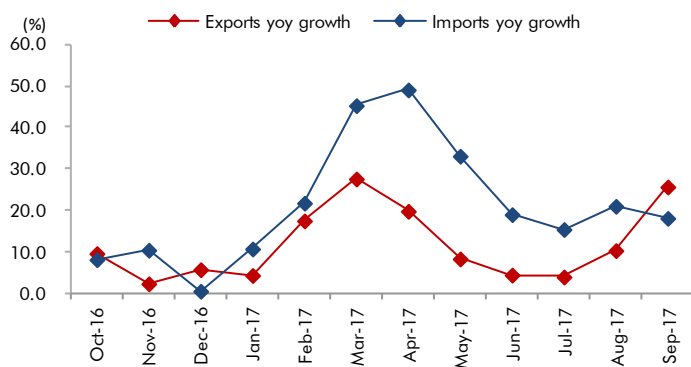
Source: MOSPI, Angel Research

Exhibit 4: Manufacturing and services PMI



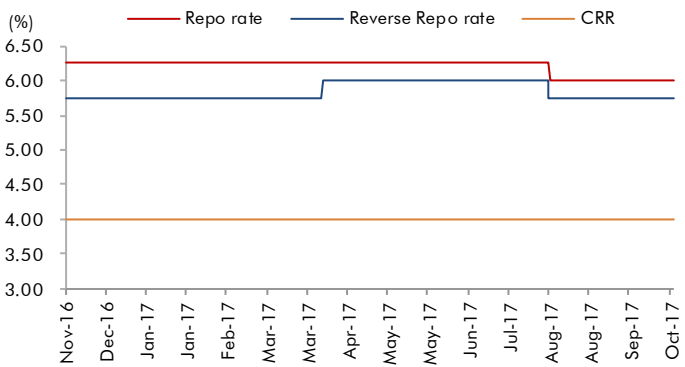
Source: Market, Angel Research; Note: Level above 50 indicates expansion

