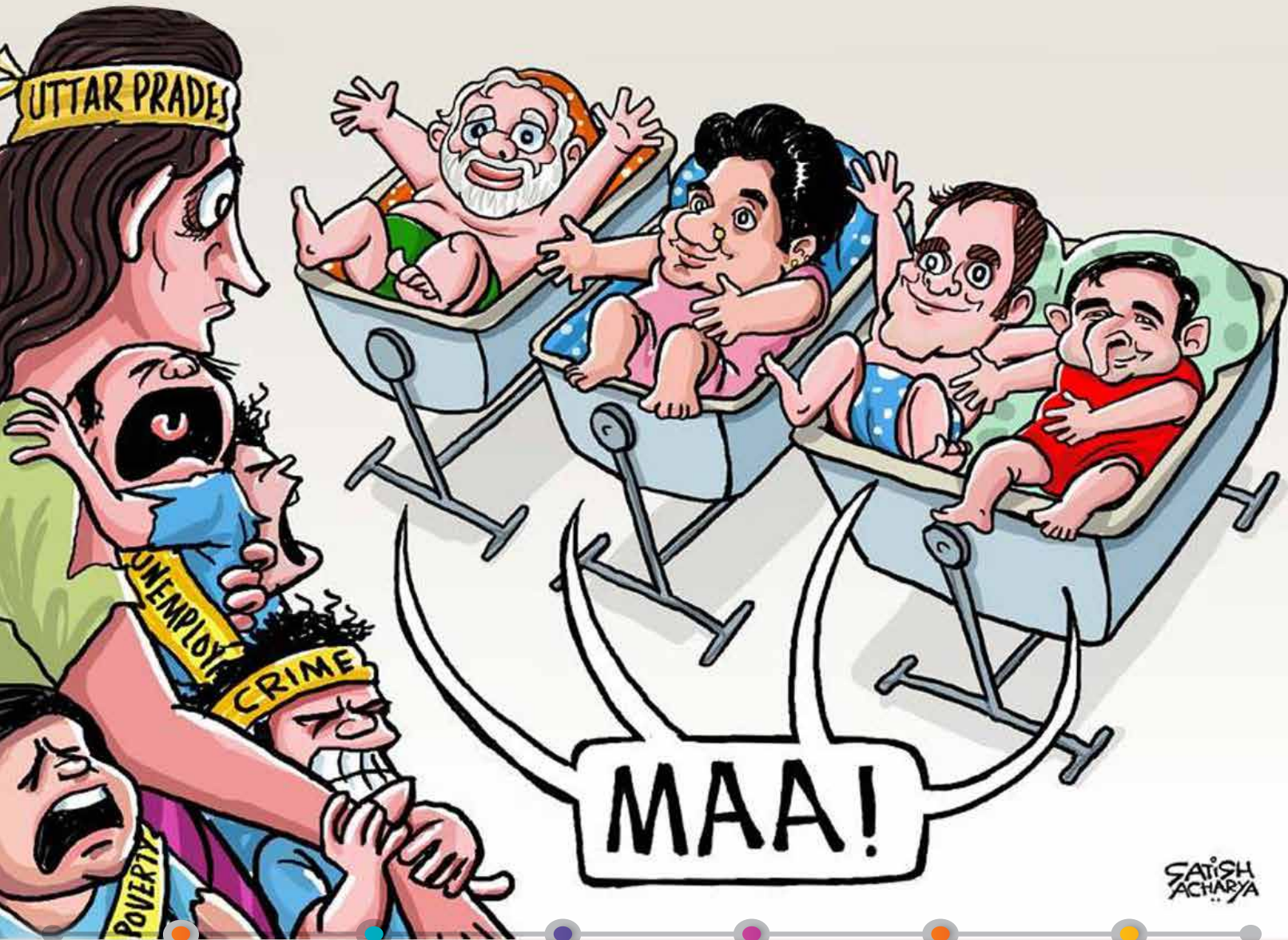


ARIHANT'S

VALUE *Plus*

Issue : March 2017



SATISH
ACHARYA

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MOVERS & SHAKERS















INDIAN INDICES

Indices	Feb-17	Jan-17	Monthly Change (%)
SENSEX	28743.32	27655.96	3.93 ↑
NIFTY 50	8879.60	8561.30	3.72 ↑
NIFTY BANK	20607.25	19515.15	5.60 ↑
NIFTY MIDCAP 100	16480.50	15413.70	6.92 ↑
NIFTY 500	7709.10	7379.30	4.47 ↑
NIFTY IT	10680.95	9848.50	8.45 ↑
NIFTY REALTY	197.20	179.55	9.83 ↑
NIFTY INFRA	2997.85	2939.60	1.98 ↑

(Source: BSE & NSE)

BSE SECTORAL INDICES

Indices	Feb-17	Jan-17	Monthly Change (%)
AUTO 	21486.06	21809.24	-1.48 ↓
BANKEX 	23482.44	22311.97	5.25 ↑
CD 	13778.67	12625.91	9.13 ↑
CG 	15333.49	14783.32	3.72 ↑
FMCG 	8799.89	8567.58	2.71 ↑
HC 	15384.97	14797.01	3.97 ↑
IT 	10376.10	9586.34	8.24 ↑
METAL 	11893.05	11672.32	1.89 ↑
OIL&GAS 	13534.47	12838.16	5.42 ↑
PSU 	8464.27	8337.40	1.52 ↑
REALTY 	1495.06	1369.73	9.15 ↑
TECK 	5765.37	5338.08	8.00 ↑

(Source: BSE)

GLOBAL INDICES

Indices	Feb-17	Jan-17	Monthly Change (%)
DOW JONES	20812.24	19864.09	4.77 ↑
NASDAQ	5825.44	5614.79	3.75 ↑
HANG SENG	23740.73	23360.78	1.63 ↑
FTSE	7263.44	7099.15	2.31 ↑
NIKKEI	19118.99	19041.34	0.41 ↑

(Source: Telequote software)

COMMODITIES

Particular	Feb-17	Jan-17	Monthly Change (%)
MCX GOLD 	29566.00	28942.00	2.16 ↑
MCX SILVER 	43247.00	41911.00	3.19 ↑
MCX CRUDE OIL 	3566.00	3614.00	-1.33 ↓
MCX NATURAL GAS 	185.00	212.80	-13.06 ↓

