



## Market Cues

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

Following the mixed performance seen in the previous session, US markets moved modestly higher over the course of the trading day on Friday. With the upward move on the day, the Dow and the S&P 500 reached new record closing highs. The Dow Jones rose 0.3 percent to 22,268, the Nasdaq climbed 0.3 percent to 6,448 and the S&P 500 edged up 0.2 percent to 2,500.

The FTSE tumbled by 1.1 percent on worries over a rising pound, which hit a two-month high against the euro and a one-year high against the dollar following hawkish comments from the Bank of England. The notable weakness also came after an explosion aboard a subway train in southwest London during rush hour Friday morning which injured at least 22 people in an apparent terrorist attack.

Indian markets ended on a flat note on Friday after falling earlier in the day on renewed geopolitical worries after North Korea fired another ballistic missile over the northern Japanese island of Hokkaido, its second such provocative move in weeks. The benchmark BSE Sensex erased early losses to end the session up 0.10 percent at 32,273 while the broader Nifty index closed down 0.01 percent at 10,085.

## News Analysis

- Wipro wins IT contract from Innogy
- India's 1QFY18 CAD widens due to higher gold imports

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	785	807	2.8
Dewan Housing Finance	Financials	Accumulate	568	610	7.3
Mahindra Lifespace	Real Estate	Accumulate	463	522	12.8
Navkar Corporation	Others	Buy	190	265	39.5
KEI Industries	Capital Goods	Accumulate	323	371	14.8

More Top Picks on Pg5

## Key Upcoming Events

Date	Region	Event Description	Previous Reading	Consensus Expectations
Sep 18, 2017	US	Industrial Production	0.19	0.10
Sep 19, 2017	US	Housing Starts	1,155.00	1,180.00
Sep 19, 2017	US	FOMC rate decision	1.25	1.25
Sep 20, 2017	US	Building permits	1,230.00	1,220.00
Sep 20, 2017	US	Existing home sales	5.44	5.47

More Events on Pg7

Domestic Indices	Chg (%)	(Pts)	(Close)
BSE Sensex	0.1	31	32,273
Nifty	(0.0)	(1)	10,085
Mid Cap	(0.3)	(44)	15,973
Small Cap	0.4	62	16,688
Bankex	(0.4)	(98)	27,978

Global Indices	Chg (%)	(Pts)	(Close)
Dow Jones	0.3	65	22,268
Nasdaq	0.3	19	6,448
FTSE	(1.1)	(80)	7,215
Nikkei	0.5	102	19,910
Hang Seng	0.1	30	27,808
Shanghai Com	(0.5)	(18)	3,354

Advances / Declines	BSE	NSE
Advances	1,120	690
Declines	1,481	991
Unchanged	145	77

Volumes (Cr)	
BSE	4,326
NSE	34,741

#Net Inflows (Cr)	Net	Mtd	Ytd
FII	(931)	(3,529)	43,759
MFs	845	5,119	74,006

Top Gainers	Price (₹)	Chg (%)
Bbtc	1,238	15.8
Andhrabank	59	11.6
Naukri	1,220	10.5
Edelweiss	282	9.3
Ipcalab	518	8.9

Top Losers	Price (₹)	Chg (%)
J&Kbank	75	(5.6)
Il&Fstrans	75	(5.2)
Rcom	21	(4.9)
Jpassociat	20	(4.2)
Centralbk	91	(4.2)

#as on 15<sup>th</sup> Sep, 2017



## News Analysis

### Wipro wins IT contract from Innogy

Indian IT specialist Wipro has won a 7 year contract from German utility Innogy. The scope of the contract is to manage Innogy's data center and cloud services. Innogy focuses on renewables, grid & infrastructure and retail sectors.

Wipro will help the company to rationalize, virtualize and consolidate their IT infrastructure. Wipro will also invest in and maintain Innogy's twin data centers in Germany. In February 2017, Innogy transferred its Germany based twin data centers, located in Neurath und Niederaussen, to Wipro.

### India's 1QFY18 CAD widens due to higher gold imports

India's current account deficit (CAD) widened to \$14.3 billion, highest in four years, to 2.4% of gross domestic product (GDP), in the June quarter due to pick up in the gold imports ahead of GST implementation in July. In 4QFY17, CAD stood at 0.6% of the GDP. Meanwhile, India's foreign trade has continued to recover with both exports as well as imports, grew in double digits, at 10.3% and 21.02% respectively, in August-17.

## Economic and Political News

- Govt to tap markets to fund smart city, affordable homes
- After Maharashtra & UP, Rajasthan becomes 3rd BJP state to waive farm loans
- Tata Sons' plan to go private seen as a blow to Mistry

## Corporate News

- ₹5,700cr ICICI Lombard IPO subscribed 27% on Day One
- Revival or just low base? FMCG volume sales grew 6% in July
- India's JSW Steel aims to increase own iron ore production
- Current account deficit widens to 4-year high as gold imports revive
- GST cess hike impact: Hyundai hikes vehicle prices by up to ₹84,867



## Top Picks

Company	Market Cap (` Cr)	CMP (`)	Target (`)	Upside (%)	Rationale
Alkem Laboratories	21,445	1,794	2,161	20.5	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	1,407	468	493	5.4	We expect the company would report strong profitability owing to better product mix, higher B2C sales and amalgamation synergy.
Blue Star	7,515	785	807	2.8	Favorable outlook for the AC industry to augur well for Cooling products business which is out pacing the market growth. EMPAC division's profitability to improve once operating environment turns around.
Dewan Housing Finance	17,819	568	610	7.3	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	9,494	157	180	14.6	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	2,515	323	371	14.8	High order book execution in EPC segment, rising B2C sales and higher exports to boost the revenues and profitability
Mahindra Lifespace	2,375	463	522	12.8	Speedier execution and speedier sales, strong revenue visibility in short-to-long run, attractive valuations
Music Broadcast	2,280	400	434	8.6	Expected to benefit from the lower capex requirement and 15 year long radio broadcast licensing.
Navkar Corporation	2,709	190	265	39.5	Massive capacity expansion along with rail advantage at ICD as well CFS augurs well for the company
Siyaram Silk Mills	2,205	2,352	2,500	6.3	Strong brands and distribution network would boost growth going ahead. Stock currently trades at an inexpensive valuation.
TV Today Network	1,697	285	344	20.9	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	2,44,328	8,088	8,658	7.0	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	2,933	545	655	20.3	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