Exhibit 5: Exports and imports growth trends



Source: Bloomberg, Angel Research

Exhibit 6: Key policy rates

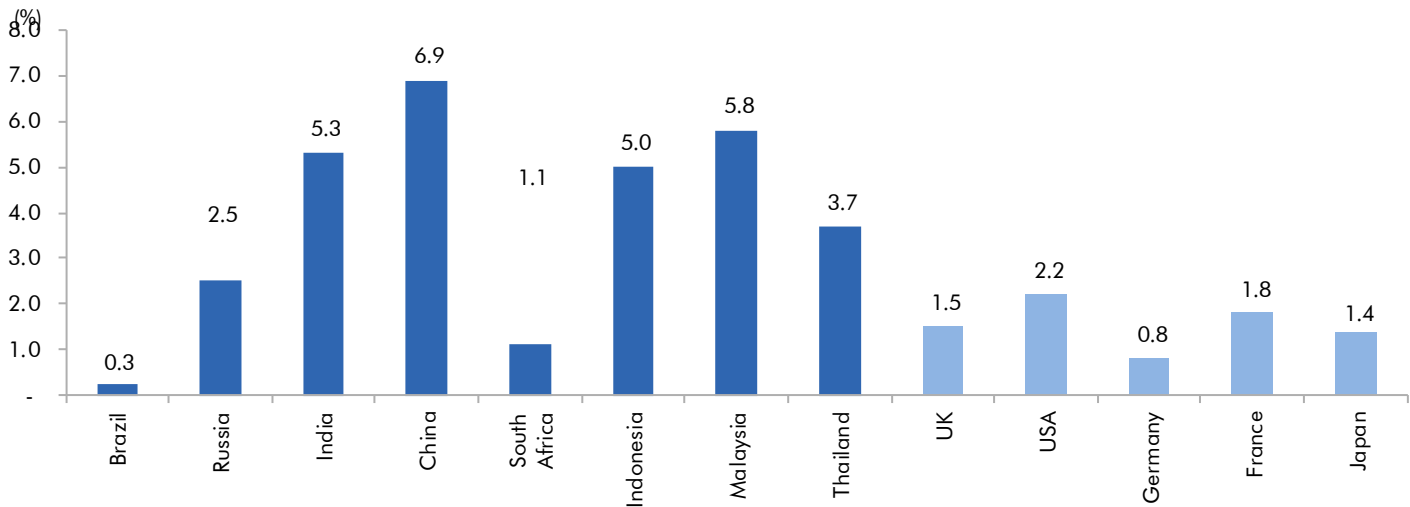


Source: RBI, Angel Research



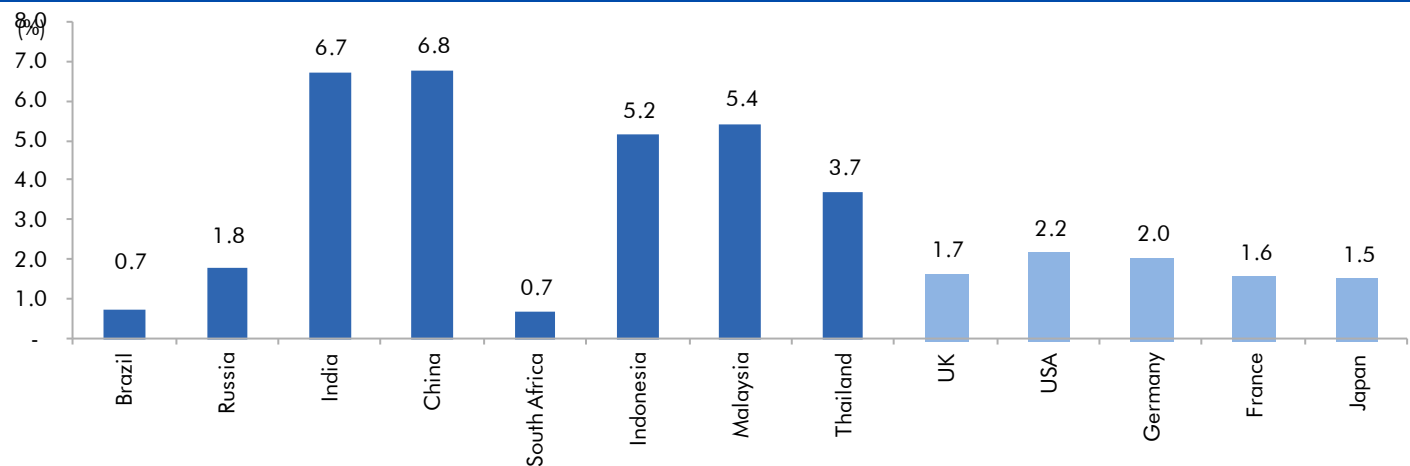
Global watch

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



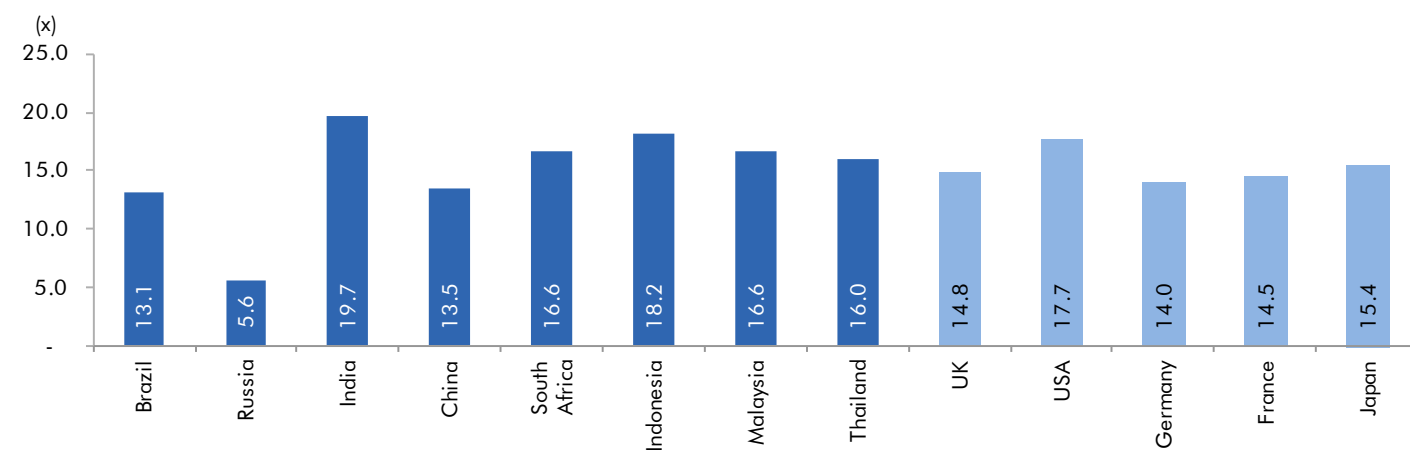
Source: Bloomberg, Angel Research

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


Exhibit 4: Relative performance of indices across globe

Country	Name of index	Closing price	1M	Returns (%)	
				3M	1YR
Brazil	Bovespa	72,475	(5.8)	8.2	14.6
Russia	Micex	2,168	3.2	11.1	7.5
India	Nifty	10,225	2.4	3.2	21.3
China	Shanghai Composite	3,448	1.2	4.8	9.8
South Africa	Top 40	53,531	4.2	9.0	20.3
Mexico	Mexbol	48,002	(4.3)	(6.2)	6.6
Indonesia	LQ45	1,001	1.5	4.8	8.2
Malaysia	KLCI	1,737	(1.1)	(2.5)	5.4
Thailand	SET 50	1,072	(0.7)	7.3	15.0
USA	Dow Jones	23,440	2.6	6.6	24.2
UK	FTSE	7,415	(1.9)	0.8	9.2
Japan	Nikkei	22,381	7.2	13.4	30.3
Germany	DAX	13,074	0.8	8.8	22.6
France	CAC	5,342	(0.4)	3.9	17.9

