

Key developments during the week

- Govt source says FY16 Budget may allot 430 bln rupees for road sector
- RBI Gandhi says banks must expect higher attrition going ahead
- Trade minister says committed to stand against retrospective tax
- Coal India to spend 60 bln rupees on railway, infra development in FY16
- Competition panel approves Kotak Mahindra Bank-ING Vysya Bank merger
- India signs \$350 mln loan pact with ADB for Madhya Pradesh roads
- Jaitley says can't have many entry barriers to do business in India
- Gems body says India Jan gems, jewellery exports \$2.4 bln, down 11% YoY
- Govt adds 9 coal blocks to schedule-III coal mines for auction
- Mines minister says to frame rules for mineral block auction by May
- Jaitley to hold review meeting with PSU bank heads on Mar 5
- India Apr-Nov net small savings mop-up 26.3 bln rupees, down 61% on year
- Pharma secretary says aim to set up separate regulator for medical devices
- Railways Jan freight revenue 100.24 bln rupees, up 14% YoY
- India Jan WPI inflation hits over 5-year low at (-)0.39%

INDEX	20-Feb-15	13-Feb-15	Change (in %)
NIFTY	8833.60	8805.50	0.32
SENSEX	29231.41	29094.93	0.47
NSE 500	7209.40	7176.20	0.46
NSE MIDCAP	3450.30	3435.90	0.42
NIFTY JUNIOR	19696.40	19661.30	0.18
BSE SMALLCAP	11426.24	11239.28	1.66
BSE 200	3654.33	3642.17	0.33

INDEX	20-Feb-15	13-Feb-15	Change (in %)
BSE CD	10657.97	10533.75	1.18
BSE OIL AND GAS	9737.64	10039.95	-3.01
BSE PSU	8078.50	8018.72	0.75
BSE FMCG	8607.64	8409.07	2.36
BSE CAPITAL GOODS	17348.79	16896.73	2.68
BSE AUTO	19832.70	19586.94	1.25
BSE REALTY	1765.18	1721.09	2.56
BSE BANK	21853.77	22187.50	-1.50
BSE TECH	6396.25	6371.14	0.39
BSE HEALTHCARE	15808.64	15857.69	-0.31
BSE IT	11906.55	11811.86	0.80
BSE METAL	10640.97	10365.94	2.65

INDEX	20-Feb-15	13-Feb-15	Change (in %)
DOW JONES	18140.44	18019.35	0.67
HANG SENG	24832.08	24674.94	0.64
NIKKEI	18332.30	17913.36	2.34
FTSE	6915.20	6873.52	0.61

Domestic events week ahead

- Feb 26:** Rail Budget for 2015-16 (Apr-Mar).
- Feb 27:** Economic Survey for 2014-15 (Apr-Mar).
- Feb 27:** Core sector growth for January, by commerce and industry ministry.
- Feb 27:** CPI for industrial workers for January, by Labour Bureau.
- Feb 27:** Government finances for Apr-Jan, by CGA.
- Feb 27:** WMA and forex reserves as on Feb 20, by RBI.
- Feb 28:** Union Budget for 2015-16 (Apr-Mar).

Source: NW18

Global events week ahead

- Feb 23:** Japan Monetary Policy Meeting Minutes, German Ifo Business Climate, US Existing Home Sales
- Feb 24:** German Final GDP q/q, Europe Final CPI y/y, Europe Final Core CPI y/y, ECB President Draghi Speaks, US Flash Services PMI, US CB Consumer Confidence, US Fed Chair Yellen Testifies
- Feb 25:** China HSBC Flash Manufacturing PMI, US Fed Chair Yellen Testifies, US New Home Sales, US Crude Oil Inventories, ECB President Draghi Speaks
- Feb 26:** GfK German Consumer Climate, German Unemployment Change, Italian Retail Sales m/m, UK Second Estimate GDP q/q, US CPI m/m, US Core CPI m/m, US Unemployment Claims, US Core Durable Goods Orders m/m, US Durable Goods Orders m/m, US FOMC Member Lockhart Speaks
- Feb 27:** Japan Household Spending y/y, Japan Unemployment Rate, Japan Prelim Industrial Production m/m, Japan Retail Sales y/y, Japan Housing Starts y/y, German Prelim CPI m/m, French Consumer Spending m/m, Spanish Flash CPI y/y, Italian Prelim CPI m/m, US Prelim GDP q/q, US Chicago PMI, US Pending Home Sales m/m, US Revised UoM Consumer Sentiment



