



Market Cues

Indian markets are likely to open positive tracking the SGX Nifty.

U.S. Markets closed lower in choppy trade Friday as investors looked ahead to the French election. Wall Street also digested falling oil prices and comments from the Trump administration on tax reform.

The European markets ended Friday's session with mixed results. Investors were in a cautious mood due to the upcoming French election. Recent polls have suggested that Sunday's race is too close to call amid questions about the impact of yesterday's terrorist attack that left one French police officer dead and two other people wounded.

Indian shares erased early gains to end a tad lower on Friday ahead of this weekend's French presidential election. The benchmark BSE Sensex ended down 57 points or 0.19% at 29,365, while the broader Nifty index dropped 17 points or 0.19% to 9,119.

News Analysis

- Sun Pharmaceutical

Detailed analysis on Pg2

Investor's Ready Reckoner

- 📊 Key Domestic & Global Indicators

- 📈 Stock Watch: Latest investment recommendations on 150+ stocks

Refer Pg6 onwards

Top Picks

Company	Sector	Rating	CMP (₹)	Target (₹)	Upside (%)
Blue Star	Capital Goods	Accumulate	686	760	10.8
Dewan Housing Fin.	Financials	Accumulate	415	460	10.9
Mahindra Lifespace	Real Estate	Buy	410	522	27.3
Navkar Corporation	Others	Buy	207	265	28.2
KEI Industries	Capital Goods	Accumulate	212	239	12.7

More Top Picks on Pg4

Key Upcoming Events

Date	Region	Event Description	Previous Reading	Consensus Expectations
Apr 25, 2017	Euro Zone	ECB announces interest rates	0.00	
Apr 25, 2017	US	Consumer Confidence	125.60	123.90
Apr 27, 2017	US	New home sales	592.00	590.00
Apr 28, 2017	US	GDP QoQ (Annualised)	2.10	1.00
Apr 28, 2017	UK	GDP (YoY)	1.90	2.30
Apr 30, 2017	China	PMI Manufacturing	51.80	--

More Events on Pg5

Domestic Indices	Chg (%)	(Pts)	(Close)
BSE Sensex	(0.2)	(57)	29,365
Nifty	(0.2)	(17)	9,119
Mid Cap	(0.0)	(2)	14,488
Small Cap	0.3	38	15,166
Bankex	(0.6)	(6)	24,438

Global Indices	Chg (%)	(Pts)	(Close)
Dow Jones	(0.15)	31	20,548
Nasdaq	(0.11)	7	2,349
FTSE	(0.6)	4	7,115
Nikkei	(1.0)	190	18,621
Hang Seng	0.6	15	24,042
Shanghai Com	0.0	1	3,174

Advances / Declines	BSE	NSE
Advances	1,449	827
Declines	1,422	857
Unchanged	143	80

Volumes (₹ Cr)	
BSE	4,029
NSE	25,406

#Net Inflows (₹ Cr)	Net	Mtd	Ytd
FII	(978)	(3,227)	40,994
MFs	1,132	6,027	15,465

Top Gainers	Price (₹)	Chg (%)
Network18	190	9.4
SCI	84	8.5
Religare	209	6.8
Gmrinfra	18	6.7
Southbank	24	6.2

Top Losers	Price (₹)	Chg (%)
Hindzinc	274	(3.4)
Mfsl	630	(3.2)
Gsfsc	120	(2.8)
Corpbank	54	(2.5)
Bankbaroda	175	(2.4)

#As on April 21, 2017



News Analysis

Sun Pharmaceutical Industries

Sun Pharmaceutical Industries is reported to have received 11 observations from the US health regulator for its Dadra unit. While inspecting the plant, the US Food & Drug Administration found incomplete lab records at the Pharmaceutical major's Dadra plant. These observations include failure to produce appropriate master or control record for each batch of drugs and failure to properly investigate batches that don't meet specifications.

Inspection of the plant by USFDA was concluded in the first week of this month. Dadra site is the biggest unit for the company after Halol plant, for supplying drug in the United States. The problem for the company may aggravate as its Halol plant has already been under import alert. In FY2016, Halol contributed ~7-9% of total sales and >15% of US sales for the company.