(Source: Telequote software)

FOREX

Particulars	Feb-17	Jan-17	Monthly Change (%)
USD-INR ₹	66.68	67.86	-1.74 ↓
EUR-INR €	70.53	72.78	-3.09 ↓
GBP-INR £	82.56	84.49	-2.28 ↓
JPY-INR ¥	59.14	59.62	-0.81 ↓

(Source: Telequote software)

FII Activity (Rs. Cr.)

Date	Gross Purchases	Gross Sales	Net Pur/Sales
Total for Feb 2017	1,05,844.27	95,942.09	9,902.18 ↑
Total for 2017*	1,85,103.00	1,76,377.10	8,725.70 ↑

(Source: SEBI)

MF Activity (Rs. Cr.)

Date	Gross Purchases	Gross Sales	Net Pur/Sales
Total for Feb 2017	37,473.30	35,433.60	2,039.70 ↑
Total for 2017*	75,459.00	68,185.80	7,273.60 ↑

*From Jan-Feb, 2017

(Source: SEBI)



MARKET OUTLOOK

Market Outlook: March

Going ahead, Indian equity markets will react positively on the back of third quarter GDP growth rate that came in at 7%, belying expectations that demonetisation will dent economic momentum. According to Economic Affairs Ministry, with remonetisation almost complete now, the adverse impact on consumption will not spill over to the next quarter.

All eyes will now be glued at election results in Uttar Pradesh and the US Federal Reserve's monetary policy meeting which will be scheduled on March 14-15. Further, Indian macro economic data, European Central Bank (ECB) monetary policy, Bank of England's (BOE) monetary policy and Japanese monetary policy will be major events to watch for. Hence, we recommend investors to invest in fundamentally strong companies for long term.