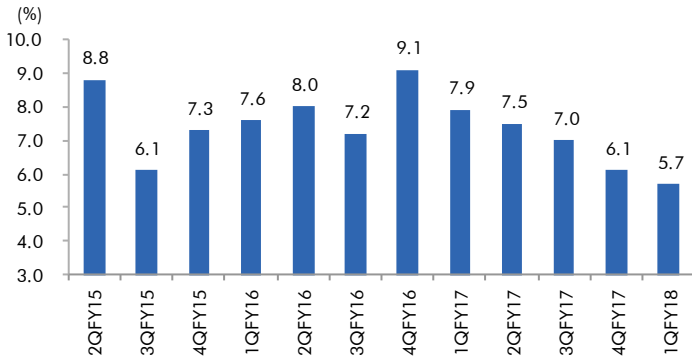
Date	Time	Country	Event Description	Unit	Period	Bloomberg Data	
						Last Reported	Estimated
Sep 18, 2017	6:45 PM US		Industrial Production	%	Aug	0.19	0.10
Sep 19, 2017	6:00 PM US		Housing Starts	Thousands	Aug	1,155.00	1,180.00
	11:30 PM US		FOMC rate decision	%	Sep 20	1.25	1.25
Sep 20, 2017	6:00 PM US		Building permits	Thousands	Aug	1,230.00	1,220.00
	7:30 PM US		Existing home sales	Million	Aug	5.44	5.47
Sep 21, 2017	6:00 PM US		Initial Jobless claims	Thousands	Sep 16	284.00	
	7:30 PM Euro Zone		Euro-Zone Consumer Confidence	Value	Sep A	(1.50)	(1.60)
Sep 22, 2017	1:00 PM Germany		PMI Services	Value	Sep P	53.50	53.80
	1:00 PM Germany		PMI Manufacturing	Value	Sep P	59.30	59.00
Sep 26, 2017	7:30 PM US		Consumer Confidence	S.A./ 1985=100	Sep	122.90	118.50
	7:30 PM US		New home sales	Thousands	Aug	571.00	600.00
Sep 28, 2017	6:00 PM US		GDP Qoq (Annualised)	% Change	2Q T	3.00	3.20
Sep 29, 2017	1:25 PM Germany		Unemployment change (000's)	Thousands	Sep	(5.00)	
	2:00 PM UK		GDP (YoY)	% Change	2Q F	1.70	
Sep 30, 2017	2:00 PM UK		PMI Manufacturing	Value	Sep	56.90	
Oct 02, 2017	6:30 AM China		PMI Manufacturing	Value	Sep	51.70	
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	
	6:00 PM US		Unemployment rate	%	Sep	4.40	
Oct 10, 2017	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	

Source: Bloomberg, Angel Research



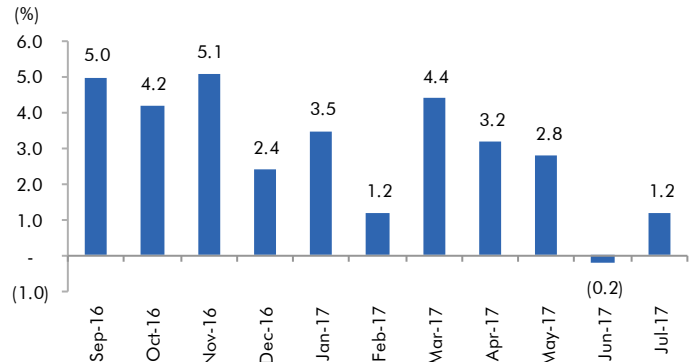
## Macro watch

**Exhibit 1: Quarterly GDP trends**



Source: CSO, Angel Research

**Exhibit 2: IIP trends**



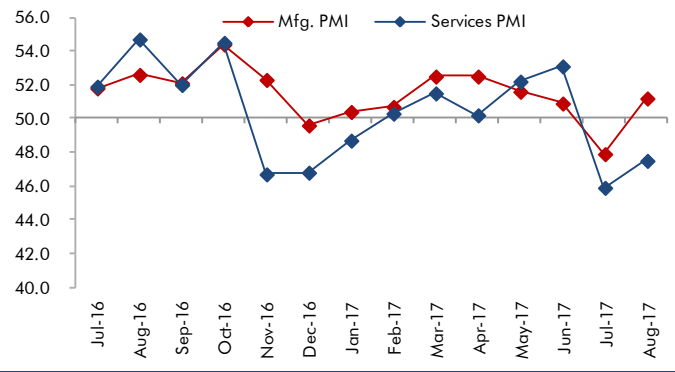
Source: MOSPI, Angel Research

**Exhibit 3: Monthly CPI inflation trends**



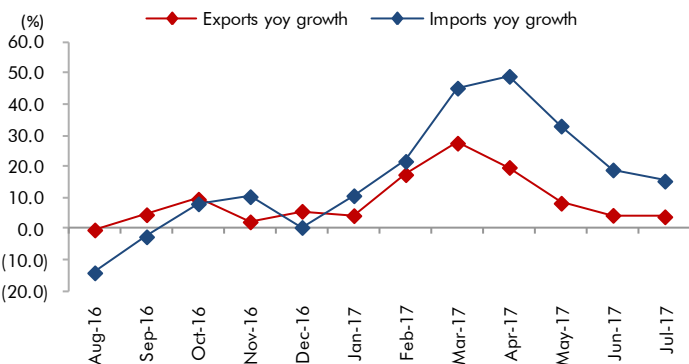
Source: MOSPI, Angel Research

**Exhibit 4: Manufacturing and services PMI**



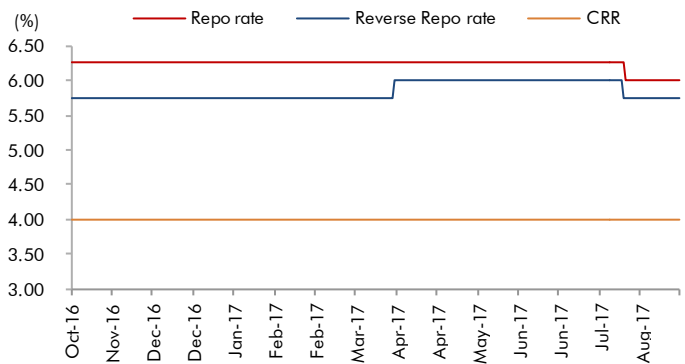
Source: Market, Angel Research; Note: Level above 50 indicates expansion