Source: Bloomberg, Angel Research

Stock Watch

November 14, 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	
Agri / Agri Chemical																			
Rallis	Reduce	231	209	4,486	1,873	2,099	15.0	15.0	9.5	10.5	24.3	22.0	3.7	3.3	15.8	16.0	2.3	2.1	
United Phosphorus	Accumulate	739	820	37,565	18,922	21,949	18.0	18.5	36.2	45.6	20.4	16.2	4.3	3.5	22.7	23.8	2.1	1.8	
Auto & Auto Ancillary																			
Ashok Leyland	Accumulate	113	127	33,149	23,339	27,240	10.1	10.8	4.7	6.2	24.4	18.2	4.9	4.3	20.0	23.6	1.4	1.2	
Bajaj Auto	Neutral	3,212	-	92,933	23,936	27,955	19.5	20.1	142.7	167.3	22.5	19.2	4.9	4.4	21.8	22.8	3.5	2.9	
Bharat Forge	Buy	689	875	32,098	7,637	8,755	21.7	23.2	36.1	47.3	19.1	14.6	3.4	2.9	18.5	20.8	4.1	3.5	
Eicher Motors	Neutral	30,584	-	83,258	19,043	22,837	19.5	19.9	835.4	1,019.0	36.6	30.0	13.7	10.5	40.9	37.8	4.2	3.5	
Gabriel India	Neutral	195	-	2,799	1,782	2,033	9.7	10.2	7.1	8.9	27.4	22.0	5.5	4.7	21.0	22.2	1.5	1.3	
Hero Motocorp	Buy	3,584	4,129	71,561	32,239	36,878	16.0	15.6	184.4	206.5	19.4	17.4	6.1	5.4	31.3	30.7	2.0	1.7	
Jamna Auto Industries	Neutral	61	-	2,434	1,441	1,662	14.4	14.8	13.9	17.6	4.4	3.5	1.2	1.0	30.0	31.0	1.7	1.4	
Mahindra and Mahindra	Neutral	1,411	-	87,639	46,971	53,816	13.6	14.0	67.7	79.8	20.8	17.7	3.0	2.7	15.0	15.9	1.8	1.5	
Maruti	Accumulate	8,108	8,890	244,922	80,985	97,917	15.6	16.9	282.3	370.4	28.7	21.9	6.3	5.1	21.8	23.1	2.7	2.1	
Minda Industries	Neutral	977	-	8,446	4,328	5,084	11.0	11.9	27.3	36.4	35.9	26.9	7.6	5.9	23.1	25.6	2.0	1.7	
Motherson Sumi	Neutral	353	-	74,323	55,937	64,445	10.8	11.4	16.9	21.1	20.9	16.8	4.7	4.8	25.2	25.4	1.4	1.2	
Tata Motors	Neutral	418	-	120,749	303,167	343,649	11.8	13.8	33.1	54.7	12.6	7.7	2.1	1.7	16.9	23.0	0.5	0.4	
TVS Motor	Neutral	700	-	33,239	13,992	16,216	9.0	9.4	17.1	20.3	41.0	34.5	10.9	8.4	29.7	27.7	2.3	1.9	
Amara Raja Batteries	Accumulate	787	858	13,444	6,140	7,122	14.3	15.6	29.3	39.0	26.9	20.2	4.6	3.8	17.1	19.0	2.2	1.9	
Exide Industries	Neutral	201	-	17,115	8,689	9,854	15.1	15.2	9.7	11.0	20.9	18.3	3.7	3.3	15.7	16.1	1.7	1.5	
Apollo Tyres	Neutral	236	-	13,498	15,739	17,326	13.3	14.6	20.4	26.7	11.6	8.8	1.4	1.2	20.4	26.7	1.1	1.0	
Ceat	Neutral	1,748	-	7,069	6,661	7,717	11.1	14.2	116.2	178.2	15.0	9.8	2.6	2.2	15.2	21.3	1.2	1.0	
JK Tyres	Neutral	150	-	3,399	8,318	9,239	16.2	16.4	21.0	27.5	7.2	5.5	1.4	1.1	19.1	20.4	0.9	0.7	
Swaraj Engines	Neutral	1,908	-	2,370	788	889	16.4	16.5	71.6	81.0	26.7	23.6	7.7	7.1	29.6	31.0	2.7	2.3	
Subros	Neutral	247	-	1,479	1,855	2,135	11.6	11.8	10.3	14.7	24.1	16.8	3.7	3.1	15.8	19.1	1.0	0.9	
Capital Goods																			
BEML	Neutral	1,685	-	7,019	4,286	5,194	7.1	8.2	42.9	58.1	39.3	29.0	3.2	2.9	7.6	8.7	1.7	1.4	
Bharat Electronics	Neutral	179	-	43,956	10,258	12,470	19.6	19.5	7.3	8.6	24.5	20.8	0.5	0.4	20.4	21.9	3.8	3.1	
Voltas	Neutral	576	-	19,066	6,778	8,004	9.6	11.0	17.1	22.4	33.7	25.7	8.0	7.0	17.7	19.8	2.5	2.1	
BHEL	Neutral	90	-	32,877	33,200	39,167	6.8	9.5	6.2	11.2	14.4	8.0	0.7	0.6	4.6	8.0	0.6	0.4	
Blue Star	Buy	707	867	6,774	5,220	6,207	6.3	6.6	16.8	22.3	42.1	31.7	8.4	7.4	19.9	23.3	1.3	1.0	
CG Power and Industrial Solutions	Neutral	83	-	5,208	6,555	7,292	7.5	7.5	-	0.8	8,310.0	103.9	1.3	1.3	0.1	1.2	0.9	0.8	
Greaves Cotton	Neutral	125	-	3,056	1,778	1,993	14.7	15.1	8.1	9.1	15.5	13.8	3.5	3.2	21.8	23.6	1.5	1.3	