Monthly Market Roundup

Indian equity markets gave thumbs up to the Union Budget 2017 and started the February month with smart rally. Markets welcomed the budgetary proposals of keeping long-term capital gains tax and short-term tax rate unchanged for the capital market. The major beneficiary of the budget was rural sector which is the backbone of India's economic growth. The market gains restrained after RBI kept the policy rates unchanged in its sixth bi-monthly monetary policy and US Federal Reserve Chair Janet Yellen hinting at a likely rate hike in the forthcoming policy review.

However, it turned out to be a fabulous month for Indian equity markets. The month finally ended with upward bias as S&P BSE Sensex delivered positive returns of 3.93% to settle at 28743.32 and Nifty 50 gained 3.72% ending the month at 8879.60.

On the institutional side, foreign institutional investors (FIIs) bought Rs 9,902.18 crore worth of equities during the month while domestic mutual fund houses continued their buying spree with net purchases of Rs 2,039.70 crore in February 2017.

Economic Data Wrap Up – February

- India's Jan Nikkei manufacturing PMI rose to 50.4 from 49.6 in Dec.
- India's Jan Nikkei Services PMI rose to 48.7 from 46.8 in Dec.
- India's Dec IIP growth fell to -0.4% vs 5.7 % in Nov.
- India's Jan CPI inflation fell to 3.17% from 3.41% in Dec.
- India's Jan WPI inflation rose to 5.29% from 3.39% in Dec.
- India's Jan trade deficit rose to \$9.84 bln from \$7.67 bln YoY.
- India's Jan core industries growth rose to 3.4% vs 5.6% in Dec.
- India's Oct-Dec GDP growth rate at 7% vs 7.4% QoQ.

Nifty Technical Outlook: March



On the monthly chart, we are observing two consecutive bull candles which suggest that momentum on the upside is likely to continue. In the coming month if Nifty trades and closes above 8966 level then it is likely to test 9096 – 9226 – 9377 levels. However, if Nifty trades and closes below 8792 level then it can test 8663 – 8533 – 8382 levels.

Broadly, we are of the opinion that the monthly trend has turned up. This suggests that momentum on the upside is likely to test the all-time highs of 9119 or even extend its gains further in couple of months. Hence, one needs to trade with positive bias as stock specific activity is likely to continue.



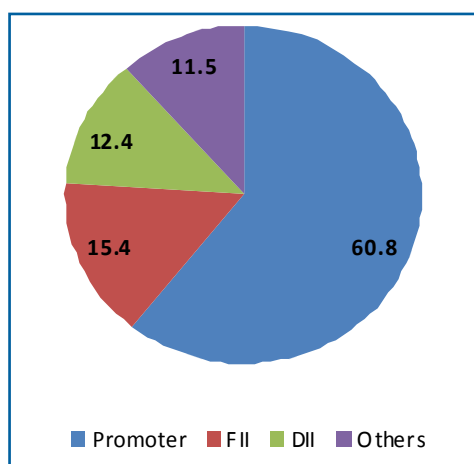
FUNDAMENTAL STOCK

JAGRAN PRAKASHAN LTD.

Accumulate Target Price Rs 213

Value Parameters	
BSE Code	532705
NSE Symbol	JAGRAN
CMP (As on 01 st Mar, 2017)	Rs 186
Face Value	Rs 2
52 Week High/Low	Rs 213/144
Market Cap (Rs cr)	6,165
EPS (Rs) (FY16)	10.0
TTM PE ratio (x)	13.7

Shareholding Pattern % (Dec' 16)



Company Overview

Jagran Prakashan (JPL), incorporated in 1975, has business interests in area of newspapers, outdoor, internet, magazines, below the line marketing solutions, and mobile value added services. The company publishes Dainik Jagran, a Hindi daily newspaper. Dainik Jagran launched its first edition in 1942 in Jhansi and is brainchild of late Puran Chand Gupta.

