

Key developments during the week

- Election dust settled, all eyes now on the Modi man who'll fix economy
- SC grants 1 more week to Centre to form probe team on black money
- Goldman Sachs sees FY16 GDP growth at 6.5% on improvement in demand
- Fin secy says FIPB to discuss ambiguity in HDFC Bank's FDI plan
- Unions say will oppose any move to restructure Coal India
- TD Power Systems arm's 45-MW power plant order cancelled
- BHEL commissions 520 MW hydro-electric power plants for NHPC
- IOC, HPCL, BPCL to take 21-bln-rupee hit on fuel sale FY14
- Oil min source says Oil India FY14 subsidy share set at 87.37 bln rupee
- SEBI tells HC probing insider trade charge in Sun Pharma-Ranbaxy deal
- RBI sets up central repository of information on large credits
- SREI Infra board OKs raising 25 bln rupees via NCDs FY15
- HDIL board OKs issue of up to \$400 mln securities
- SBI stake in State Bank of Travancore 78.9% vs 75% post pref allotment
- Steel Strips Wheels gets export order for 30,000 wheel from Russia
- JK Lakshmi Cement Jan-Mar sales volume grew 19% on year
- Fin secy says new govt to decide on 80:20 gold import norm rejig
- ONGC pays \$40 mln premium to insure offshore assets FY15
- ISMA ups India 2013-14 sugar output estimate by 1.7% to 24.2 mln tn

INDEX	23-May-14	16-May-14	Change (in %)
NIFTY	7367.10	7203.00	2.28
SENSEX	24693.35	24121.74	2.37
NSE 500	5923.65	5656.00	4.73
NSE MIDCAP	3193.45	2826.85	12.97
NIFTY JUNIOR	16062.35	14876.45	7.97
BSE SMALLCAP	9128.04	7885.76	15.75
BSE 200	3013.65	2998.03	0.52

INDEX	23-May-14	16-May-14	Change (in %)
BSE CD	8235.58	7478.42	10.12
BSE OIL AND GAS	11545.47	11006.17	4.90
BSE PSU	8614.28	7579.90	13.65
BSE FMCG	6794.28	6963.02	-2.42
BSE CAPITAL GOODS	14775.05	13482.14	9.59
BSE AUTO	14580.74	14230.62	2.46
BSE REALTY	1976.96	1605.57	23.13
BSE BANK	17523.13	16994.36	3.11
BSE TECH	4832.03	4866.42	-0.71
BSE HEALTHCARE	10073.03	10322.94	-2.42
BSE IT	8440.06	8642.14	-2.34
BSE METAL	12538.05	11084.51	13.11

INDEX	23-May-14	16-May-14	Change (in %)
DOW JONES	16606.27	16491.31	0.70
HANG SENG	22965.86	22712.91	1.11
NIKKEI	14462.17	14096.59	2.59
FTSE	6815.75	6855.81	-0.58

Domestic events week ahead

- **May 26:** BJP's Mr Narendra Modi to take oath as 15th prime minister of India.
- **May 26-28:** GSM mobile subscribers data for April, by COAI.
- **May 30:** CPI for industrial workers for April, by Labour Bureau.
- **May 30:** Core sector growth for April, by commerce ministry.
- **May 30:** GDP estimate for Jan-Mar and 2013-14, by CSO.
- **May 30:** Government finances for FY14, April, by CGA.

Source: NW18

Global events week ahead

- **May 26:** Japan Monetary Policy Meeting Minutes, GfK German Consumer Climate, ECB President Draghi Speaks
- **May 27:** Japan CSPI y/y, US Core Durable Goods Orders m/m, US Durable Goods Orders m/m, ECB President Draghi Speaks, US Flash Services PMI, US CB Consumer Confidence
- **May 28:** BOJ Gov Kuroda Speaks, German Import Prices m/m, French Consumer Spending m/m, German Unemployment Change, Spanish HPI q/q
- **May 29:** Japan Retail Sales y/y, US Prelim GDP q/q, US Unemployment Claims, US Pending Home Sales m/m, US Crude Oil Inventories
- **May 30:** Japan Household Spending y/y, Tokyo Core CPI y/y, Japan Unemployment Rate, Japan Prelim Industrial Production m/m, Japan Housing Starts y/y, German Retail Sales m/m, Italian Prelim CPI m/m, US Core PCE Price Index m/m, US Personal Spending m/m, US Personal Income m/m, US Chicago PMI, US Revised UoM Consumer Sentiment, US Revised UoM Inflation Expectations