Market Range for Week 8600- 9100

Nifty	Values
Support 1	8750
Support 2	8680
Support 3	8620
Resistance 1	8880
Resistance 2	8950
Resistance 3	9050

Resistance – Nifty facing Resistance level @8880 level above this level it may go up to @8950 & @ 9050 level.

Support - Support comes for market @8750 level for Nifty; below this level Nifty next support @8680 and @8620 will be the major support for market.

Technical – Last week Nifty opened at 8831 & it made a high of 8913. Last week we have seen some rangebound market. Nifty made a low of 8793 & closed at 8833. Last week Nifty gain 120 points from its low & on weekly basis it closed at 28 points higher. Sensex made a weekly high of 29522 & a low of 29083 almost it gain 439 points in the week from its low. So overall last week we have seen some rangebound activity.

For the coming week the market range we expect 8600-9100

Weekly Chart View –

Last week we had expected market range (8600-9100) market made a high of 8913 & low of 8793, so overall it holds our both side range.

In last week report we had mentioned on daily chart Nifty near to 50DMA & on weekly chart near to 20WMA, Because of that we had mentioned 8880-8920 will be major resistance & 8720-8650 will be major support & all we have seen market between this range. Now on daily chart we can see series of narrow range body formation & on weekly chart we can see “Doji candle”. So overall still we can see rangebound activity , but coming week will be “Budget “week so we will see volatility in the market.