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



Source: Bloomberg, Angel Research

**Exhibit 6: Key policy rates**



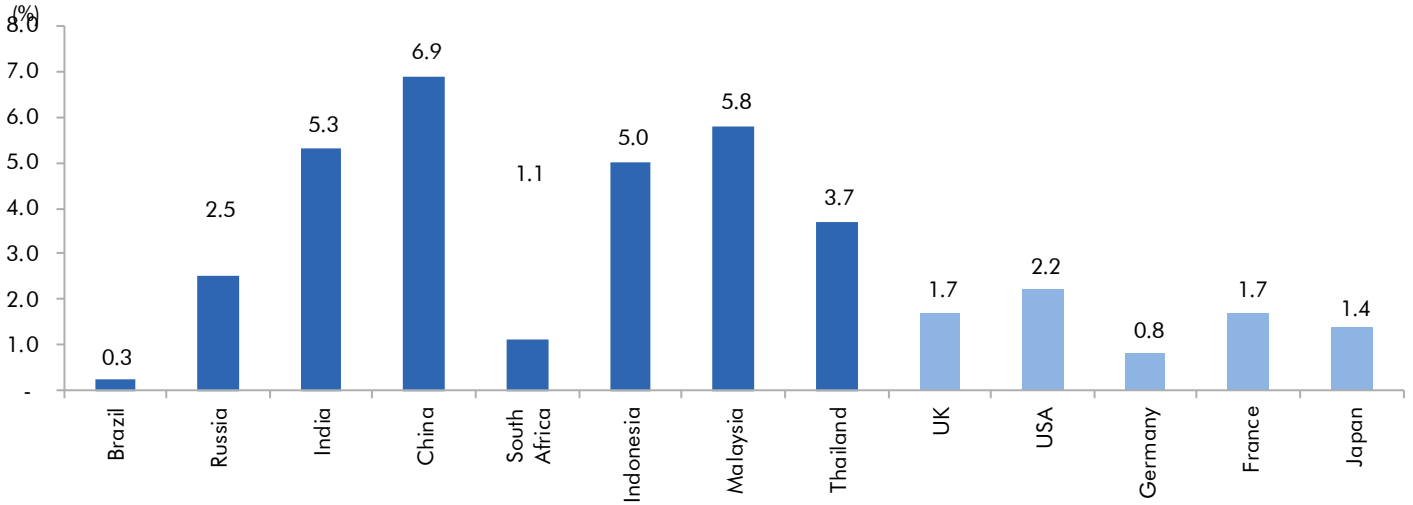
Source: RBI, Angel Research





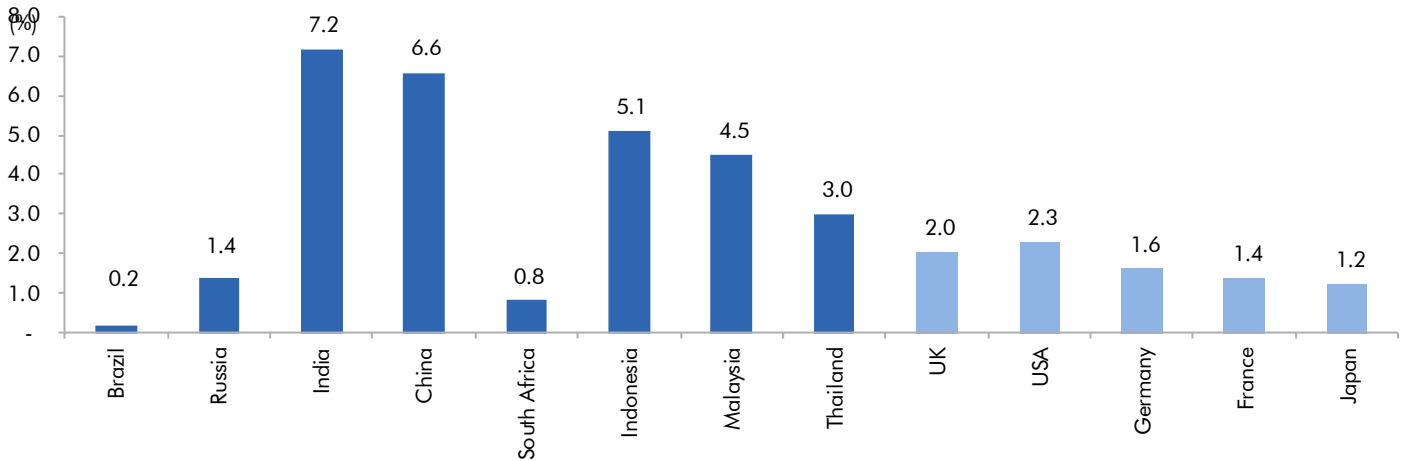
## Global watch

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



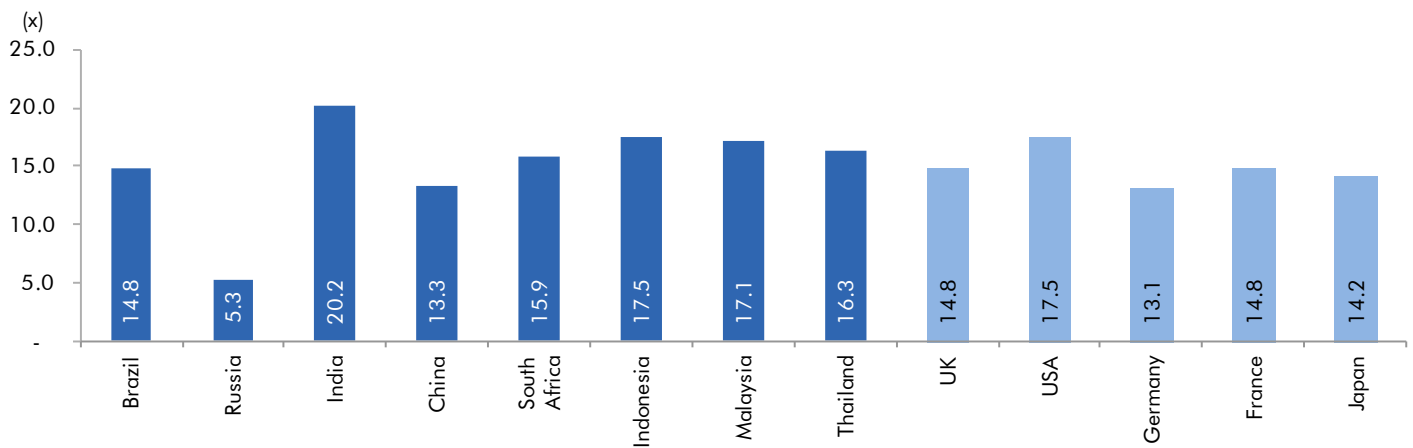
Source: Bloomberg, Angel Research

**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	75,757	10.8	22.9	33.3
Russia	Micex	2,054	5.7	11.0	3.4
India	Nifty	10,085	3.0	4.9	15.7
China	Shanghai Composite	3,354	3.3	6.7	9.2
South Africa	Top 40	49,275	0.1	10.7	7.2
Mexico	Mexbol	49,922	(2.4)	1.5	8.8
Indonesia	LQ45	977	1.5	1.8	5.6
Malaysia	KLCI	1,786	1.1	(0.1)	5.7
Thailand	SET 50	1,064	6.6	7.2	15.5
USA	Dow Jones	22,268	1.2	4.3	22.9
UK	FTSE	7,215	(2.3)	(3.3)	5.9
Japan	Nikkei	19,910	0.9	0.4	17.4
Germany	DAX	12,519	2.1	(2.9)	20.0
France	CAC	5,214	0.7	(1.8)	16.2

Source: Bloomberg, Angel Research

# Stock Watch

September 18, 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	Reduce	222	209	4,318	1,873	2,099	15.0	15.0	9.5	10.5	23.4	21.2	3.6	3.2	15.8	16.0	2.2	2.0	
United Phosphorus	Neutral	828	-	42,050	18,922	21,949	18.0	18.5	36.2	45.6	22.9	18.2	4.8	4.0	22.7	23.8	2.4	2.0	
<b>Auto &amp; Auto Ancillary</b>																			
Ashok Leyland	Accumulate	117	127	34,182	23,339	27,240	10.1	10.8	4.7	6.2	25.1	18.8	5.0	4.4	20.0	23.6	1.4	1.2	
Bajaj Auto	Neutral	3,022	-	87,448	23,936	27,955	19.5	20.1	142.7	167.3	21.2	18.1	4.6	4.1	21.8	22.8	3.2	2.7	
Bharat Forge	Neutral	1,241	-	28,880	7,637	8,755	21.7	23.2	36.1	47.3	34.4	26.3	6.2	5.3	18.5	20.8	3.6	3.1	
Eicher Motors	Neutral	31,956	-	86,993	19,043	22,837	19.5	19.9	835.4	1,019.0	38.3	31.4	14.3	11.0	40.9	37.8	4.4	3.6	
Gabriel India	Neutral	212	-	3,049	1,782	2,033	9.7	10.2	7.1	8.9	29.9	24.0	6.0	5.1	21.0	22.2	1.7	1.4	
Hero Motocorp	Accumulate	3,891	4,129	77,707	32,239	36,878	16.0	15.6	184.4	206.5	21.1	18.9	6.6	5.8	31.3	30.7	2.2	1.9	
Jamna Auto Industries	Neutral	252	-	2,006	1,441	1,662	14.4	14.8	13.9	17.6	18.1	14.3	4.9	4.0	30.0	31.0	1.4	1.2	
