

Opening Bell

Market Outlook

Indian markets are expected to open on a negative note today tracking mixed global cues. The markets will be mainly driven by FII-DII activity today.

Markets Yesterday

- Domestic markets ended in the green amid a rally in bonds and strength in the rupee on the back of an upgradation of India's sovereign rating by Moody's Investor's services
- US markets ended marginally in the red amid uncertainty on the outlook for the Republican tax reform

Key Developments

- The Directorate General of Hydrocarbons is keen on pushing ONGC to involve private players in its selected oil & gas blocks to revive stagnant production. The move came after ONGC's officials expressed their discontent on the same
- Cipla has received USFDA approval to market the generic version of AstraZeneca's pulmicort respules (respiratory). The drug had US sales of US\$825 million (IMS MAT September 2017)
- Infosys' ₹ 13000 crore buyback offer will open on November 30, 2017 and end on December 14, 2017
- Divi's Lab Unit-II at Visakhapatnam has received an establishment inspection report (EIR) from USFDA, as closure of audit by FDA. The Unit-II was inspected by USFDA in September, 2017 wherein a Form-483 was issued with six observations
- Effective from December 18, 2017, Cipla and Lupin will be dropped from the Sensex

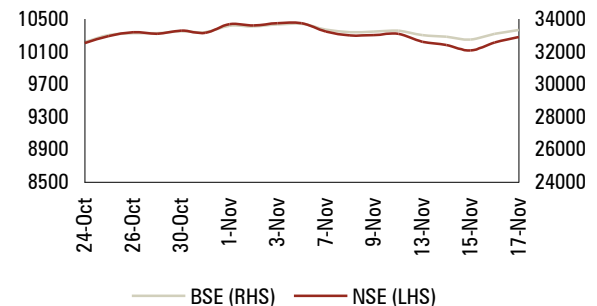
Nifty Heat Map

Cipla	608.6 2.6%	HDFC Ltd	1,705.5 2.5%	Maruti	8,348.4 2.3%	Tata Steel	701.2 2.2%	Vedanta Ltd	307.6 2.1%
Tata Motors	421.8 2.0%	ICICI Bank	325.1 1.9%	Indusind Bank	1,631.9 1.7%	Sun Pharma	517.1 1.7%	Coal India	272.8 1.7%
Hindalco	258.9 1.6%	Yes Bank	306.1 1.6%	Bajaj Finance	1,787.4 1.3%	SBI	337.5 1.2%	ITC	258.0 1.1%
Eicher	30,707.5 1.0%	HDFC Bank	1,825.6 1.0%	Adani Ports	401.0 0.9%	BPCL	504.0 0.9%	RIL	911.9 0.9%
Bharti Airtel	493.5 0.7%	IBULHSG FIN	1,184.0 0.6%	NTPC	177.6 0.6%	Kotak Bank	1,023.2 0.6%	HPCL	414.8 0.6%
IOC	395.2 0.5%	L&T	1,222.8 0.3%	M&M	1,416.8 0.2%	Power Grid	208.6 0.1%	HUL	1,278.2 0.1%
Lupin	829.6 0.1%	Axis Bank	542.4 0.0%	Bajaj Auto	3,206.9 -0.1%	Ultratech	4,267.1 -0.1%	Ambuja Cement	274.5 -0.2%
Dr Reddy	2,322.6 -0.5%	Aurobin	708.8 -0.6%	Asian Paints	1,171.3 -0.7%	Hero Moto	3,631.2 -0.7%	Zee Ent.	535.5 -0.7%
Wipro	295.2 -0.8%	ONGC	177.6 -0.9%	UPL	724.2 -1.0%	GAIL	444.8 -1.0%	Bharti Infratel	380.2 -1.2%
HCL Tech	840.0 -1.4%	TCS	2,707.3 -1.4%	BOSCH	18,965.9 -1.5%	Infosys	971.0 -1.8%	TECHM	484.6 -3.1%

Today's Highlights

Japan trade balance

Index Movement (past month)