Weekly Chart

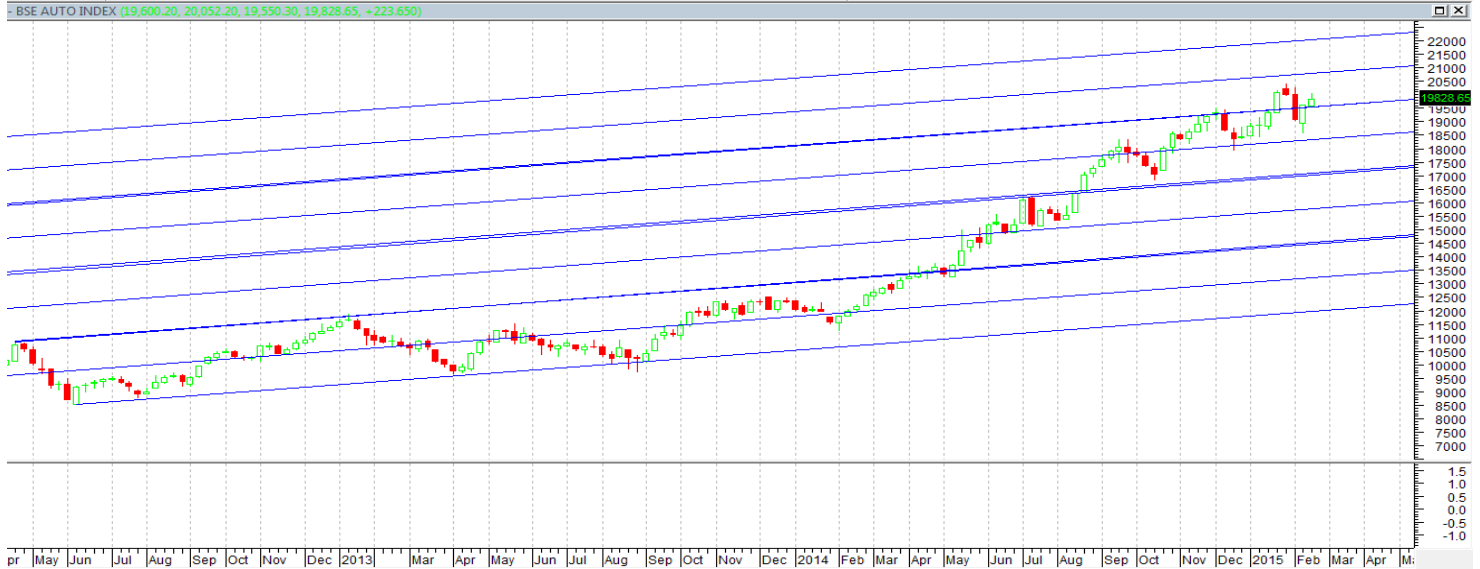




Weekly Sectoral Technical Outlook

BSE Auto Index

CMP: 19832

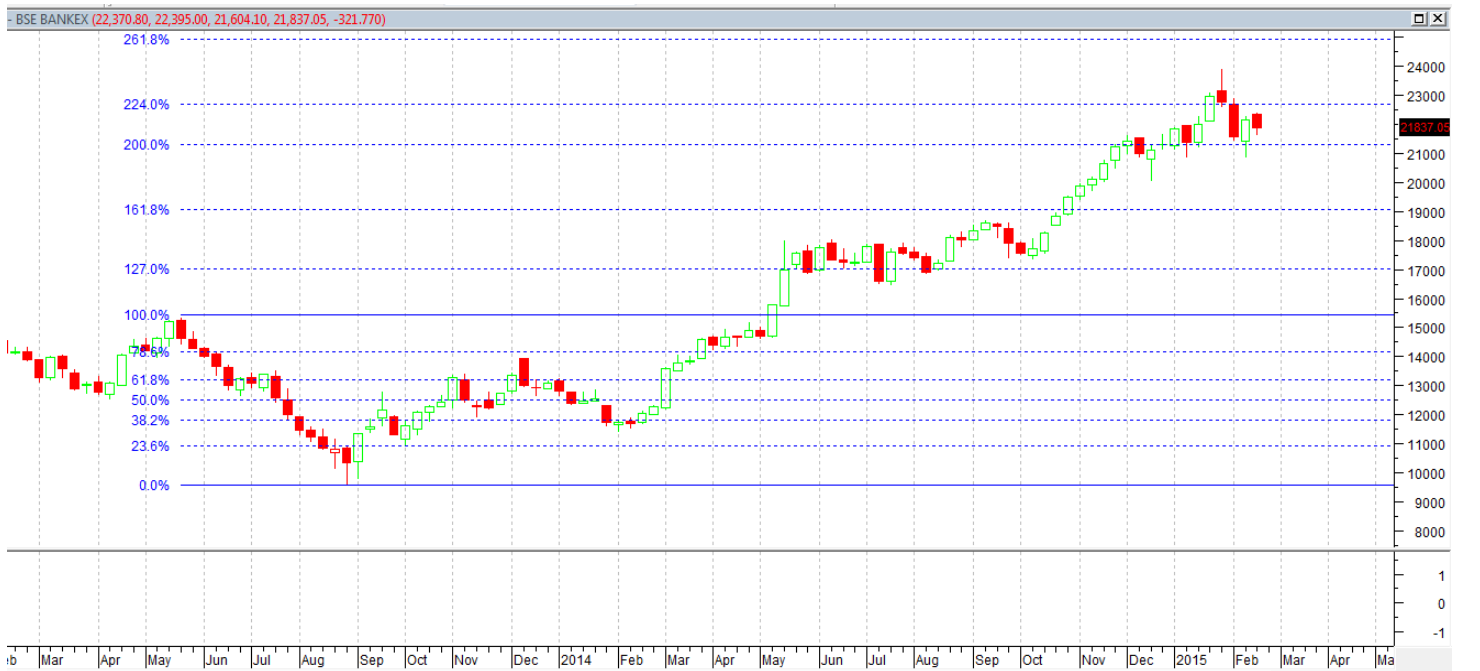


BSE Auto

At present we are observing that prices have closed above the median line of the third channel. This suggest further upside momentum. Those gone long in this sector above 19616 should maintain the stop loss at 18500 for a target of 20200 – 20500 levels.