Stock Watch

November 14, 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	
Capital Goods																			
KEC International	Buy	290	350	7,467	9,779	11,113	9.4	9.8	14.2	18.2	20.5	16.0	3.9	3.2	21.1	22.1	1.0	0.9	
KEI Industries	Buy	329	380	2,576	3,001	3,391	10.0	10.0	13.0	16.1	25.3	20.4	4.6	3.8	18.2	18.7	1.0	0.9	
Thermax	Neutral	996	-	11,869	4,125	4,747	10.3	10.8	26.7	31.5	37.3	31.6	4.2	3.8	11.2	12.0	2.6	2.3	
VATech Wabag	Buy	566	681	3,090	3,867	4,126	9.6	10.0	34.9	39.8	16.2	14.2	2.7	2.3	17.7	17.5	0.8	0.7	
Cement																			
ACC	Neutral	1,754	-	32,937	12,255	13,350	13.5	14.3	58.0	66.2	30.2	26.5	3.6	3.3	11.5	12.2	2.7	2.4	
Ambuja Cements	Neutral	271	-	53,761	10,250	11,450	17.5	19.0	7.2	8.3	37.6	32.6	2.7	2.5	7.0	7.8	5.0	4.4	
India Cements	Neutral	165	-	5,088	6,135	6,750	14.8	15.2	8.5	11.5	19.4	14.4	1.0	0.9	4.8	6.2	1.2	1.0	
JK Cement	Neutral	1,050	-	7,340	4,150	4,775	19.2	20.0	49.0	63.5	21.4	16.5	3.4	2.9	17.0	18.5	2.2	1.9	
J K Lakshmi Cement	Neutral	439	-	5,160	3,422	3,757	15.5	17.0	13.5	23.2	32.5	18.9	3.4	2.9	10.8	15.5	1.9	1.7	
Orient Cement	Neutral	163	-	3,336	2,215	3,233	16.8	17.0	5.9	6.9	27.6	23.6	2.1	2.0	10.8	10.1	2.5	1.7	
UltraTech Cement	Neutral	4,352	-	119,484	28,250	35,150	20.2	23.5	77.5	122.2	56.2	35.6	4.7	4.3	9.6	14.8	4.7	3.8	
Construction																			
KNR Constructions	Neutral	267	-	3,759	1,846	2,203	14.5	14.5	12.1	13.7	22.1	19.6	1.2	1.0	17.5	16.7	2.1	1.7	
Larsen & Toubro	Neutral	1,240	-	173,717	95,787	109,476	10.2	11.6	44.5	50.8	27.9	24.4	3.5	3.2	12.9	13.1	2.4	2.1	
Gujarat Pipavav Port	Neutral	133	-	6,435	739	842	61.6	62.7	5.1	6.2	26.1	21.6	3.3	3.2	12.7	14.9	8.2	7.0	
PNC Infratech	Neutral	179	-	4,581	2,040	2,935	13.0	13.0	6.4	9.0	27.9	19.8	0.7	0.6	9.7	12.2	2.2	1.6	
Simplex Infra	Neutral	518	-	2,563	6,012	6,619	11.6	11.7	21.1	31.0	24.6	16.7	1.7	1.6	6.5	8.6	1.0	0.9	
Sadbhav Engineering	Neutral	316	-	5,429	3,823	4,426	10.7	10.8	10.3	11.8	30.7	26.8	3.7	3.2	10.1	10.5	1.7	1.5	
NBCC	Neutral	269	-	24,197	9,099	12,706	6.4	6.4	7.3	9.6	36.9	28.1	1.6	1.3	27.5	30.5	2.5	1.8	
MEP Infra	Neutral	104	-	1,692	2,403	2,910	18.3	16.8	2.4	6.1	44.2	17.1	16.8	11.3	35.2	55.8	1.9	1.5	
SIPL	Neutral	115	-	4,047	2,060	2,390	46.8	47.7	(5.8)	(3.1)			4.3	4.9	(14.2)	(2.3)	6.7	6.3	
Engineers India	Neutral	186	-	12,514	1,795	2,611	21.1	22.4	5.9	8.1	31.5	22.9	2.3	2.2	12.9	16.1	5.4	3.5	
Financials																			
Axis Bank	Accumulate	538	580	128,968	32,558	35,843	3.5	3.2	27.8	41.0	19.3	13.1	2.1	1.8	11.4	14.9	-	-	
Bank of Baroda	Neutral	172	-	39,585	22,533	26,079	2.4	2.4	12.0	20.9	14.3	8.2	0.9	0.9	6.6	11.0	-	-	
Canara Bank	Neutral	383	-	22,900	17,925	20,235	2.0	2.1	18.5	36.5	20.7	10.5	0.8	0.7	3.4	6.2	-	-	
Can Fin Homes	Neutral	453	-	6,030	586	741	3.5	3.5	107.8	141.0	4.2	3.2	0.9	0.7	24.1	25.6	-	-	
Cholamandalam Inv. & Fin. Co.	Neutral	1,247	-	19,488	2,826	3,307	6.3	6.3	53.7	64.6	23.2	19.3	4.0	3.4	18.3	18.9	-	-	
Dewan Housing Finance	Accumulate	633	712	19,858	2,676	3,383	2.4	2.7	37.4	49.7	16.9	12.7	2.2	1.9	13.8	16.2	-	-	
Equitas Holdings	Buy	140	235	4,753	1,125	1,380	9.6	9.8	1.5	6.0	93.3	23.3	2.1	2.0	2.4	8.2	-	-	
Federal Bank	Accumulate	115	125	22,407	4,896	5,930	2.8	3.1	5.4	7.6	21.3	15.1	1.8	1.7	8.5	11.0	-	-	