Mahindra and Mahindra	Neutral	1,293	-	80,307	46,971	53,816	13.6	14.0	67.7	79.8	19.1	16.2	2.7	2.4	15.0	15.9	1.6	1.3	
Maruti	Accumulate	8,088	8,658	244,328	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	868	-	7,502	4,328	5,084	11.0	11.9	27.3	36.4	31.9	23.9	6.8	5.3	23.1	25.6	1.8	1.5	
Motherson Sumi	Neutral	332	-	69,976	55,937	64,445	10.8	11.4	16.9	21.1	19.7	15.8	4.4	4.5	25.2	25.4	1.3	1.1	
Tata Motors	Neutral	401	-	115,855	303,167	343,649	11.8	13.8	33.1	54.7	12.1	7.3	2.0	1.6	16.9	23.0	0.4	0.4	
TVS Motor	Neutral	650	-	30,878	13,992	16,216	9.0	9.4	17.1	20.3	38.1	32.0	10.1	7.8	29.7	27.7	2.1	1.8	
Amara Raja Batteries	Accumulate	773	858	13,210	6,140	7,122	14.3	15.6	29.3	39.0	26.4	19.8	4.5	3.8	17.1	19.0	2.2	1.8	
Exide Industries	Neutral	218	-	18,534	8,689	9,854	15.1	15.2	9.7	11.0	22.6	19.8	4.0	3.5	15.7	16.1	1.9	1.6	
Apollo Tyres	Neutral	256	-	13,054	15,739	17,326	13.3	14.6	20.4	26.7	12.6	9.6	1.5	1.3	20.4	26.7	1.1	1.0	
Ceat	Neutral	1,762	-	7,126	6,661	7,717	11.1	14.2	116.2	178.2	15.2	9.9	2.6	2.2	15.2	21.3	1.2	1.0	
JK Tyres	Neutral	147	-	3,323	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	2,094	-	2,601	788	889	16.4	16.5	71.6	81.0	29.3	25.9	8.4	7.8	29.6	31.0	3.0	2.6	
Subros	Neutral	236	-	1,418	1,855	2,135	11.6	11.8	10.3	14.7	23.1	16.1	3.5	3.0	15.8	19.1	1.0	0.8	
<b>Capital Goods</b>																			
BEML	Neutral	1,844	-	7,680	4,286	5,194	7.1	8.2	42.9	58.1	43.0	31.7	3.5	3.2	7.6	8.7	1.9	1.5	
Bharat Electronics	Neutral	190	-	42,461	10,258	12,470	19.6	19.5	7.3	8.6	26.0	22.1	0.5	0.5	20.4	21.9	3.6	3.0	
Voltas	Neutral	543	-	17,970	6,778	8,004	9.6	11.0	17.1	22.4	31.8	24.3	7.6	6.6	17.7	19.8	2.3	2.0	
BHEL	Neutral	132	-	32,308	33,200	39,167	6.8	9.5	6.2	11.2	21.3	11.8	1.0	0.9	4.6	8.0	0.6	0.4	
Blue Star	Accumulate	785	850	7,515	5,101	5,997	6.0	7.0	17.9	26.6	43.8	29.5	9.3	8.5	21.9	29.0	1.5	1.3	
CG Power and Industrial Solutions	Neutral	83	-	5,227	6,555	7,292	7.5	7.5	-	0.8	8,340.0	104.3	1.3	1.3	0.1	1.2	0.9	0.8	
Greaves Cotton	Neutral	141	-	3,453	1,778	1,993	14.7	15.1	8.1	9.1	17.5	15.5	3.9	3.7	21.8	23.6	1.7	1.5	