BSE Bankex

CMP: 21853



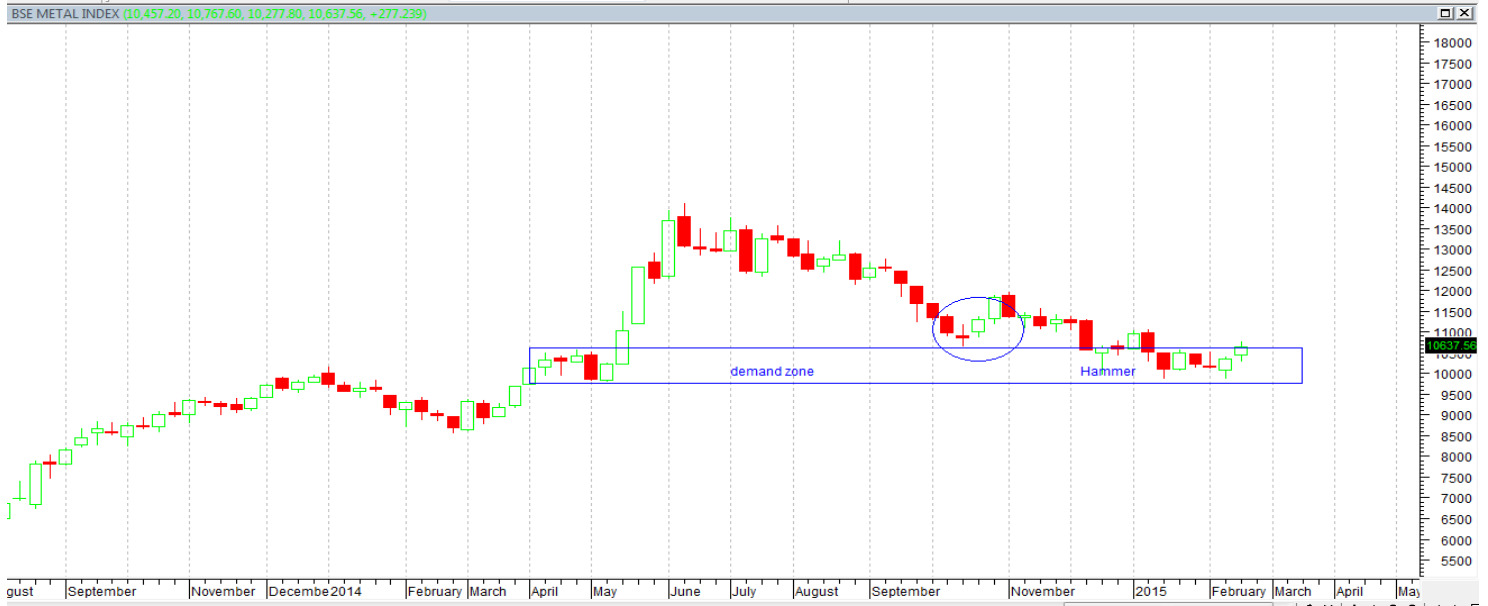
BSE Bankex

At present we are observing a candlestick pattern that resembles a Bullish piercing pattern. One can initiate long above 22272 with a stop loss of 20800 for a target of 22500 – 23000 levels.



BSE Metal Index

CMP: 10640



BSE Metal Index

At present those who have gone long in this sector should trial the stop loss to 9850. On the upside, this sector can test 10900 – 11300 levels.

BSE IT

CMP: 11906



BSE IT

We maintain our positive stance in this sector. Those who have gone long in this sector can trial the stop loss to 117800. On the upside it can test 12200 – 12500 levels.