Stock Watch

November 14, 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	
Financials																			
GIC Housing	Buy	428	655	2,303	376	477	3.6	3.7	33.0	40.0	13.0	10.7	2.3	2.0	20.0	23.0	-	-	
HDFC Bank	Neutral	1,814	-	469,175	55,236	63,253	4.5	4.4	68.9	82.4	26.4	22.0	4.6	3.8	18.7	18.5	-	-	
ICICI Bank	Neutral	314	-	201,633	42,361	51,378	3.6	3.9	18.4	25.7	17.1	12.2	1.9	1.8	11.3	15.0	-	-	
Karur Vysya Bank	Buy	129	180	7,805	3,289	3,630	3.7	3.9	10.8	14.1	11.9	9.2	1.4	1.3	12.5	14.7	-	-	
LIC Housing Finance	Accumulate	584	630	29,490	4,895	6,332	3.4	3.7	50.7	66.8	11.5	8.8	2.3	1.9	21.7	23.8	-	-	
Punjab Natl.Bank	Neutral	187	-	39,878	23,708	25,758	2.1	2.1	5.9	16.4	31.9	11.4	0.9	0.9	3.0	8.3	-	-	
RBL Bank	Neutral	510	-	21,227	2,309	2,888	2.6	2.5	16.4	19.1	31.2	26.8	3.9	3.5	13.3	13.8	-	-	
Repro Home Finance	Buy	592	825	3,706	496	597	4.4	4.2	38.5	48.7	15.4	12.2	2.8	2.3	19.6	20.6	-	-	
South Ind.Bank	Neutral	31	-	5,512	3,195	3,567	3.0	3.1	3.0	3.8	10.1	8.0	1.0	0.9	10.5	11.9	-	-	
St Bk of India	Neutral	331	-	285,894	105,827	121,056	2.4	2.5	16.1	25.6	20.6	13.0	1.6	1.5	6.6	9.9	-	-	
Union Bank	Neutral	168	-	12,208	14,650	16,225	2.3	2.3	23.1	32.5	7.3	5.2	0.6	0.5	7.1	9.2	-	-	
Yes Bank	Neutral	304	-	69,569	11,088	13,138	3.0	2.9	84.0	99.3	3.6	3.1	0.6	0.5	16.3	16.8	-	-	
FMCG																			
Akzo Nobel India	Neutral	1,794	-	8,604	3,164	3,607	13.8	13.7	58.6	67.9	30.6	26.4	7.5	6.6	24.5	25.1	2.6	2.2	
Asian Paints	Neutral	1,175	-	112,715	17,603	20,615	18.6	18.6	2,128.9	2,543.3	0.6	0.5	11.6	9.8	28.0	28.9	6.2	5.2	
Britannia	Neutral	4,883	-	58,625	9,690	11,278	14.8	15.4	84.0	101.0	58.1	48.4	21.2	16.8	40.6	39.0	6.0	5.2	
Colgate	Neutral	1,048	-	28,499	4,420	5,074	24.9	25.3	28.6	32.8	36.6	32.0	14.5	11.7	43.8	40.5	6.2	5.4	
Dabur India	Neutral	337	-	59,372	8,346	9,344	19.6	19.9	7.8	9.0	43.2	37.5	8.7	7.9	25.2	24.8	6.7	5.9	
GlaxoSmith Con*	Neutral	6,031	-	25,363	5,072	5,760	18.2	18.4	176.3	199.2	34.2	30.3	7.3	6.6	21.2	21.7	4.3	3.8	
Godrej Consumer	Neutral	935	-	63,732	10,171	11,682	20.8	21.5	21.7	27.1	43.1	34.5	9.7	8.3	22.3	23.4	6.4	5.5	
HUL	Neutral	1,279	-	276,761	37,077	41,508	20.3	21.8	5,189.9	6,318.5	0.3	0.2	39.0	33.3	74.8	82.0	7.3	6.5	
ITC	Neutral	258	-	314,813	44,588	49,853	37.0	37.3	9.6	11.0	26.9	23.5	6.6	6.3	25.1	27.3	6.5	5.8	
Marico	Neutral	308	-	39,775	6,788	7,766	18.5	19.2	7.1	8.5	43.4	36.3	15.2	13.0	36.9	38.0	5.7	5.0	
Nestle*	Neutral	7,715	-	74,381	10,083	11,182	20.0	20.9	119.7	141.3	64.5	54.6	227.1	207.6	36.7	39.8	7.1	6.3	
Tata Global	Neutral	234	-	14,794	7,121	7,641	11.9	12.3	6.9	8.0	34.0	29.3	2.3	2.2	6.8	7.2	1.9	1.7	
Procter & Gamble Hygiene	Neutral	8,730	-	28,338	3,034	3,579	27.1	27.7	167.7	198.8	52.1	43.9	14.0	12.0	28.8	29.5	8.8	7.3	
IT																			
HCL Tech ^	Buy	869	1,014	124,069	50,009	54,608	22.1	22.1	62.8	67.6	13.8	12.9	3.1	2.7	22.4	20.6	2.1	1.8	
Infosys	Buy	952	1,120	218,628	70,333	75,960	26.0	26.0	61.7	65.9	15.4	14.4	2.9	2.7	18.9	18.7	2.5	2.3	
TCS	Neutral	2,759	-	528,133	123,384	134,488	26.1	26.1	133.2	143.7	20.7	19.2	5.7	5.3	27.6	27.8	3.9	3.6	
Tech Mahindra	Accumulate	492	533	48,004	31,015	33,496	15.0	15.0	35.6	38.1	13.8	12.9	2.4	2.2	17.0	16.3	1.3	1.2	