# Stock Watch

September 18, 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	320	350	8,220	9,779	11,113	9.4	9.8	14.2	18.2	22.5	17.6	4.3	3.5	21.1	22.1	1.1	1.0	
KEI Industries	Accumulate	323	371	2,515	3,001	3,391	10.0	10.0	13.0	16.1	24.9	20.1	4.5	3.7	18.2	18.7	1.0	0.9	
Thermax	Neutral	953	-	11,357	4,125	4,747	10.3	10.8	26.7	31.5	35.7	30.3	4.0	3.6	11.2	12.0	2.5	2.2	
VATech Wabag	Accumulate	637	681	3,475	3,867	4,126	9.6	10.0	34.9	39.8	18.2	16.0	3.0	2.6	17.7	17.5	0.9	0.8	
<b>Cement</b>																			
ACC	Neutral	1,821	-	34,193	12,255	13,350	13.5	14.3	58.0	66.2	31.4	27.5	3.7	3.5	11.5	12.2	2.8	2.5	
Ambuja Cements	Neutral	284	-	56,363	10,250	11,450	17.5	19.0	7.2	8.3	39.4	34.2	2.8	2.7	7.0	7.8	5.3	4.7	
India Cements	Neutral	190	-	5,844	6,135	6,750	14.8	15.2	8.5	11.5	22.3	16.5	1.1	1.1	4.8	6.2	1.3	1.1	
JK Cement	Neutral	1,005	-	7,024	4,150	4,775	19.2	20.0	49.0	63.5	20.5	15.8	3.2	2.8	17.0	18.5	2.1	1.8	
J K Lakshmi Cement	Neutral	430	-	5,056	3,422	3,757	15.5	17.0	13.5	23.2	31.8	18.5	3.3	2.9	10.8	15.5	1.9	1.6	
Orient Cement	Neutral	159	-	3,250	2,215	3,233	16.8	17.0	5.9	6.9	26.9	23.0	2.1	1.9	10.8	10.1	2.5	1.6	
UltraTech Cement	Neutral	4,205	-	115,429	28,250	35,150	20.2	23.5	77.5	122.2	54.3	34.4	4.6	4.1	9.6	14.8	4.6	3.6	
<b>Construction</b>																			
KNR Constructions	Neutral	202	-	2,844	1,846	2,203	14.5	14.5	12.1	13.7	16.7	14.8	0.9	0.8	17.5	16.7	1.6	1.3	
Larsen & Toubro	Neutral	1,212	-	169,809	95,787	109,476	10.2	11.6	44.5	50.8	27.3	23.9	3.4	3.1	12.9	13.1	2.3	2.1	
Gujarat Pipavav Port	Neutral	147	-	7,082	739	842	61.6	62.7	5.1	6.2	28.7	23.8	3.6	3.5	12.7	14.9	9.0	7.8	
PNC Infratech	Accumulate	136	143	3,489	2,040	2,935	13.0	13.0	6.4	9.0	21.3	15.1	0.6	0.5	9.7	12.2	1.7	1.2	
Simplex Infra	Neutral	485	-	2,398	6,012	6,619	11.6	11.7	21.1	31.0	23.0	15.7	1.6	1.5	6.5	8.6	0.9	0.8	
Sadbhav Engineering	Neutral	295	-	5,060	3,823	4,426	10.7	10.8	10.3	11.8	28.6	25.0	3.4	3.0	10.1	10.5	1.6	1.4	
NBCC	Neutral	212	-	19,112	9,099	12,706	6.4	6.4	7.3	9.6	29.2	22.2	1.3	1.0	27.5	30.5	2.0	1.4	
MEP Infra	Neutral	103	-	1,666	2,403	2,910	18.3	16.8	2.4	6.1	43.6	16.9	16.5	11.1	35.2	55.8	1.9	1.5	
SIPL	Neutral	97	-	3,432	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	158	-	10,657	1,795	2,611	21.1	22.4	5.9	8.1	26.8	19.5	1.9	1.9	12.9	16.1	4.3	2.8	
<b>Financials</b>																			
Axis Bank	Accumulate	518	580	124,088	32,558	35,843	3.5	3.2	27.8	41.0	18.6	12.6	2.0	1.8	11.4	14.9	-	-	
Bank of Baroda	Neutral	145	-	33,456	22,533	26,079	2.4	2.4	12.0	20.9	12.1	7.0	0.8	0.7	6.6	11.0	-	-	
Canara Bank	Neutral	347	-	20,747	17,925	20,235	2.0	2.1	18.5	36.5	18.8	9.5	0.7	0.7	3.4	6.2	-	-	
Can Fin Homes	Neutral	2,798	-	7,448	586	741	3.5	3.5	107.8	141.0	25.9	19.9	5.7	4.6	24.1	25.6	-	-	
Cholamandalam Inv. & Fin. Co.	Accumulate	1,164	1,230	18,189	2,826	3,307	6.3	6.3	53.7	64.6	21.7	18.0	3.7	3.2	18.3	18.9	-	-	
Dewan Housing Finance	Accumulate	568	610	17,819	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	162	235	5,487	1,125	1,380	9.6	9.8	1.5	6.0	108.0	27.0	2.5	2.3	2.4	8.2	-	-	
Federal Bank	Accumulate	115	125	22,431	4,896	5,930	2.8	3.1	5.4	7.6	21.4	15.2	1.8	1.7	8.5	11.0	-	-	