	Close	Previous	Chg (%)	MTD(%)	YTD(%)	P/E (1yr fwd)
Sensex	33,343	33,107	0.7	0.4	25.2	23.1
Nifty	10,284	10,215	0.7	-0.5	25.6	22.0

Institutional Activity

	CY15	CY16	YTD CY17	Yesterday	Last 5 Days
FII (₹ cr)	17,304	14,049	-29,608	1,277	2,791
DII (₹ cr)	66,249	11,320	78,349	1,467	2,913

World Indices – Monthly performance

Nikkei	Nasdaq	BSE	Kospi	Dow Jones
22,028	6,783	33,343	2,527	23,358
3.2%	2.4%	2.2%	2.0%	1.6%
NSE	Shanghai	Germany	France	U.K.
10,284	3,340	12,994	5,319	7,381
0.5%	0.3%	0.0%	-0.8%	-1.8%

Markets Today

	Close	Previous	Change (%)	MTD(%)	YTD(%)
Commodities					
Gold (₹/10 gm)	29,461	29,426	0.1	0.4	5.9
Silver (₹/kg)	39,478	39,455	0.1	1.7	0.1
Crude (\$/barrel)	62.6	62.7	-0.2	2.0	10.1
Copper (\$/tonne)	6743.5	6702.75	0.6	-1.1	22.1
Currency					
USD/INR	65.02	65.32	-0.5	-0.4	4.5
EUR/USD	1.17	1.18	-0.4	0.8	11.6
USD/YEN	112.03	112.10	-0.1	1.4	4.4
ADRs					
HDFC Bank	97.0	94.5	2.6	5.1	59.9
Tata Motors	32.5	31.8	2.1	-0.9	-5.6
Infosys	15.2	15.3	-0.5	2.3	2.4
Dr Reddys Labs	35.9	35.7	0.7	-1.3	-20.7

Key Data Points

KEY ECONOMIC INDICATORS

Key Economic Indicator	Period	Latest	Prior Values
RBI Cash Reserve Ratio	N/A	4.00%	4.00%
RBI Repo Rate	N/A	6.00%	6.25%
RBI Reverse Repo Rate	N/A	5.75%	6.00%
CPI YY	October	3.58%	3.28%
Current Account Balance	Q2	-14.3bln \$	-3.4bln \$
Exports - USD	October	23.1bln \$	28.61bln \$
FX Reserves, USD Final	w/e	375.72bln \$	372.73bln \$
GDP Quarterly yy	Q1	5.70%	6.10%
GDP Annual	12M	7.10%	7.60%
Imports - USD	October	37.12bln \$	37.6bln \$
Industrial Output yy	September	3.80%	4.30%
Manufacturing Output	September	3.40%	3.10%
Trade Deficit - RBI	Q2	-41.2bln \$	-29.7bln \$
Trade Deficit Govt - USD	October	14.02bln \$	8.98bln \$
WPI Food yy	October	4.30%	2.04%
WPI Fuel yy	October	10.52%	9.01%
WPI Inflation yy	October	3.59%	2.60%
WPI Manufacturing Inflation yy	October	2.62%	2.72%