Stock Watch

November 14, 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	
IT																			
Wipro	Neutral	299	-	145,417	54,164	56,544	22.3	22.3	18.8	19.5	15.9	15.3	2.5	2.2	15.0	13.6	1.9	1.7	
Media																			
D B Corp	Neutral	367	-	6,757	2,404	2,625	30.5	31.5	23.7	26.9	15.5	13.7	3.6	3.1	23.5	22.8	2.7	2.4	
HT Media	Neutral	97	-	2,268	2,589	2,830	15.1	15.4	8.3	10.9	11.7	8.9	1.0	0.9	8.4	10.4	0.4	0.3	
Jagran Prakashan	Buy	169	225	5,525	2,541	2,835	28.5	28.7	12.7	14.1	13.3	12.0	2.8	2.4	21.3	21.4	2.0	1.7	
Sun TV Network	Neutral	857	-	33,753	3,238	3,789	51.9	55.1	30.9	38.0	27.7	22.5	7.9	6.9	30.0	31.0	9.9	8.4	
Hindustan Media Ventures	Neutral	240	-	1,761	1,002	1,074	23.3	23.5	29.2	33.8	8.2	7.1	1.3	1.1	15.6	15.4	0.8	0.5	
TV Today Network	Buy	373	435	2,226	667	727	27.7	27.7	18.6	20.1	20.1	18.6	3.1	3.2	15.6	17.3	2.9	2.7	
Music Broadcast Limited	Accumulate	384	434	2,193	271	317	91.0	109.0	6.0	10.0	64.1	38.4	4.0	3.6	6.5	9.3	7.7	6.3	
Metals & Mining																			
Coal India	Neutral	276	-	171,387	82,301	91,235	17.0	18.0	17.1	20.5	16.2	13.5	3.0	2.9	45.0	55.0	1.8	1.6	
Hind. Zinc	Neutral	311	-	131,196	22,108	24,555	57.0	58.0	22.1	26.3	14.1	11.8	4.6	3.7	32.0	35.0	4.9	4.1	
Hindalco	Neutral	261	-	58,543	102,350	105,355	13.5	14.5	21.5	24.5	12.1	10.7	1.7	1.4	15.0	15.2	1.1	1.1	
JSW Steel	Neutral	264	-	63,863	64,500	68,245	21.1	21.5	20.1	21.2	13.1	12.5	2.4	2.1	-	-	1.7	1.6	
NMDC	Neutral	126	-	39,881	10,209	11,450	47.0	48.0	11.1	12.1	11.4	10.4	1.6	1.5	-	-	3.4	3.1	
SAIL	Neutral	79	-	32,586	54,100	63,555	3.0	10.0	(10.0)	1.5	52.6	1.1	1.0	-	-	1.6	1.4		
Vedanta	Neutral	315	-	116,980	81,206	87,345	28.0	29.0	26.5	33.5	11.9	9.4	2.7	2.3	-	-	2.2	1.9	
Tata Steel	Neutral	691	-	67,096	121,445	126,500	16.2	17.2	65.4	81.3	10.6	8.5	1.7	1.4	-	-	1.1	0.9	
Oil & Gas																			
GAIL	Neutral	455	-	76,997	53,115	52,344	14.2	15.3	30.0	31.1	15.2	14.6	1.9	1.7	-	-	1.2	1.2	
ONGC	Neutral	184	-	236,517	83,111	84,934	44.2	44.9	16.4	16.9	11.2	10.9	1.4	1.3	-	-	2.7	2.7	
Indian Oil Corp	Neutral	397	-	192,634	396,116	432,560	8.5	8.8	40.1	42.2	9.9	9.4	1.7	1.5	-	-	0.6	0.6	
Reliance Industries	Neutral	875	-	569,180	257,711	267,438	17.0	18.2	89.1	89.5	9.8	9.8	0.9	0.9	-	-	1.9	1.8	
Pharmaceuticals																			
Alembic Pharma	Buy	514	600	9,687	3,903	4,584	18.2	19.2	21.8	27.2	23.6	18.9	4.3	3.6	19.8	20.6	2.5	2.1	
Alkem Laboratories Ltd	Accumulate	1,991	2,125	23,809	6,320	7,341	17.5	19.8	72.7	96.6	27.4	20.6	4.8	4.1	16.7	18.7	3.7	3.1	
Aurobindo Pharma	Buy	712	823	41,727	17,086	19,478	22.1	22.0	44.7	51.4	15.9	13.9	3.5	2.9	24.7	22.7	2.6	2.2	
Aventis*	Neutral	4,478	-	10,313	2,508	2,862	16.8	16.8	139.9	153.8	32.0	29.1	4.6	3.8	23.5	25.8	3.7	3.1	
Cadila Healthcare	Reduce	451	426	46,145	11,584	13,228	20.3	20.4	18.7	21.3	24.1	21.2	5.4	4.4	24.6	22.9	3.8	3.3	
Cipla	Sell	602	458	48,455	16,619	19,437	15.4	16.2	19.7	24.3	30.6	24.8	3.5	3.1	12.0	13.2	3.1	2.6	
Dr Reddy's	Neutral	2,344	-	38,871	15,844	17,973	17.6	18.2	91.7	111.0	25.6	21.1	2.9	2.6	11.9	13.0	2.7	2.4	
GSK Pharma*	Neutral	2,629	-	22,272	3,260	3,651	15.0	18.0	46.1	58.6	57.0	44.9	11.7	12.1	20.0	26.5	6.7	6.1	
Indoco Remedies	Sell	255	153	2,353	1,154	1,310	14.9	14.9	11.3	12.7	22.6	20.1	3.2	2.8	15.0	15.0	2.2	1.8	