The newspaper was launched in order to reflect the free voice of the people. Later in the year 1947, the second edition was

launched in Kanpur. In 1953-56 it established its third and fourth edition in Rewa and Bhopal. In coming years the company expanded its edition network.

Today, company operates through 37 editions from Agra, Aligarh, Bareilly, Moradabad, Dehradun, Haldwani, Dharamshala, Bhopal, Gorakhpur, Hisar, Jammu, Jhansi, Kanpur, Lucknow, New Delhi, Panipat, Allahabad, Varanasi, Bhagalpur, Muzaffarpur, Patna, Siliguri, Dhanbad, Jamshedpur, Ranchi and Meerut. It has presence in 11 states namely Uttar Pradesh, Uttarakhand, Punjab, Haryana, Bihar, Jharkhand, Himachal Pradesh, Madhya Pradesh, Delhi, West Bengal and Jammu & Kashmir.

Investment Rationale

- Company has preferred the inorganic route for growth over the last few years as the management likely perceives this as relatively 'low-risk'. By going for the acquisition strategy, it has been able to avoid large losses inherent in any significant green-field expansion.
- Advertising growth is expected to accelerate with an eventual recovery in the Indian economy and considering company's status as the most read Hindi newspaper in the country and its strong presence in the rapidly growing Hindi markets should boost profitability.
- Acquisition of 'Nayi Duniya' added new market (MP and Chhattisgarh) to its regional footprint and the integration of Radio City would be important factors steering the growth ahead.
- Music Broadcast Ltd. subsidiary of the company has come up with a public issue. This will further unlock value for the company.

Concern

- Business stays sensitive to the news print prices and any intensification in the prices coupled with exchange rate fluctuation can adversely affect the profitability.
- Company earns 75% of its revenue from advertising which is positively correlated to the economic activity. Any delay in economic recovery can harm the revenue potential of the company.

Valuations

At CMP of Rs 186 per share the stock trades at trailing P/E multiple of 13.7 (x). We have "Accumulate" rating on the stock with a fair value of Rs 213 per share.

AUTO SECTOR

February Sales



Maruti Suzuki

Total Sales: 130,280 units, 10.9% yoy up
PV Sales: 120,599 units, 11.5% yoy up
Domestic Sales: 120,735 units, 11.7% yoy up
Exports: 9,545 units, 2.2% yoy up



TVS Motor

Total Sales: 211,470 units, 3.6% yoy down
2Wheeler Sales: 206,247 units, 2.3% yoy down
3Wheelers Sales: 5,223 units, 37.2% yoy down
Exports: 38,215 units, 9.8% yoy up



Mahindra & Mahindra

Total Sales: 42,714 units, 2.9% yoy down
PV Sales: 20,605 units, 13.1% yoy down
CV Sales: 16,383 units, 18% yoy up
Exports: 2,300 units, 13% yoy down



Atul Auto

Total Sales: 2,862 units, 18.5% yoy down



Tata Motors

Total Sales: 47,573 units, 2% yoy up
PV Sales: 12,272 units, 12% yoy up
CV Sales: 30,407 units, 1% yoy down
Exports: 4,894 units, 5% yoy down



Escorts

Total Sales: 4,247 units, 29.5% yoy up
Domestic Sales: 4,104 units, 28.7% yoy up
Exports: 143 units, 59% yoy up



Bajaj Auto

Total Sales: 273,513 units, 0.3% yoy up
CV Sales: 28,555 units, 24% yoy down
Motorcycle Sales: 244,958 units, 4% yoy up
Exports: 114,404 units, 16% yoy up



Ashok Leyland

Total Sales: 14,067 units, 5% yoy up
M&HCV Sales: 11,329 units, 5% yoy up
LCV Sales: 2,738 units, 5.1% yoy up



Hero MotoCorp

Total Sales: 524,766 units, 4.8% yoy down



Volvo-Eicher Commercial Vehicles

Total Sales: 5,492 units, 9.1% yoy up
Eicher Branded Trucks & Buses
Total Sales: 5,372 units, 8.8% yoy up
Domestic Sales: 4,821 units, 13.1% yoy up
Exports: 551 units, 18% yoy down



COMMODITY OUTLOOK

Guar Seed-The 'go-getter' commodity!