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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	545	655	2,933	376	477	3.6	3.7	33.0	40.0	16.5	13.6	3.0	2.5	20.0	23.0	-	-	
HDFC Bank	Neutral	1,849	-	477,261	55,236	63,253	4.5	4.4	68.9	82.4	26.9	22.4	4.7	3.9	18.7	18.5	-	-	
ICICI Bank	Accumulate	292	315	187,319	42,361	51,378	3.6	3.9	18.4	25.7	15.9	11.4	1.7	1.7	11.3	15.0	-	-	
Karur Vysya Bank	Accumulate	157	180	9,494	3,289	3,630	3.7	3.9	10.8	14.1	14.5	11.2	1.7	1.6	12.5	14.7	-	-	
LIC Housing Finance	Neutral	647	-	32,647	4,895	6,332	3.4	3.7	50.7	66.8	12.8	9.7	2.5	2.1	21.7	23.8	-	-	
Punjab Natl.Bank	Neutral	145	-	30,770	23,708	25,758	2.1	2.1	5.9	16.4	24.6	8.8	0.7	0.7	3.0	8.3	-	-	
RBL Bank	Neutral	532	-	21,979	2,309	2,888	2.6	2.5	16.4	19.1	32.5	27.9	4.1	3.6	13.3	13.8	-	-	
Repco Home Finance	Buy	660	825	4,132	496	597	4.4	4.2	38.5	48.7	17.2	13.6	3.1	2.6	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	272	-	234,835	105,827	121,056	2.4	2.5	16.1	25.6	16.9	10.6	1.3	1.2	6.6	9.9	-	-	
Union Bank	Neutral	137	-	9,981	14,650	16,225	2.3	2.3	23.1	32.5	6.0	4.2	0.5	0.4	7.1	9.2	-	-	
Yes Bank	Neutral	1,842	-	84,371	11,088	13,138	3.0	2.9	84.0	99.3	21.9	18.5	3.4	2.9	16.3	16.8	-	-	
<b>FMCG</b>																			
Akzo Nobel India	Neutral	1,805	-	8,657	3,164	3,607	13.8	13.7	58.6	67.9	30.8	26.6	7.6	6.7	24.5	25.1	2.6	2.3	
Asian Paints	Neutral	1,244	-	119,339	17,603	20,615	18.6	18.6	2,128.9	2,543.3	0.6	0.5	12.3	10.4	28.0	28.9	6.6	5.5	
Britannia	Neutral	4,367	-	52,435	9,690	11,278	14.8	15.4	84.0	101.0	52.0	43.2	18.9	15.1	40.6	39.0	5.4	4.6	
Colgate	Neutral	1,134	-	30,836	4,420	5,074	24.9	25.3	28.6	32.8	39.6	34.6	15.6	12.6	43.8	40.5	6.7	5.8	
Dabur India	Neutral	309	-	54,493	8,346	9,344	19.6	19.9	7.8	9.0	39.7	34.4	8.0	7.2	25.2	24.8	6.1	5.4	
GlaxoSmith Con*	Neutral	5,097	-	21,437	5,072	5,760	18.2	18.4	176.3	199.2	28.9	25.6	6.1	5.6	21.2	21.7	3.6	3.1	
Godrej Consumer	Neutral	937	-	63,841	10,171	11,682	20.8	21.5	21.7	27.1	43.2	34.6	9.7	8.3	22.3	23.4	6.4	5.5	
HUL	Neutral	1,246	-	269,586	37,077	41,508	20.3	21.8	5,189.9	6,318.5	0.2	0.2	38.0	32.4	74.8	82.0	7.1	6.4	
ITC	Neutral	269	-	328,077	44,588	49,853	37.0	37.3	9.6	11.0	28.1	24.5	6.9	6.6	25.1	27.3	6.8	6.1	
Marico	Neutral	327	-	42,205	6,788	7,766	18.5	19.2	7.1	8.5	46.1	38.5	16.1	13.8	36.9	38.0	6.1	5.3	
Nestle*	Neutral	7,335	-	70,724	10,083	11,182	20.0	20.9	119.7	141.3	61.3	51.9	216.0	197.4	36.7	39.8	6.7	6.0	
Tata Global	Neutral	211	-	13,288	7,121	7,641	11.9	12.3	6.9	8.0	30.5	26.3	2.0	1.9	6.8	7.2	1.7	1.5	
Procter & Gamble Hygiene	Neutral	8,459	-	27,459	3,034	3,579	27.1	27.7	167.7	198.8	50.4	42.6	13.5	11.7	28.8	29.5	8.5	7.1	
<b>IT</b>																			
HCL Tech ^	Accumulate	887	1,014	126,502	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	909	1,179	208,703	73,963	80,619	26.0	26.0	64.4	69.3	14.1	13.1	2.8	2.6	19.7	19.6	2.3	2.0	
TCS	Accumulate	2,499	2,651	492,321	127,403	138,870	27.6	27.6	144.5	156.0	17.3	16.0	5.1	4.8	29.7	29.8	3.5	3.2	
Tech Mahindra	Buy	443	533	43,228	31,015	33,496	15.0	15.0	35.6	38.1	12.4	11.6	2.1	2.0	17.0	16.3	1.2	1.0	