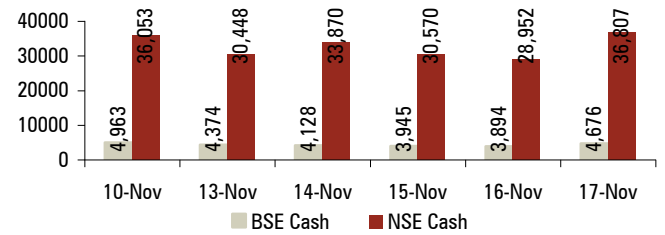
Sectoral Index

Sector	Close	Previous	Change	% Change	Volume
Auto	25069.79	24875.95	193.84	0.78	1630000
Banks	29241.86	28902.38	339.48	1.17	12786000
BSE Small Cap	11792.74	11901.39	-108.65	(0.91)	66926000
Capital Goods	18236.01	18153.93	82.08	0.45	12006000
Consumer Durables	20336.24	20042.39	293.85	1.47	426000
FMCG	8304.6	8368.14	-63.54	(0.76)	1023000
Healthcare	17870.57	18140.06	-269.49	(1.49)	1830000
IT	11396.98	11501.95	-104.97	(0.91)	1254000
Metals	14248.56	13997.07	251.49	1.80	5253000
Mid Cap	10993.02	11070.76	-77.74	(0.70)	64406000
Oil & Gas	15714.85	15662.04	52.81	0.34	2948000
Power	2271.83	2255.11	16.72	0.74	19003000
PSU	9267.28	9213.99	53.29	0.58	30415000
Real Estate	2362.03	2277.72	84.31	3.70	15003000

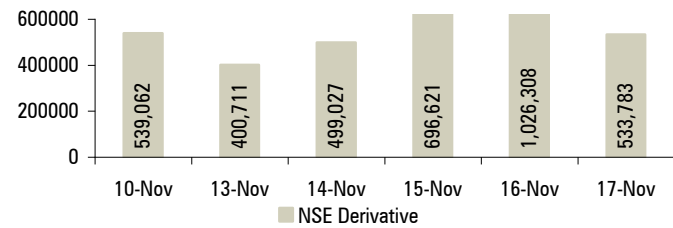
Key News for Today

Company/ Industry	News	View	Impact
Cement sector	Supreme Court has banned the usage of pet coke in Haryana, Rajasthan and Uttar Pradesh. Further, according to media sources, the Centre may ban import of pet coke to curb pollution	The cement industry is highly dependent on usage of pet coke as it is cost effective (cheaper than coal by 10% to 15% on a per Kcal basis). The ban on pet coke will lead to increase in cost per tonne to the tune of ₹ 100-150, adversely impacting margins. Shree Cement, JK lakshmi Cement and Mangalam Cement will be the most impacted due to its presence in northern region and higher usage of pet coke compared to peers	↓

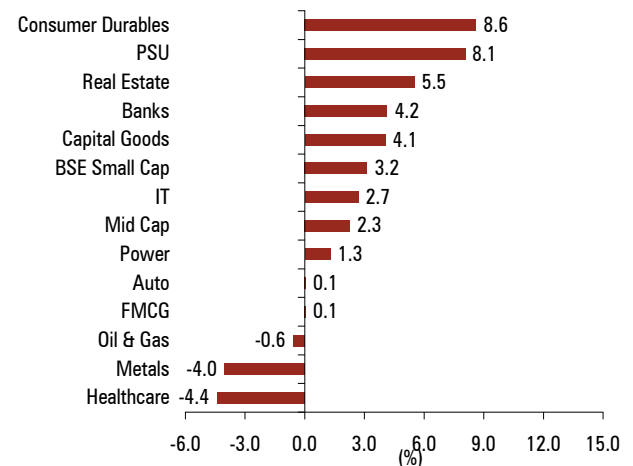
Exchange Cash Turnover (₹ crore)



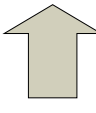
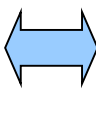



NSE Derivative Turnover (₹ crore)



Sectoral Performance – Monthly Returns (%)