Guar Seed April

BUY

CMP: ₹3833 (As on 02nd Mar, 2017)

Buy on dips: ₹3670-3650

Target Price: ₹3900-4150

Stop-Loss: < ₹3520

After seeing a relentless fall for more than six months, Guar seed came out of the tough phase recently. The highly speculative commodity showed a gigantic rise of around eighteen percent in just one fortnight, thus making it reclaim the lost status of hottest agro product among traders, investors and speculators in particular. The sharp bounce back may shape-up into a fully fledged rally in near future. Let us check on technical chart whether it stand a chance or not.

The biggest advantage Guar seed has in its kitty at the moment is the very crucial and decisive break out of a tough resistance that stood in the form of a falling trend line on daily chart. The breakout which took place



just ten days before quickly started to show its colors, thus confirming the underlying impulsion. Another notable point is the strength foreseen among momentum indicators. RSI and MACD had moved into a positive divergence long before the breakout actually happened. While ADX, which is in the best stance after a long period of negativity had timely started to move into high momentum territory well in advance. All in all, Guar is technically in a good position to swiftly shift into a bullish rally after a five to six percent correction that may be seen within a week. Fundamentally, prices are going to get additional advantage if crude prices rally as the demand for Gum will increase. There is also a substantial time margin left for sowing to begin in July which again is a positive factor for buyers.

We recommend buying in Guar Seed April contract on dips to Rs 3670-Rs 3650 for targets in the range of Rs 3900-Rs 4150. Maintain stop loss below Rs 3520.



MUTUAL FUND COMMENTARY

MUTUAL FUND ROUNDUP

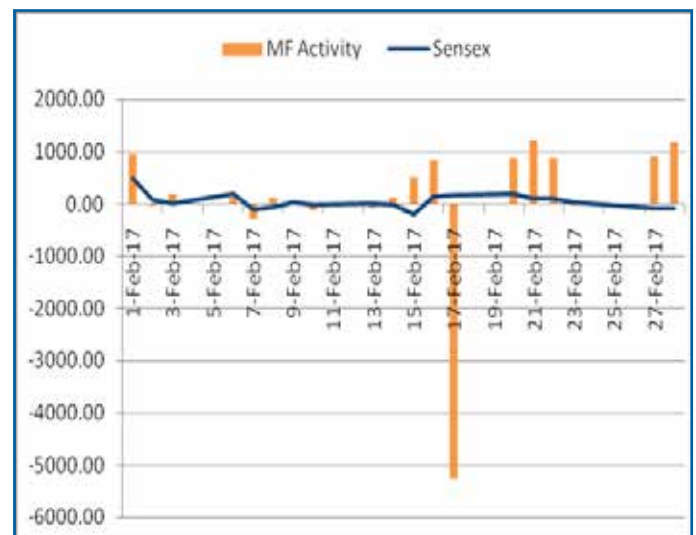
Indian equity markets registered positive returns in February 2017. The barometer index, S&P BSE Sensex delivered positive return of 3.93% to settle at 28743.32 and Nifty 50 gained 3.72% ending the month at 8879.60.

MF ACTIVITY

Indian mutual funds turned net buyers of equities to the tune of Rs 2,039.70 crore in the month of February 2017. Highest buying was recorded in the fourth week of the month when the fund houses made total net buy of Rs 2,936.20 crore of equities. On the other hand, foreign institutional investors (FIIs) bought Rs 9,902.18 crore worth of equities in February 2017.

