



Nifty Outlook

Nifty Fut.	Reco.	CMP	SL	TGT
8190	BUY	8190	8166	8240

Nifty commenced its strong run with a 'Break Away Gap' at 7222 & is yet to witness an 'Exhaustion Gap' which would complete the sequence. The momentum oscillator RSI has now reached the overbought zone but is yet to show signs of weakness. Though the broader trend remains bullish an intermediate correction cannot be ruled out at this juncture.

Currency (USDINR) Outlook

USDINR	S1	S2	R1	R2
67.58	67.38	67.20	67.75	67.90

The pair is lacking clear direction at the moment. Either side breach of 67.38-67.75 would provide intraday direction.

Sectoral Outlook

Sector	Outlook
AUTO	Positive
BANK	Positive

Outlook

- ✓ Indian markets took a breather yesterday. Tata Motors saw strong gains post results while Sun Pharma lost ground. PSU Banks did well on back of expectations of action from govt to tackle stressed asset issue. The results season has ended on a good note with overall numbers coming in better than expected ex-psu banks. Metals as a space did better than expected. Overall sales growth, profitability for the quarter was better than expectations. GDP growth also came in better than expected. With expectations of a better monsoon this year, there is prospect of economy doing better in FY17. Core Industrial growth also was strong for April. On the global front, US markets ended mixed. On the domestic front, fuel prices have been hiked. Auto numbers will be announced. Ashok Leyland, Maruti, Bajaj Auto, Mahindra, Eicher are expected to report strong numbers. Overall a good results season, positive macro data should continue to support the street.

Trading Idea - Cash & Future

Scrip	Reco	CMP	SL	Target
EMAMI LTD	BUY	1024	980	1140
BAJAJ AUTO	BUY	2618	2460	3050

Trading Idea - Derivatives

STRATEGY - Jswsteel Call butterfly spread

Instrument	B/S	Lot	Reco	CMP
June 1450 CE	Buy	1	25	25
June 1500 CE	Sell	2	14	14
June 1550 CE	Buy	1	6.5	6.5

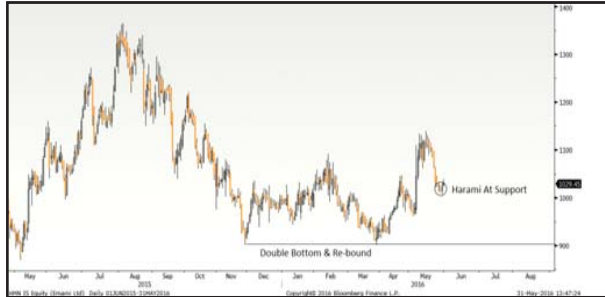
Target Profit : 26000 Stop Loss : 4000

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Trading Calls

EMAMI LTD CMP INR 1024
Buy Target INR 1140



- ✓ 'Emami Ltd. saw a breakout from the 'Rounding formation' with significant volumes. The occurrence of the 'Bullish Harami' on the daily scale marks the termination of the pullback move
- ✓ We expect Emami to resume its upmove & hence the stock could be bought with a stop below 980 for an immediate target upto 1140

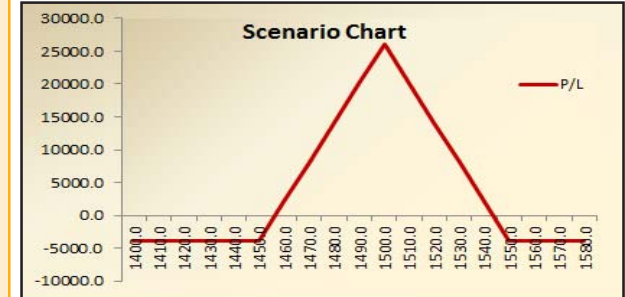
Bajaj Auto CMP INR 2618
Buy Target INR 3050



- ✓ Fresh breakout from triangle; Secular uptrend to remain intact

Derivatives Idea

Jswsteel Buy 1 Lot 1450 CE
Call Butterfly Spread Sell 2 Lots 1500 CE
 Buy 1 Lot 1550 CE



Target Profit : 26000 Stop Loss : 4000

- ✓ Jswsteel is in Long- Long Unwinding cycle
- ✓ Unwinding in 1400 CE could augur fresh momentum on higher side
- ✓ Considering long expiry and positive outlook, Call Butterfly spread is recommended

FII & DII Activity (Rs. in Cr)

Cat.	Amt	MTD	YTD
FII	-115	-187	-50024
DII	60	7142	71763

FII F&O

Institution	Net B/S	OI
Index Future	599	Short Unwinding
Index Options	-63	Writing
Stock Futures	-254	Short

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**** GDP growth at 7.9%** for March Qtr (v/s est of 7.5% & Dec Qtr GDP of 7.2%)

Maruti: Subros to start supplies today from Noida plant until Manesar plant resumes operations (Media)

Results have met/exceeded expectations for both Nifty and MOSL Universe.

**** Nifty PAT in-line - 2% YoY.** Excluding PSU Banks, +9% vs. 6% Est.

**** MOSL Universe PAT -19% (-8% Est).** Excluding PSU Banks, +0.7% (-2.7% Est).

**** Excluding PSU Banks and OMC - MOSL Universe PAT +7.8% (+1% Est).**

	Sales	%change	EBITDA	%change	PAT	%change	Rationale	Description
Prestige	7.0	1.0	1.0	-29.0	0.6	-47.0	Buy/225/I	1. Presales at 1.5msf v/s 0.9msf in 3Q; collections +7.5% growth qoq; 2. FY17 +15-25% grwt presales, 10% grwt collections, 30-35% grwt in rentals 3. Trades at 1.5x/1.4x FY17/18E BV
Sunpharma	76.3	24.0	25.2	182.2	17.1	93.1	BUY/975/I	1. Guidance for top line growth of 8-10% in FY17; USD300mm synergies from Ranbaxy integration too come in by FY18E 2. Lower EPS est by 6%/2% for FY17/18E
Aurobindo Pharma	37.5	18.5	8.8	34.5	5.6	38.7	BUY/1100/I	1. EUR & ROW +11% YoY US sales +24% YoY, new launches and traction of Natrol OTC brand 2. Strong launch pipeline in the US, and (b) Cost efficiency in EU (high single-digit margin expected by FY18) 3. ARBP trades at 18.3x FY17E and 14.5x FY18E [20% dis to peers]
Max Financial	35.0	-3.0	0.5	-5.0	1.0	-24.0	Buy/420/I	1. Individual premium +27% YoY; revival in bancassurance channel (+34% YoY v/s 1% YoY in 9MFY16) & positive surprise from agency channel (+19% YoY) 2. Mid teen growth expected from prop channels in FY17; pre-cost margins to remain stable at 18-18.5% 3. Trades at P/EV of 2.1x FY18E
Jagran Prakashan	5.3	25.3	1.4	29.5	0.8	62.7	BUY/195/A	1. Circulation rev +8% YoY, Ad rev (ex radio) +13% YoY; yield improvement, better utilisation, more ad space sold 2. Radio city ad rev +18% YoY [15% grwt in FY17] 3. Trades at a P/E of 15.3x FY17E/13.9x FY18E

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