Defence sector	The Ministry of Defence (MoD) has decided to cancel the \$500 million deal for the Spike ATGM with Israel. The deal was agreed last year after extensive price negotiations with Rafael Advanced Defence Systems of Israel. These missiles will now be developed by DRDO in the next three to four years	In anticipation of this deal, Rafael had entered into a joint venture with Kalyani group for missile production in India. The missile sub-systems manufacturing facility, based near Hyderabad, was inaugurated in August	
Logistics sector	According to media sources, the logistics sector is expected to get the much awaited infrastructure status. The Centre is seeking this move in its effort to reduce the logistics costs from the current 14% of overall GDP	Post allotment of this status, logistics companies would be able to raise cheaper funds for their expansion needs. Furthermore, players would be able to claim a set-off against the capital expenditure incurred, which at this point of time is not prevalent. We expect large organised players like BlueDart, Gati, Transport Corporation of India, TCI Express and Container Corporation of India to benefit	
Larsen & Toubro	The company has won an order to the tune of ₹ 8650 crore for the Mumbai trans harbour link project. It has won two packages in which the first package was won in consortium with IHI Corp while the second was won on a standalone basis	The company post its Q2FY18 results had revised down its order inflow guidance to flattish YoY. The current order win will help the company achieve or at least show marginal growth in inflows in FY18. Also, the order win will add to revenue growth viability for FY19-20 in a meaningful way	
Gail India, Petronet LNG	As per media sources, the protestors of Gail's Kochi-Mangaluru pipeline have decided to intensify their protests across seven districts with the demand to change the alignment of the pipeline	Although Gail has resumed the pipeline work amidst protest, the further intensification of protests from locals may pose a risk to the planned schedule of the pipeline. The delay may also affect Petronet's Kochi terminal, which is banking on the completion of pipeline to revive its under-utilised capacity. However, Gail's management is confident of completing the construction within the planned schedule	
Mayur Uniquoters	The company reported a healthy Q2FY18 performance. Net sales for the quarter came in at ₹ 137.8 crore, up 15% YoY. EBITDA in Q2FY18 was at ₹ 34.3 crore with corresponding EBITDA margins at 24.9%, down 80 bps YoY. PAT for the quarter came in at ₹ 22.5 core, up 7% YoY	Recovery of topline growth at the company is encouraging. This coupled with a steady EBITDA margin profile is expected to lead to incremental sales & profitability, going forward. The company also announced a buyback amounting to ~₹ 25 crore at a maximum buyback price of ₹ 550	

Nifty Chart



NIFTY Index (NSE Nifty 50 Index) NIFTY Daily Daily 14MAY2017-17NOV2017
Copyright© 2017 Bloomberg Finance L.P. 17-Nov-2017 16:03:24

Technical Outlook

Equity benchmarks made a strong comeback on Thursday to record their best single day gain in two weeks helped by bargain buying in recently corrected index heavyweights. Correction in crude prices, positive global cues also boosted sentiments. Broader markets represented by Nifty midcap, small cap indices, also gained ~1% each. The price action resulted in a strong Bull candle, which carries a higher high-low after seven sessions of lower highs highlighting turn in sentiments. The Nifty is likely to open higher after Moody's investor services upgraded India's government bond rating to stable from positive. The positive follow through above Thursday's high would confirm key short-term bottom at the current week's low of 10094. Going forward, we expect the index to hold the current week's low of 10094 and eventually head higher towards 10600 in coming weeks.

Pivot Points

Index/Stocks	Close	S1	S2	R1	R2	Trend
S&P BSE SENSEX INDEX	33342.8	33241.0	33139.0	33483.0	33623.0	Positive
Nifty 50	10283.6	10252.0	10222.0	10328.0	10374.0	Positive
ACC LTD	1763.1	1741.0	1719.0	1800.0	1837.0	Neutral
AXIS BANK LTD	542.4	537.0	530.0	553.0	564.0	Neutral
HDFC BANK LTD	1807.7	1796.0	1785.0	1817.0	1827.0	Positive
STATE BANK IND	333.4	326.0	319.0	336.0	341.0	Positive
HOUSING DEV FIN	1664.4	1652.0	1639.0	1675.0	1685.0	Neutral
MARUTI SUZUKI IN	8163.7	8117.0	8070.0	8223.0	8282.0	Positive
TATA MOTORS LTD	413.5	412.0	409.0	417.0	419.0	Neutral
MAHINDRA & MAHIN	1414.0	1406.0	1398.0	1424.0	1434.0	Neutral
BAJAJ AUTO LTD	3109.4	3061.0	3013.0	3149.0	3187.0	Positive
TATA CONSULTANCY	2746.7	2701.0	2656.0	2777.0	2808.0	Neutral
INFOSYS LTD	988.4	960.0	931.0	1008.0	1025.0	Positive
CIPLA LTD	592.9	589.0	585.0	598.0	603.0	Negative
OIL & NATURAL GA	179.2	177.0	174.0	183.0	186.0	Positive
RELIANCE INDS	903.9	890.0	878.0	911.0	919.0	Positive
BHARTI AIRTEL	493.5	488.0	482.0	503.0	512.0	Positive
DLF LTD	208.7	204.0	198.0	212.0	216.0	Positive