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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	286	-	139,066	58,536	61,858	20.3	20.3	18.2	19.1	15.7	15.0	2.4	2.1	14.6	13.4	2.3	2.2	
<b>Media</b>																			
D B Corp	Neutral	370	-	6,799	2,404	2,625	30.5	31.5	23.7	26.9	15.6	13.7	3.7	3.1	23.5	22.8	2.7	2.4	
HT Media	Neutral	98	-	2,270	2,589	2,830	15.1	15.4	8.3	10.9	11.8	9.0	1.0	0.9	8.4	10.4	0.4	0.3	
Jagran Prakashan	Buy	183	225	5,987	2,541	2,835	28.5	28.7	12.7	14.1	14.4	13.0	3.0	2.6	21.3	21.4	2.2	1.9	
Sun TV Network	Neutral	823	-	32,447	3,238	3,789	51.9	55.1	30.9	38.0	26.7	21.7	7.6	6.7	30.0	31.0	9.5	8.0	
Hindustan Media Ventures	Neutral	263	-	1,932	1,002	1,074	23.3	23.5	29.2	33.8	9.0	7.8	1.4	1.2	15.6	15.4	0.9	0.7	
TV Today Network	Buy	285	344	1,697	667	727	27.7	27.7	18.6	20.1	15.3	14.2	2.4	2.4	15.6	17.3	2.1	1.9	
Music Broadcast Limited	Accumulate	400	434	2,280	271	317	91.0	109.0	6.0	10.0	66.6	40.0	4.2	3.8	6.5	9.3	8.0	6.6	
<b>Metals &amp; Mining</b>																			
Coal India	Neutral	260	-	161,331	82,301	91,235	17.0	18.0	17.1	20.5	15.2	12.7	2.9	2.7	45.0	55.0	1.6	1.5	
Hind. Zinc	Neutral	304	-	128,492	22,108	24,555	57.0	58.0	22.1	26.3	13.8	11.6	4.5	3.6	32.0	35.0	4.8	4.0	
Hindalco	Neutral	247	-	55,462	102,350	105,355	13.5	14.5	21.5	24.5	11.5	10.1	1.6	1.3	15.0	15.2	1.1	1.1	
JSW Steel	Neutral	267	-	64,443	64,500	68,245	21.1	21.5	20.1	21.2	13.3	12.6	2.4	2.1	-	-	1.7	1.7	
NMDC	Neutral	132	-	41,732	10,209	11,450	47.0	48.0	11.1	12.1	11.9	10.9	1.6	1.6	-	-	3.6	3.3	
SAIL	Neutral	62	-	25,689	54,100	63,555	3.0	10.0	(10.0)	1.5		41.5	0.8	0.8	-	-	1.5	1.3	
Vedanta	Neutral	319	-	118,578	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	679	-	65,975	121,445	126,500	16.2	17.2	65.4	81.3	10.4	8.4	1.7	1.4	-	-	1.1	0.9	
<b>Oil &amp; Gas</b>																			
GAIL	Neutral	400	-	67,635	53,115	52,344	14.2	15.3	30.0	31.1	13.3	12.9	1.7	1.5	-	-	1.0	1.0	
ONGC	Neutral	167	-	214,187	83,111	84,934	44.2	44.9	16.4	16.9	10.2	9.9	1.2	1.1	-	-	2.4	2.4	
Indian Oil Corp	Neutral	415	-	201,569	396,116	432,560	8.5	8.8	40.1	42.2	10.4	9.8	1.8	1.6	-	-	0.7	0.6	
Reliance Industries	Neutral	843	-	548,531	257,711	267,438	17.0	18.2	89.1	89.5	9.5	9.4	0.9	0.8	-	-	1.8	1.7	
<b>Pharmaceuticals</b>																			
Alembic Pharma	Buy	486	600	9,166	3,903	4,584	18.2	19.2	21.8	27.2	22.3	17.9	4.1	3.4	19.8	20.6	2.4	2.0	
Alkem Laboratories Ltd	Buy	1,794	2,161	21,445	6,901	7,850	18.4	19.1	85.0	100.5	21.1	17.8	4.3	3.6	20.2	20.1	3.1	2.7	
Aurobindo Pharma	Accumulate	758	823	44,436	17,086	19,478	22.1	22.0	44.7	51.4	17.0	14.8	3.8	3.0	24.7	22.7	2.7	2.4	
Aventis*	Neutral	4,078	-	9,392	2,508	2,862	16.8	16.8	139.9	153.8	29.2	26.5	4.2	3.4	23.5	25.8	3.4	2.8	
Cadila Healthcare	Reduce	481	426	49,263	11,584	13,228	20.3	20.4	18.7	21.3	25.7	22.6	5.7	4.7	24.6	22.9	4.1	3.5	
Cipla	Sell	561	458	45,103	16,619	19,437	15.4	16.2	19.7	24.3	28.5	23.1	3.2	2.9	12.0	13.2	2.9	2.4	
Dr Reddy's	Neutral	2,210	-	36,644	15,844	17,973	17.6	18.2	91.7	111.0	24.1	19.9	2.7	2.5	11.9	13.0	2.5	2.2	
GSK Pharma*	Neutral	2,411	-	20,421	3,260	3,651	15.0	18.0	46.1	58.6	52.3	41.1	10.7	11.1	20.0	26.5	6.2	5.6	
Indoco Remedies	Sell	199	153	1,836	1,154	1,310	14.9	14.9	11.3	12.7	17.6	15.7	2.5	2.2	15.0	15.0	1.7	1.5	