While currently these are only observations and will not lead to any negative impact on the earnings of the company. Though if not rectified could let to significant impact on US numbers. Apart from these two facilities, the company has only one facility in Gujarat in India, which is for API and formulation both. Also, recently the company got its Mohali facility, came out of the US import Alert. **Currently, we maintain our buy on the stock with target price of ₹847.**

Economic and Political News

- India's growth projected to bounce back in 2018: IMF
- Finance Ministry approves 8.65% interest rate on EPF for 2016-17
- Imposing GST on low-value imports doesn't level the playing field

Corporate News

- ACC Q1 net drops 9% at ₹211cr
- KKR sells 5.6% in Dalmia Bharat for ₹575cr
- Narayana Hrudayalaya to acquire Panacea arm for ₹180cr



Quarterly Bloomberg Brokers Consensus Estimate

Ultratech Cement Ltd - Apr 24, 2017

Particulars (₹ cr)	4QFY17E	4QFY16	y-o-y (%)	3QFY17	q-o-q (%)
Net sales	6,493	6,436	0.9	5,540	17.2
EBITDA	1,249	1,353	(7.7)	1,113	12.2
EBITDA margin (%)	19.2	21.0		20.1	
Net profit	673	681	(1.2)	563	19.5

Wipro Ltd Consol - Apr 25, 2017

Particulars (₹ cr)	4QFY17E	4QFY16	y-o-y (%)	3QFY17	q-o-q (%)
Net sales	13,865	13,632	1.7	13,688	1.3
EBITDA	2,827	2,805	0.8	2,788	1.4
EBITDA margin (%)	20.4	20.6		20.4	
Net profit	2,109	2,235	(5.6)	2,110	(0.0)

Axis Bank Ltd - Apr 25, 2017

Particulars (₹ cr)	4QFY17E	4QFY16	y-o-y (%)	3QFY17	q-o-q (%)
Net profit	803	2,154	(62.7)	580	38.6

Mahindra & Mahindra Financial Services L - Apr 25, 2017

Particulars (₹ cr)	4QFY17E	4QFY16	y-o-y (%)	3QFY17	q-o-q (%)
Net profit	338	370	(8.8)	(16)	0.0



Top Picks ★★★★★

Company	Market Cap (₹ Cr)	CMP (₹)	Target (₹)	Upside (%)	Rationale
Alkem Laboratories	24,606	2,058	2,257	9.7	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	1,153	383	405	5.7	We expect the company would report strong profitability owing to better product mix, higher B2C sales and amalgamation synergy..
Bajaj Electricals	3,545	350	395	12.9	Among the top 4 players in the consumer durables segment. Improved profitability backed by turn around in E&P segment. Strong order book lends earnings visibility.
Blue Star	6,556	686	760	10.8	Favourable 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	12,986	415	460	10.9	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.
Equitas Holdings	5,794	172	235	37.0	Strong loan growth backed by diversified loan portfolio and adequate CAR. ROE & ROA likely to remain decent as risk of dilution remains low. Attractive valuations considering growth.
Jagran Prakashan	6,505	196	225	14.8	Economic recovery to have favourable impact on advertising & circulation revenue growth. Further, the acquisition of a radio business (Radio City) would also boost the company's revenue growth.
KEI Industries	1,647	212	239	12.7	High order book execution in EPC segment, rising B2C sales and higher exports to boost the revenues and profitability
Mahindra Lifespace	1,803	410	522	27.3	Speedier execution and speedier sales, strong revenue visibility in short-to-long run, attractive valuations
Mirza International	1,096	91	107	17.5	Higher growth in domestic branded sales and healthy export to boost the profitability.
Navkar Corporation	2,947	207	265	28.2	Massive capacity expansion along with rail advantage at ICD as well CFS augurs well for the company
Siyaram Silk Mills	1,594	1,700	1,872	10.1	Strong brands and distribution network would boost growth going ahead. Stock currently trades at an inexpensive valuation.
TV Today Network	1,626	273	344	26.2	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.

Source: Company, Angel Research



Key Upcoming Events

Result Calendar

Date	Company
April 24, 2017	Rallis, UltraTech Cement, Hexaware
April 25, 2017	Wipro, Persistent
April 26, 2017	KPIT Cummins
April 27, 2017	Maruti, TVS Motor, Kotak Mah. Bank