MUTUAL FUND ACTIVITY IN FEB 2017

Rs in Crores	Gross Purchases	Gross Sales	Net Investment
1 st Week	5393.20	4287.30	1106.00
2 nd Week	7214.50	7401.70	-187.20
3 rd Week	8450.40	12359.10	-3908.70
4 th Week	10386.30	7450.00	2936.20
5 th Week	6028.90	3935.50	2093.40
Total	37473.30	35433.60	2039.70



EQUITY SCHEME RECOMMENDATION

Scheme Name	Latest NAV*	AUM as on 31 st Jan 2017 (Rs in Cr)	Launch Date	Returns (%)				Min. Investment Amount	
				One Year	Three Years	Five Years	Since Inception	SIP	Lump sum
Large Cap Fund									
Birla Sun Life Frontline Equity Fund	187.29	13,848	30-Aug-02	28.82	20.24	17.65	23.09	1,000	5,000
SBI Blue Chip Fund	32.51	9,735	14-Feb-06	24.69	21.48	18.82	11.27	500	5,000
Mirae Asset India Opportunities Fund	38.67	2,467	04-Apr-08	34.52	23.11	19.09	16.40	1,000	5,000
Multi Cap Fund									
Motilal Oswal MOST Focused Multicap 35 Fund	21.70	4,721	28-Apr-14	37.53	14.00	N.A.	31.32	1,000	5,000
Franklin India High Growth Companies Fund	33.90	5,184	26-Jul-07	34.62	28.80	23.18	13.55	500	5,000
Birla Sun Life Advantage Fund	359.21	1,916	24-Feb-95	37.5	27.65	20.15	18.29	1,000	5,000
ICICI Prudential Value Discovery Fund	128.48	14,874	16-Aug-04	27.82	27.28	21.84	22.57	1,000	5,000
Mid Cap & Small Cap Fund									
Franklin India Smaller Companies Fund	48.93	4,107	13-Jan-06	37.54	35.62	29.56	15.32	500	5,000
MOST Focused Midcap 30 Fund	23.27	1,345	24-Feb-14	27.01	32.14	N.A.	32.32	1,000	5,000
HDFC Mid-cap Opportunities Fund	47.47	12,987	25-Jun-07	42.2	31.03	24.20	17.48	1,000	5,000
Mirae Asset Emerging Bluechip Fund	40.75	2,943	09-Jul-10	45.54	36.6	29.14	23.04	1,000	5,000
DSP BlackRock Micro Cap Fund	54.71	4,174	14-Jun-07	47.11	42.93	29.79	19.13	500	1,000

Note: NAV and Returns as on 01st Mar 2017, Returns < 1 yr annualised, > 1 yr compounded annualised

DEBT SCHEME- LIQUID FUNDS RECOMMENDATION

Scheme Name	Latest NAV*	AAA/LAAA/ A1+/P1+/ PR1+/F1+ SOV	AUM as on 31 st Jan 2017 (Rs in Cr.)	Returns (%)				
				One Month	WThree Months	Six Months	One Year	Since Inception
DSP BlackRock Liquidity Fund	2305.48	100.00%	15,022	0.53	1.58	3.32	7.42	7.69
Franklin India Ultra Short Bond Fund	22.12	100.00%	6,887	0.72	1.93	4.56	9.88	9.00
HDFC Liquid Fund	3182.21	100.00%	26,958	0.53	1.58	3.30	7.40	7.32
Birla Sun Life Cash Manager Fund	390.14	100.00%	7,652	0.43	1.32	3.58	8.52	7.50
Reliance Money Manager Fund	2230.39	100.00%	18,827	0.49	1.44	3.69	8.59	8.39

Note: NAV and Returns as 01st Mar 2017, Returns < 1 yr annualised, > 1 yr compounded annualised

ELSS SCHEME RECOMMENDATION

Scheme Name	Latest NAV*	Launch Date	Returns (%)			
			OneYear	Three Years	Five Years	Since Inception
Axis Long Term Equity Fund	33.04	29-Dec-09	19.28	22.88	21.45	18.03
Franklin India Taxshield	481.25	10-Apr-99	25.56	23.18	17.79	24.36
DSP BlackRock Tax Saver	39.49	18-Jan-07	37.64	25.24	19.96	14.54
Birla Sun Life Tax Relief 96	24.38	06-Mar-08	24.77	23.81	19.43	10.42