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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	518	-	6,541	3,593	4,022	14.5	15.5	19.4	25.2	26.7	20.6	2.4	2.2	9.5	11.2	1.9	1.7	
Lupin	Buy	1,007	1,467	45,500	18,657	21,289	21.3	23.3	52.8	66.7	19.1	15.1	2.9	2.4	16.3	17.5	2.5	2.0	
Natco Pharma	Neutral	810	-	14,111	1,836	1,946	31.8	28.9	22.1	20.6	36.6	39.3	7.4	6.6	20.1	16.7	7.5	7.1	
Sun Pharma	Accumulate	524	558	125,673	32,899	36,451	26.9	25.4	31.6	32.3	16.6	16.2	2.9	2.5	18.7	18.8	3.4	3.0	
Syngene International	Buy	480	557	9,594	1,402	1,823	32.8	36.0	15.9	20.7	30.2	23.2	5.6	4.6	18.7	20.0	6.8	5.2	
<b>Power</b>																			
Tata Power	Neutral	84	-	22,801	32,547	33,806	20.5	20.5	4.7	5.4	17.9	15.8	1.7	1.5	10.5	10.5	1.7	1.6	
NTPC	Neutral	167	-	137,947	86,070	101,246	28.3	30.7	12.9	16.2	13.0	10.3	1.3	1.2	10.6	12.4	3.0	2.7	
Power Grid	Neutral	213	-	111,668	29,183	32,946	89.7	90.0	18.0	20.8	11.9	10.3	2.0	1.8	17.7	18.2	7.8	7.2	
<b>Real Estate</b>																			
Prestige Estate	Neutral	260	-	9,731	4,607	5,146	21.0	22.2	7.9	9.8	32.9	26.5	2.0	1.9	10.3	12.0	3.3	3.0	
MLIFE	Accumulate	463	522	2,375	487	590	12.3	17.8	21.0	31.2	22.0	14.8	1.2	1.1	5.2	7.4	3.6	2.9	
<b>Telecom</b>																			
Bharti Airtel	Neutral	396	-	158,157	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	80	-	28,729	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	4,136	-	8,788	3,244	3,723	14.9	16.1	167.5	209.4	24.7	19.8	5.4	4.6	23.7	24.8	2.4	2.0	
Asian Granito	Accumulate	468	493	1,407	1,169	1,286	12.5	12.5	16.0	19.7	29.3	23.7	3.1	2.8	10.7	11.6	1.4	1.3	
Bajaj Electricals	Neutral	391	-	3,967	4,646	5,301	6.7	7.6	16.1	22.3	24.3	17.5	4.0	3.4	16.4	19.2	0.8	0.8	
Banco Products (India)	Neutral	215	-	1,540	1,530	1,695	13.2	12.7	19.0	20.0	11.3	10.8	1.8	1.6	0.2	0.2	0.9	101.8	
Coffee Day Enterprises Ltd	Neutral	242	-	4,977	3,494	3,913	17.4	18.0	4.8	5.7	-	42.4	2.1	2.0	-	0.1	1.9	1.7	
Elecon Engineering	Neutral	52	-	586	171	201	15.0	16.2	36.0	43.0	1.5	1.2	0.1	0.1	0.1	0.1	2.8	2.4	
Garware Wall Ropes	Neutral	880	-	1,925	928	1,003	15.2	15.2	39.4	43.2	22.3	20.4	3.7	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	115.1	
Hitachi	Neutral	1,997	-	5,431	2,355	2,715	10.3	10.8	49.0	60.9	40.8	32.8	9.5	7.5	0.2	0.2	2.3	2.0	
HSIL	Neutral	393	-	2,842	2,240	2,670	14.6	15.0	17.0	22.0	23.1	17.9	1.9	1.8	0.1	0.1	1.5	1.2	
Interglobe Aviation	Neutral	1,176	-	42,547	22,570	27,955	14.2	15.0	63.6	81.8	18.5	14.4	9.7	8.2	0.5	0.6	1.6	1.2	
Jyothy Laboratories	Neutral	419	-	7,620	1,781	2,044	14.1	15.0	9.4	10.5	44.9	39.9	9.5	9.0	0.2	0.2	4.5	3.9	
Linc Pen & Plastics	Neutral	234	-	346	420	462	9.3	9.3	15.3	17.1	15.3	13.7	2.6	2.7	16.9	19.5	0.9	0.8	
M M Forgings	Neutral	626	-	755	542	642	20.1	21.0	41.6	56.8	15.0	11.0	2.1	1.8	0.1	0.2	1.8	1.6	
Mirza International	Neutral	170	-	2,039	1,148	1,285	18.0	18.0	8.0	9.4	21.1	18.1	3.5	3.0	16.3	16.1	1.9	1.7	
Navkar Corporation	Buy	190	265	2,709	561	617	41.5	41.5	11.5	12.7	16.5	14.9	1.7	1.6	10.5	10.4	5.5	4.8	
Nilkamal	Neutral	1,599	-	2,387	2,317	2,525	11.4	11.1	96.0	105.0	16.7	15.2	2.8	2.5	0.2	0.2	1.0	0.9	

# Stock Watch

September 18, 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	249	-	2,090	1,987	2,379	7.6	9.0	12.4	18.3	20.0	13.6	2.8	2.5	8.2	13.2	1.2	1.0	
Radico Khaitan	Neutral	169	-	2,251	1,811	1,992	13.2	13.2	8.1	8.8	20.9	19.2	2.1	2.3	10.1	12.0	1.6	1.4	
Relaxo Footwears	Neutral	529	-	6,355	1,981	2,310	13.7	14.5	12.0	15.5	44.1	34.1	8.6	6.9	0.2	0.2	3.3	2.8	
Siyaram Silk Mills	Accumulate	2,352	2,500	2,205	1,769	1,981	12.7	12.7	113.1	131.1	20.8	17.9	3.2	2.8	15.5	15.5	1.4	1.3	
Styrolution ABS India*	Neutral	951	-	1,672	1,800	1,980	8.0	8.1	42.0	46.2	22.6	20.6	2.5	2.3	0.1	0.1	1.0	1.0	
Surya Roshni	Neutral	307	-	1,343	4,870	5,320	7.7	7.8	22.8	28.1	13.5	10.9	1.8	1.6	0.1	0.1	0.5	0.4	
TVS Srichakra	Neutral	3,092	-	2,367	2,729	2,893	12.7	12.5	248.5	265.0	12.4	11.7	3.5	2.9	0.3	0.3	0.9	0.8	
Visaka Industries	Neutral	632	-	1,003	1,104	1,214	12.1	12.6	31.0	37.9	20.4	16.7	2.5	2.2	0.1	0.1	1.1	1.0	
VIP Industries	Accumulate	225	250	3,173	1,450	1,693	10.4	10.5	6.5	7.8	34.3	28.8	7.3	6.3	21.1	22.1	2.2	1.9	
Navin Fluorine	Accumulate	652	730	3,215	945	1,154	22.4	22.6	28.7	34.8	22.7	18.8	3.8	3.2	-	-	2.9	2.3	

Source: Company, Angel Research; Note: \*December year end; #September year end; &October year end; Price as on September 15, 2017





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