Source: Bloomberg, Angel Research

Global economic events release calendar

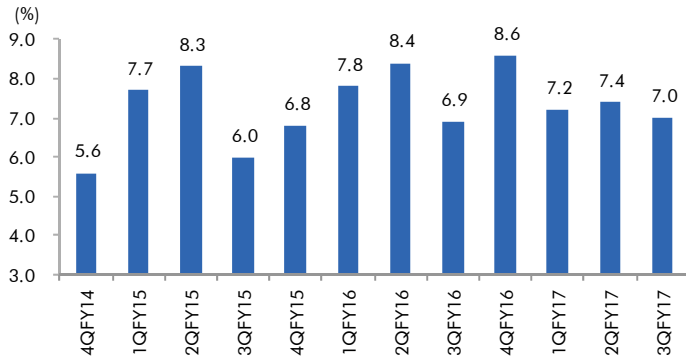
Date	Time	Country	Event Description	Unit	Period	Bloomberg Data	
						Last Reported	Estimated
Apr 25, 2017	5:15 PM	Euro Zone	ECB announces interest rates	%	Apr 27	0.00	
	7:30 PM	US	Consumer Confidence	S.A./ 1985=100	Apr	125.60	123.90
Apr 27, 2017	7:30 PM	US	New home sales	Thousands	Mar	592.00	590.00
Apr 28, 2017	6:00 PM	US	GDP Qoq (Annualised)	% Change	1Q A	2.10	1.00
	2:00 PM	UK	GDP (YoY)	% Change	1Q A	1.90	2.30
Apr 30, 2017	6:30 AM	China	PMI Manufacturing	Value	Apr	51.80	
May 02, 2017	2:00 PM	UK	PMI Manufacturing	Value	Apr	54.20	
May 03, 2017	1:25 PM	Germany	Unemployment change (000's)	Thousands	Apr	-30.00	
	11:30 PM	US	FOMC rate decision	%	May 3	1.00	1.00
	2:30 PM	Euro Zone	Euro-Zone GDP s.a. (QoQ)	% Change	1Q A	0.50	
May 05, 2017	6:00 PM	US	Change in Nonfarm payrolls	Thousands	Apr	98.00	
	6:00 PM	US	Unemployment rate	%	Apr	4.50	
May 08, 2017	7:00 AM	China	Consumer Price Index (YoY)	% Change	Apr	0.90	
May 10, 2017		China	Exports YoY%	% Change	Apr	16.40	
		India	Imports YoY%	% Change	Apr	45.30	