Note: NAV and Returns as on 01st Mar 2017, Returns < 1 yr annualised, > 1 yr compounded annualised

IPO Performance



IPO or an Initial Public Offering is an excellent source of income to a company that helps in its expansion. Investors find it difficult to invest in an IPO due to lack of information about the upcoming IPOs. To make a successful investment, it is important to keep the track of the upcoming IPO and the other aspects of the company. The main source of data of an IPO is a document called the red herring document that has to be studied carefully. Investors need to know the general company information along with the details about the founders and the management team. They also need to know as to how the funds generated from the IPO will be used.

Few of Indian companies that have given blockbuster performance in 2016

Company	Listing Date	Issue Price	High till date	Returns%
Infibeam Incorporation Ltd	04-Apr-16	432	1448.8	235.4
Advanced Enzyme Technologies Ltd	01-Aug-16	896	2375	165.1
Ujjivan Financial Services Ltd	10-May-16	210	547.5	160.7
Qess Corp Ltd	12-Jul-16	317	744	134.7
Mahanagar Gas Ltd	01-Jul-16	421	955.5	127.0
RBL Bank Ltd	31-Aug-16	225	488	116.9
Equitas Holdings Ltd	21-Apr-16	110	206.25	87.5
Thyrocare Technologies Ltd	09-May-16	446	744.7	67.0
Sheela Foam Ltd	09-Dec-16	730	1164	59.5
Parag Milk Foods Limited	19-May-16	227	357	57.3
Endurance Technologies Ltd	19-Oct-16	472	729	54.4
Narayana Hrudayalaya Ltd	06-Jan-16	250	379	51.6
BSE Ltd	03-Feb-17	806	1200	48.9
PNB Housing Finance Ltd	07-Nov-16	775	1139.3	47.0
Teamlease Services Ltd	12-Feb-16	850	1209.45	42.3
Laurus Labs Ltd	19-Dec-16	428	585	36.7
GNA Axles Ltd	26-Sep-16	207	276.5	33.6
Healthcare Global Enterprises Ltd	30-Mar-16	218	264.9	21.5
ICICI Prudential Life Insurance Company Ltd	29-Sep-16	334	371.5	11.2

Note: Return % as on Issue Price

Upcoming IPO

Company	Offer Opens on	Offer Closes on	Price Band	Market Lot
Music Broadcast Ltd (Radio City)	06-Mar-17	08-Mar-17	Rs 324-333	45
Avenue Super marts Ltd (D-Mart)	08-Mar-17	10-Mar-17	Rs 295-299	50
CDSL	15-Mar-17	17-Mar-17	Rs 115-135	--
Continental Warehousing Corporation Ltd	22-Mar-17	24-Mar-17	--	--

The Month Ahead

Key Financial Events - Mar 2017

Mar 1

- Indian Automobile Sales Data, by Automakers
- Indian Nikkei Manufacturing PMI
- Chinese Manufacturing PMI



Mar 3

Indian Nikkei Services PMI



Mar 6-10

Indian Automobile Sales Data, by SIAM



Mar 7

- Europe GDP
- US Trade Balance



Mar 8

- Japanese GDP
- Chinese Trade Balance



Mar 9

ECB Monetary Policy



Mar 10

- Chinese Industrial Production
- US Non-Farm Employment



Mar 10-13

- Indian Industrial Production (IIP)
- Indian FDI Equity Inflow



Mar 13

Indian Consumer Price Index (CPI)



Mar 14

- Indian WPI Inflation
- European Industrial Production



Mar 15

US FOMC Meeting Minutes



Mar 13-24

- Indian Trade Data
- Indian Balance of Payments



Mar 16

- BoE Monetary Policy
- Japanese Monetary Policy



Mar 17

US Industrial Production



Mar 30-31

- Indian Core Sector Growth
- Indian Government Finance
- US Final GDP





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022-42254800



contactus@arihantcapital.com



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