Weekly Technicals of Key Companies –

Company	Closing 20-Feb-15	Buy/Sell Trigger	Resistance 1	Resistance 2	Support 1	Support 2
ACC	1620.4	1628.47	1656.93	1693.47	1591.93	1563.47
AMBUJACEM	263.1	265.75	270.35	277.6	258.5	253.9
ASIANPAINT	825.7	828.73	839.47	853.23	814.97	804.23
AXISBANK	561.5	566.25	579.25	597	548.5	535.5
BAJAJ-AUTO	2206.8	2229.22	2258.43	2310.07	2177.58	2148.37
BANKBARODA	183.3	181.9	188.3	193.3	176.9	170.5
BHARTIARTL	349.35	354.35	360.45	371.55	343.25	337.15
BHEL	275.25	268.85	282.7	290.15	261.4	247.55
BPCL	741.8	740.02	759.03	776.27	722.78	703.77
CAIRN	253.1	255.7	259.9	266.7	248.9	244.7
CIPLA	675.95	678.5	689.45	702.95	665	654.05
COALINDIA	382.75	382.62	390.13	397.52	375.23	367.72
DLF	151.35	152.02	157.43	163.52	145.93	140.52
DRREDDY	3403.9	3380.32	3448.53	3493.17	3335.68	3267.47
GAIL	409	408.55	414.95	420.9	402.6	396.2
GRASIM	3760.7	3803.9	3856.8	3952.9	3707.8	3654.9
HCLTECH	2000.75	2012.12	2043.63	2086.52	1969.23	1937.72
HDFC	1333.15	1319.17	1371.33	1409.52	1280.98	1228.82
HDFCBANK	1073.05	1073.33	1089.62	1106.18	1056.77	1040.48
HEROMOTOCO	2658.9	2722.08	2798.47	2938.03	2582.52	2506.13
HINDALCO	156.55	155.62	161.63	166.72	150.53	144.52
HINDUNILVR	900.25	903.32	920.28	940.32	883.28	866.32
ICICIBANK	330.95	335.47	342.43	353.92	323.98	317.02
IDFC	169.75	171.12	173.83	177.92	167.03	164.32
INDUSINDBK	876.8	866.88	891.32	905.83	852.37	827.93
INFY	2283.1	2292.42	2326.68	2370.27	2248.83	2214.57
ITC	396.05	392.02	406.03	416.02	382.03	368.02
JINDALSTEL	194.25	183.83	218.42	242.58	159.67	125.08
KOTAKBANK	1298.25	1301.7	1319.55	1340.85	1280.4	1262.55
LT	1677.6	1677.5	1714.9	1752.2	1640.2	1602.8
LUPIN	1691.35	1684.88	1711.97	1732.58	1664.27	1637.18
M&M	1252	1231.35	1286.1	1320.2	1197.25	1142.5
MARUTI	3547.35	3579.78	3617.57	3687.78	3509.57	3471.78
NMDC	142.45	142.42	146.73	151.02	138.13	133.82
NTPC	145.65	145.15	148.3	150.95	142.5	139.35
ONGC	330.7	335.13	340.27	349.83	325.57	320.43
PNB	167.2	166.77	171.33	175.47	162.63	158.07
POWERGRID	153.25	153.15	155.15	157.05	151.25	149.25
RELIANCE	873.1	889.53	907.77	942.43	854.87	836.63
SBIN	302.3	304.08	311.37	320.43	295.02	287.73
SSLT	217.3	215.12	226.93	236.57	205.48	193.67
SUNPHARMA	913.2	917.13	926.97	940.73	903.37	893.53
TATAMOTORS	579.9	577.7	594.75	609.6	562.85	545.8
TATAPOWER	85.95	86.05	88.7	91.45	83.3	80.65
TATASTEEL	374.7	373.75	382.8	390.9	365.65	356.6
TCS	2675.55	2643.12	2731.23	2786.92	2587.43	2499.32
TECHM	2810.2	2850.8	2907.35	3004.5	2753.65	2697.1
ULTRACEMCO	3014.1	3056.58	3107.52	3200.93	2963.17	2912.23
WIPRO	650	656.17	664.83	679.67	641.33	632.67
ZEEL	358.8	358.45	366.35	373.9	350.9	343