Stock Watch

November 14, 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	
Pharmaceuticals																			
Ipca labs	Neutral	544	-	6,863	3,593	4,022	14.5	15.5	19.4	25.2	28.0	21.6	2.6	2.3	9.5	11.2	2.0	1.8	
Lupin	Buy	829	1,467	37,443	18,657	21,289	21.3	23.3	52.8	66.7	15.7	12.4	2.4	2.0	16.3	17.5	2.0	1.7	
Natco Pharma	Accumulate	934	1,057	16,288	1,886	2,016	32.3	29.5	23.2	22.0	40.3	42.4	8.4	7.5	20.9	17.6	8.5	7.9	
Sun Pharma	Neutral	533	-	127,760	32,899	36,451	26.9	25.4	31.6	32.3	16.9	16.5	3.0	2.6	18.7	18.8	3.5	3.0	
Syngene International	Accumulate	496	556	9,920	1,394	1,818	33.0	36.0	15.8	20.6	31.4	24.1	5.8	4.8	18.6	20.0	7.1	5.4	
Power																			
Tata Power	Neutral	82	-	22,179	32,547	33,806	20.5	20.5	4.7	5.4	17.5	15.3	1.7	1.4	10.5	10.5	1.7	1.6	
NTPC	Neutral	177	-	145,903	86,070	101,246	28.3	30.7	12.9	16.2	13.7	10.9	1.4	1.3	10.6	12.4	3.1	2.7	
Power Grid	Accumulate	211	223	110,596	29,183	32,946	89.7	90.0	18.0	20.8	11.8	10.2	2.0	1.8	17.7	18.2	7.7	7.2	
Real Estate																			
Prestige Estate	Neutral	290	-	10,864	4,607	5,146	21.0	22.2	7.9	9.8	36.7	29.6	2.3	2.1	10.3	12.0	3.5	3.2	
MLIFE	Buy	436	522	2,237	487	590	12.3	17.8	21.0	31.2	20.8	14.0	1.1	1.0	5.2	7.4	3.3	2.7	
Telecom																			
Bharti Airtel	Neutral	498	-	199,091	97,903	105,233	36.0	36.3	9.3	11.1	53.6	45.1	2.6	2.4	5.0	5.6	3.0	2.7	
Idea Cellular	Neutral	94	-	33,746	35,012	37,689	27.1	27.7	(4.4)	(2.7)			1.5	1.5	(6.8)	(4.6)	2.3	2.0	
zOthers																			
Abbott India	Neutral	5,056	-	10,744	3,244	3,723	14.9	16.1	167.5	209.4	30.2	24.2	6.7	5.6	23.7	24.8	3.0	2.5	
Asian Granito	Buy	485	570	1,460	1,169	1,286	12.5	12.5	16.0	19.7	30.4	24.6	3.2	2.9	10.7	11.6	1.5	1.3	
Bajaj Electricals	Neutral	404	-	4,111	4,646	5,301	6.7	7.6	16.1	22.3	25.1	18.1	4.1	3.5	16.4	19.2	0.9	0.8	
Banco Products (India)	Neutral	216	-	1,546	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	102.2	
Coffee Day Enterprises Ltd	Neutral	228	-	4,695	3,494	3,913	17.4	18.0	4.8	5.7	-	40.0	2.0	1.9	-	0.1	1.8	1.6	
Elecon Engineering	Neutral	69	-	778	171	201	15.0	16.2	36.0	43.0	1.9	1.6	0.2	0.2	0.1	0.1	3.9	3.3	
Garware Wall Ropes	Neutral	900	-	1,970	928	1,003	15.2	15.2	39.4	43.2	22.8	20.9	3.8	3.2	16.5	15.4	2.0	1.8	
Goodyear India*	Neutral	797	-	1,839	1,717	1,866	11.8	12.3	47.9	49.8	16.6	16.0	2.6	2.2	15.6	15.7	0.8	109.7	
Hitachi	Neutral	2,473	-	6,724	2,355	2,715	10.3	10.8	49.0	60.9	50.5	40.6	11.8	9.3	0.2	0.2	2.9	2.5	
HSIL	Neutral	465	-	3,363	2,240	2,670	14.6	15.0	17.0	22.0	27.4	21.2	2.3	2.1	0.1	0.1	1.7	1.4	
Interglobe Aviation	Neutral	1,175	-	45,109	22,570	27,955	14.2	15.0	63.6	81.8	18.5	14.4	9.7	8.2	0.5	0.6	1.7	1.3	
Jyothy Laboratories	Neutral	343	-	6,233	1,781	2,044	14.1	15.0	9.4	10.5	36.7	32.7	7.8	7.3	0.2	0.2	3.7	3.2	
Linc Pen & Plastics	Neutral	248	-	367	420	462	9.3	9.3	15.3	17.1	16.2	14.5	2.7	2.8	16.9	19.5	0.9	0.8	
M M Forgings	Neutral	837	-	1,010	542	642	20.1	21.0	41.6	56.8	20.1	14.7	2.8	2.3	0.1	0.2	2.3	2.0	
Mirza International	Neutral	159	-	1,917	1,148	1,285	18.0	18.0	8.0	9.4	19.8	17.0	3.3	2.8	16.3	16.1	1.8	1.6	
Navkar Corporation	Buy	188	265	2,828	561	617	41.5	41.5	11.5	12.7	16.3	14.8	1.7	1.5	10.5	10.4	5.7	5.0	
Nilkamal	Neutral	1,583	-	2,363	2,317	2,525	11.4	11.1	96.0	105.0	16.5	15.1	2.8	2.4	0.2	0.2	1.0	0.9	

Stock Watch

November 14, 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	
zOthers																			
Parag Milk Foods	Neutral	244	-	2,049	1,987	2,379	7.6	9.0	12.4	18.3	19.6	13.3	2.8	2.4	8.2	13.2	1.1	1.0	
Radico Khaitan	Neutral	215	-	2,869	1,811	1,992	13.2	13.2	8.1	8.8	26.6	24.5	2.7	2.9	10.1	12.0	1.9	1.7	
Relaxo Footwears	Neutral	561	-	6,739	1,981	2,310	13.7	14.5	12.0	15.5	46.8	36.2	9.1	7.4	0.2	0.2	3.5	3.0	
Siyaram Silk Mills	Accumulate	589	650	2,761	1,769	1,981	12.7	12.7	22.6	26.2	26.0	22.5	4.0	3.5	15.5	15.5	1.7	1.5	
Styrolution ABS India*	Neutral	942	-	1,656	1,800	1,980	8.0	8.1	42.0	46.2	22.4	20.4	2.5	2.2	0.1	0.1	1.0	1.0	
Surya Roshni	Neutral	360	-	1,579	4,870	5,320	7.7	7.8	22.8	28.1	15.8	12.8	2.1	1.8	0.1	0.1	0.5	0.5	
TVS Srichakra	Neutral	3,132	-	2,398	2,729	2,893	12.7	12.5	248.5	265.0	12.6	11.8	3.6	2.9	0.3	0.3	0.9	0.8	
Visaka Industries	Neutral	663	-	1,053	1,104	1,214	12.1	12.6	31.0	37.9	21.4	17.5	2.6	2.3	0.1	0.1	1.2	1.1	
VIP Industries	Neutral	314	-	4,439	1,450	1,693	10.4	10.5	6.5	7.8	48.0	40.2	10.2	8.9	21.1	22.1	3.1	2.6	
Navin Fluorine	Accumulate	687	730	3,385	945	1,154	22.4	22.6	28.7	34.8	23.9	19.8	4.0	3.4	-	-	3.1	2.4	

Source: Company, Angel Research; Note: *December year end; #September year end; &October year end; Price as on November 13, 2017



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