Source: Bloomberg, Angel Research



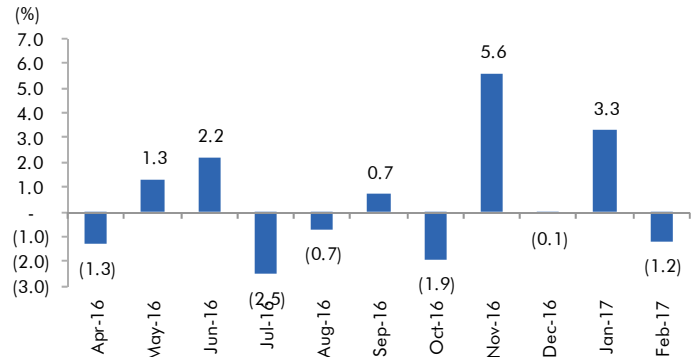
Macro watch

Exhibit 1: Quarterly GDP trends



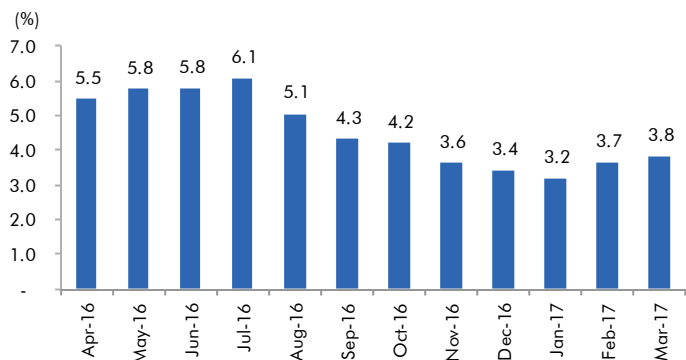
Source: CSO, Angel Research

Exhibit 2: IIP trends



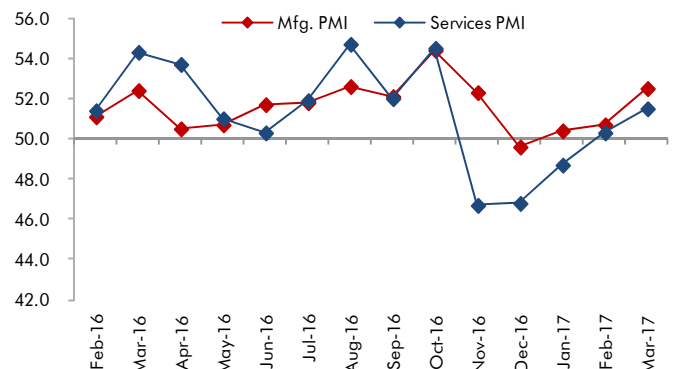
Source: MOSPI, Angel Research

Exhibit 3: Monthly CPI inflation trends



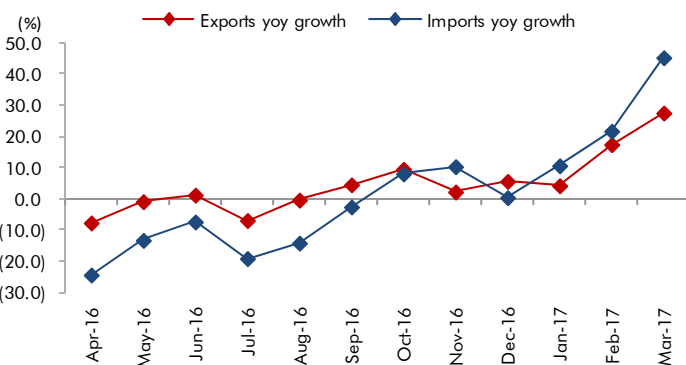
Source: MOSPI, Angel Research

Exhibit 4: Manufacturing and services PMI



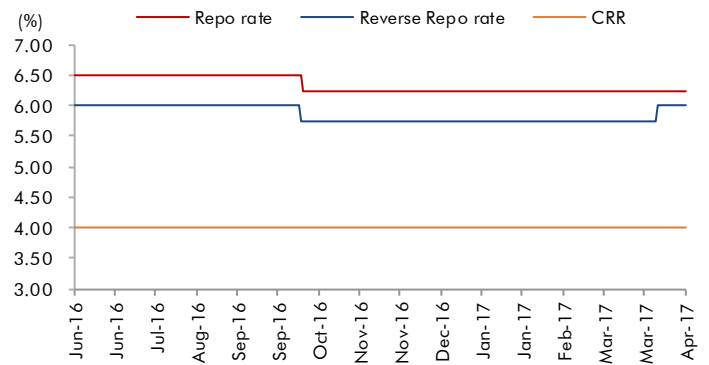
Source: Market, Angel Research; Note: Level above 50 indicates expansion