Source: Iris Software



Arihant Fundamental Desk: Stocks under our radar

Company and Sector	Current Price	Target Price	Research Call	EPS (Rs/share)			P/E (x)			ROE %		
				FY14	FY15E	FY16E	FY14	FY15E	FY16E	FY14	FY15E	FY16E
Automobile												
M&M	1249	1385	Hold	63.7	69.5	81.7	19.6	18.0	15.3	24.0	21.7	21.6
Maruti Suzuki	3553	3547	Neutral	92.1	117.8	168.9	38.6	30.2	21.0	13.3	14.8	18.1
Tata Motors	579	588	Neutral	53.6	56.0	64.0	10.8	10.3	9.0	35.3	32.1	23.2
Bajaj Auto	2209	2570	Accumulate	112.1	105.1	142.8	19.7	21.0	15.5	37.0	29.6	34.8
TVS Motots	295	238	Reduce	5.5	7.5	12.0	53.7	39.4	24.6	19.8	23.1	30.7
Hero MotoCorp	2660	3140	Accumulate	105.6	139.3	165.0	25.2	19.1	16.1	39.8	45.2	44.2
Banking												
BOB	183	206	Accumulate	21.3	22.1	29.1	8.6	8.3	6.3	13.4	12.5	14.7
Federal Bank	139	184	Buy	9.8	10.5	11.6	14.1	13.2	12.0	12.6	12.3	12.4
Yes Bank	824	734	Reduce	36.5	45.9	43.7	22.6	18.0	18.9	23.7	23.2	22.2
Indusind Bank	875	852	Neutral	26.9	34.2	45.3	32.6	25.6	19.3	17.6	19.1	21.2
Bank of Mah	40	41	Neutral	4.6	5.7	7.0	8.8	7.1	5.8	7.4	9.7	11.1
DCB	112	146	Buy	6.0	6.3	6.7	18.7	17.8	16.8	14.1	12.8	12.0
Andhra Bank	89	95	Hold	7.6	8.6	15.3	11.7	10.3	5.8	5.0	5.5	10.1
HDFC Bank	1073	1084	Neutral	35.3	43.3	57.6	30.4	24.8	18.6	21.0	22.0	24.0
Cement												
Ultratech Cement	3019	3430	Accumulate	80.0	114.0	155.0	37.7	26.5	22.1	13.0	16.0	18.0
ACC	1619	1673	Neutral	58.3	65.5	83.5	27.8	24.7	19.4	14.4	15.3	18.3
Ambuja Cement	263	285	Hold	8.4	9.2	13.7	31.3	28.6	19.2	13.6	13.9	18.4
Mangalam Cement	290	422	Buy	11.1	12.2	24.1	23.7	21.6	10.9	5.8	6.2	11.3
JK Cement	730	729	Neutral	13.9	21.8	35.0	52.5	33.5	20.8	5.5	8.2	12.0
IT												
Infosys	2284	2226	Neutral	93.2	101.9	112.1	24.5	22.4	20.4	26.1	24.5	23.9
TCS	2674	2648	Neutral	97.6	113.0	127.8	27.4	23.7	20.9	39.6	35.8	34.2
Wipro	650	784	Buy	30.5	36.9	41.5	21.3	17.6	15.7	21.2	24.3	25.1
KPIT	209	218	Neutral	12.6	13.2	18.2	16.6	15.8	11.5	19.5	17.3	19.6
Persistent	1749	1728	Neutral	62.0	74.0	96.0	28.2	23.6	18.2	20.4	20.9	22.9
Metal												
SAIL	74	77	Neutral	6.3	8.1	10.5	11.8	9.2	7.1	6.1	7.4	8.9
Tata Steel	375	380	Neutral	37.0	54.0	72.0	10.1	6.9	5.2	8.9	11.1	13.1
JSW Steel	1025	1200	Accumulate	65.9	134.0	165.9	15.6	7.7	6.2	8.1	13.9	15.3
Hindustan Zinc	182	178	Neutral	16.3	19.0	19.8	11.1	9.6	9.2	18.5	18.4	16.7
Coal India	383	355	Reduce	23.9	28.0	32.1	16.0	13.7	11.9	35.6	35.5	34.9
NMDC	142	173	Buy	16.4	16.9	16.2	8.7	8.4	8.8	21.7	20.3	18.0
Hindalco	156	166	Hold	10.5	11.9	12.9	14.9	13.1	12.1	5.4	5.8	6.0

Rating scale

BUY	>20%
ACCUMULATE	12-20%
HOLD	5-12%
NEUTRAL	-5-5%
REDUCE	< -5%



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