CNX Nifty Technical Picture

Nifty 50	Intraday	Short Term
Trend	Up	Up
Trend Reversal		
Support	10250-10215	10100
Resistance	10295-10325	10600
20 Days EMA		10255
200 days EMA		9632

Advances / Declines

	Advances	Declines	Unchanged
BSE	1615	1135	178
NSE	1106	628	91

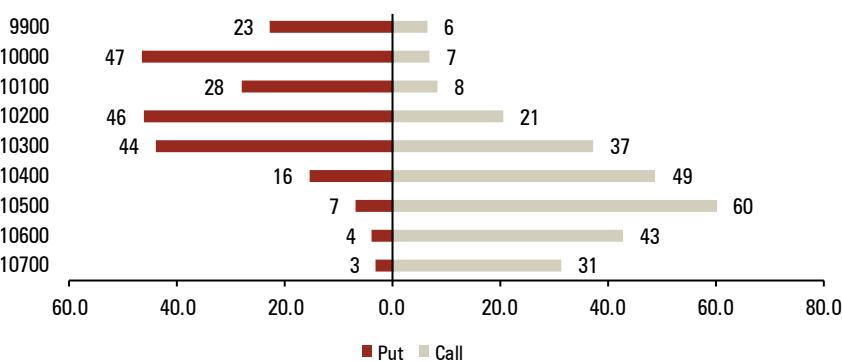
Daily Technical Calls

1. Buy Bajaj Finserv in the range of 5140.00-5150.00
2. Buy United Spirits in the range of 3190.00-3200.00

*All recommendations are of November Future

See Momentum Pick for more details

Nifty Call – Put Strike (No. of shares in lakh) – November 2017



Intraday Derivative Strategy

i) Titan Company

Buy VOLTAS NOV Fut at 617.00-618.00

CMP: 613.6

Target 1: 623 Target 2: 632

Stop Loss: 611

ii) Gail India

Sell COALIN NOV Fut at 264.50-265.00

CMP: 268.5

Target 1: 260.2 Target 2: 253

Stop Loss: 269.8

See Daily Derivatives for more details

Results/Events Calendar

06	November Monday	07	November Tuesday	08	November Wednesday	09	November Thursday	10	November Friday	11	November Saturday
Gujarat Gas Gulf Oil Lubricants KEC International NRB		WABCO, Indoco Remedies Prism Cement, Cipla, BHEL Castrol India, Alembic Pharma Butterfly Gandhimati, Taro Bayer Cropscience		Thermax, Petronet LNG, MGL Pidilite, Voltas, Shree Cement VA Tech Wabag, Bharat Forge JK Lakshmi Cement, Navneet Ashok Leyland, City Union Ban		Amara Raja Batteries, Trent Tata Motors, TV Today Bajaj Electricals, Dalmia Bharat Page, India Cements, Jagran Pra HPCL, Saurashtra Cement		Nestle, Timken, Dredging Corp M&M, Motherson Sumi Bosch, Gujarat Siddhee Deccan Cement, Kesoram Ashoka Buildcon, Sobha Ltd		Mangalam Cement, L&T JK Cement, VST Tillers & Tracto Coal India, Control Print Kirkoskar Brothers, Siyaram Birla Corp, Visaka Ind	
13	November Monday	14	November Tuesday	15	November Wednesday	16	November Thursday	17	November Friday	18	November Saturday
Kanpur Plastipack, NTPC GSPL, Sadbhav Engineering Apollo Hospitals, Idea Cellular Star Cement, Sunteck Realty Prabhat Dairy, Indian Hotels		Cadila, IPCA, Eicher Motors NCC Limited, GAIL, Bata, NBCC Cox & Kings, Simplex Infra Bank of Baroda, PNC Infra Sun Pharma, Shankara Building		CARE Wonderla Holidays US CPI YoY		Gati US Industrial Prod MoM		ECB Current Account SA US Building Permits MoM			
20	November Monday	21	November Tuesday	22	November Wednesday	23	November Thursday	24	November Friday	25	November Saturday
Japan Trade Balance		US Existing Home Sales MoM		US Initial Jobless Claims		Monsanto India Markit Eurozone Mfg PMI UK GDP YoY		Markit US Mfg PMI Markit US Services PMI			
27	November Monday	28	November Tuesday	29	November Wednesday	30	November Thursday	01	December Friday	02	December Saturday