Exhibit 5: Exports and imports growth trends



Source: Bloomberg, Angel Research

Exhibit 6: Key policy rates

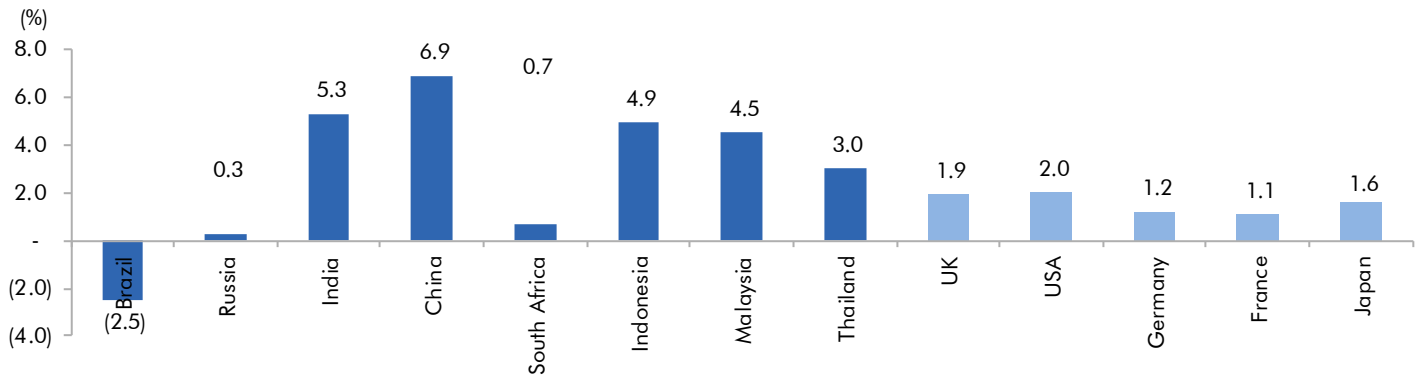


Source: RBI, Angel Research



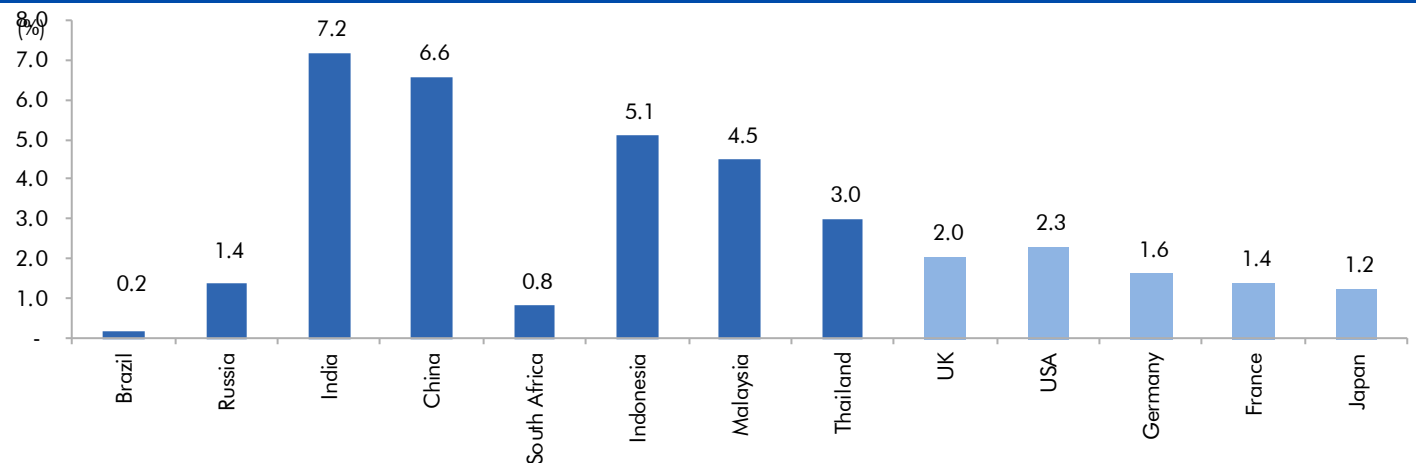
Global watch

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



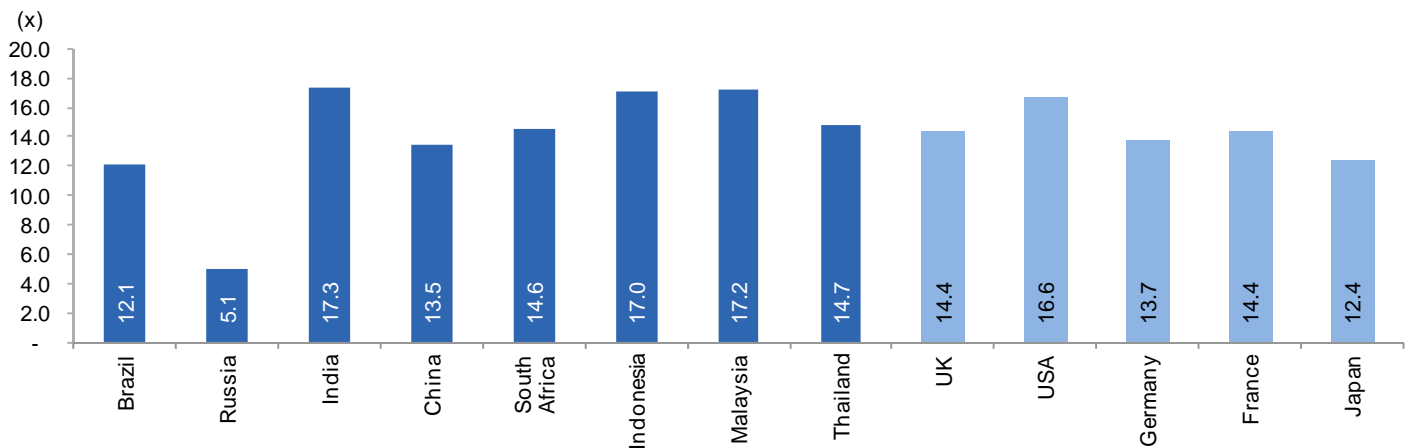
Source: Bloomberg, Angel Research

Exhibit 2: 2016 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