China Industrial Profits YoY				US GDP Annualized QoQ		India GDP YoY India GVA YoY China Manufacturing PMI Japan Industrial Prod YoY Eurozone CPI Core YoY		Nikkei India PMI Mfg Markit UK PMI Mfg Markit US Mfg PMI Nikkei Japan PMI Mfg Markit Eurozone Mfg PMI			
04	December Monday	05	December Tuesday	06	December Wednesday	07	December Thursday	08	December Friday	09	December Saturday
Eurozone PPI YoY		US Trade Balance Markit US Services PMI Eurozone GDP SA YoY		RBI Repurchase Rate RBI Reverse Repo Rate RBI Cash Reserve Ratio Nikkei India Services PMI		US Initial Jobless Claims		US Unemployment Rate UK Industrial Prod YoY UK Mfg Prodn YoY Japan GDP SA QoQ		China CPI YoY	

Major Economic Events this Week

Date	Event	Country	Period	Expected	Previous	Company	Client Name	Type	No. of shares	Price (₹)
20-Nov	Japan Trade Balance	JN				BSE*				
21-Nov	Existing Home Sales MoM	US	Oct	0.2%	0.7%	Kesar Petroproducts	Aspire Emerging Fund	Buy	900000	50.8
23-Nov	UK GDP YoY	UK								
23-Nov	Markit Eurozone Manufactu	EU	Nov P	--	58.5					
23-Nov	Markit Eurozone Services P	EU	Nov P	--	55.0					
24-Nov	Markit US Manufacturing P	US	Nov P	--	54.6	NSE*				
24-Nov	Markit US Services PMI	US	Nov P	--	55.3	Ajmera Realty	Arkaya Investments	Buy	185,874	304.8
24-Nov	Nikkei Japan PMI Mfg	JN	Nov P	--	52.8	Hdfc Stand Life	The Mtbj Ac Nomura India Inves Fd	Buy	19,262,414	325.1
						Himatsingka Seide Ltd	Birla Sun Life Asset Management Company L	Sell	1,076,101	333.0

Recent Releases

Date	Report
17 November 2017	Result Update – Maharashtra Seamless
17 November 2017	Result Update – Mahindra & Mahindra
17 November 2017	Result Update – PNC Infratech
16 November 2017	Result Update – Bata India
16 November 2017	Result Update- Shankara Building Products



Pankaj Pandey

Head – Research

pankaj.pandey@icicisecurities.com

ICICIdirect.com Research Desk,
ICICI Securities Limited,
1st Floor, Akruiti Trade Centre,
Road No 7, MIDC
Andheri (East)
Mumbai – 400 093
research@icicidirect.com

Disclaimer

ANALYST CERTIFICATION

We /I, Pankaj Pandey Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products. ICICI Securities Limited is a Sebi registered Research Analyst with Sebi Registration Number – INH000000990. ICICI Securities is a wholly-owned subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on www.icicibank.com.

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities generally prohibits its analysts, persons reporting to analysts and their relatives from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

It is confirmed that Pankaj Pandey Research Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Since associates of ICICI Securities are engaged in various financial service businesses, they might have financial interests or beneficial ownership in various companies including the subject company/companies mentioned in this report.