Weekly Sector Outlook and Stock Picks

Auto sector – To track broader indices, earnings this week

Stocks of major automakers will take cues from the broader indices during the start of this week, and trade in line with the earnings posted by respective companies during the second half. Prime minister designate Narendra Modi is scheduled to take oath of office on May 26, due to which the stock market is expected to trade with a positive bias. Post the positive movement during the first couple of days, the automobile sector would closely watch Jan-Mar earnings of Hero MotoCorp Ltd, and Mahindra & Mahindra Ltd, scheduled to be detailed on May 28 and May 30, respectively. Hero MotoCorp Ltd's Jan-Mar net profit is seen falling 9% on year to Rs 5.24 bln mainly due to impact of the excise duty cut in the interim budget for 2014-15 (Apr-Mar) on the company's dealer inventory. Hero MotoCorp's counter is expected to trade sideways in the run-up to the results. In the four-wheeler space, continued pressure on the automotive front, and a slowdown in growth trajectory of tractor sales is likely to cause Mahindra & Mahindra Ltd's net profit to fall 5% on year in Jan-Mar to Rs 8.49 bln. M&M's counter is seen trading with a negative bias during the second half of the week.

Bank Sector – Seen rising this week on positive market sentiment

Shares in the financial space, including bank stocks, are seen continuing their rise this week on the back of the better-than-expected Jan-Mar results of State Bank of India, the country's largest lender. The underlying optimism that incoming 'Modi sarkar' will be good for economic revival is also expected to support the rise. The BJP-led National Democratic Alliance won 336 seats of the total 543 Lok Sabha seats and will form the next government on May 26. Meanwhile, SBI Friday reported a net profit of Rs 30.41 bln for Jan-Mar, up 36% sequentially, which was way above estimate of Rs 27.74 bln, thanks to an improvement in its asset quality. The positive sentiment towards equities, particularly bank stocks, which was seen before the May 16 election results, continued last week, and is expected to continue this week as well. So, several bank stocks may well touch their 52-week highs or even lifetime highs this week again.

Capital Goods Sector – Likely to rise; L&T Jan-Mar result eyed

Shares of most capital goods companies are likely to remain bullish this week, especially those catering to power sector, in the anticipation that the new central government may announce policy for revival of power sector. Capital goods and infrastructure sector major L&T will detail their Jan-Mar earnings on May 30. L&T is seen posting Jan-Mar net profit of Rs 16.88 bln, down 6% on year, while net sales are seen at Rs 210.12 bln, up 4% on year. Among the other company's detailing Jan-Mar earnings this week are electrical equipment maker Crompton Greaves, power distribution infrastructure maker Kalpataru Power Transmission, Thermax and consumer goods company Voltas. Thermax is seen posting net profit at Rs 1.01 bln, down 13% on-year in Jan-Mar due to sluggish execution, especially in its environment vertical. The company will detail its Jan-Mar earnings on May 27. Avantha Group-promoted Crompton Greaves is seen posting consolidated net profit of Rs 1.29 bln, up 411% on year.

Cement Sector – Seen in green on optimism over cement demand

Shares of most cement companies to trade in the green this week on optimism that cement demand will improve post monsoons, even though the current demand situation is slightly weak. The present movement in stock prices of cement companies is purely based on expectations from the medium term, rather than the immediate situation. The new government will take at least six months to pull off the much-anticipated reforms. Also, demand is generally low during monsoons. So, all in all from the next quarter, revival is expected. Market will also keep an eye on the Jan-Mar earnings of India Cements scheduled for May 26. The company is seen posting a net loss of Rs 106 mln in Jan-Mar because of low volumes and a weak pricing environment in South India. The company had posted a net profit of Rs 263 mln a year ago.

FMCG Sector – Seen rangebound as market to focus on cyclical

Stocks of fast-moving consumer goods companies are seen trading rangebound this week ahead as the market is likely to continue to focus on stocks that are likely to benefit from a change in government regime. Most FMCG companies have come out with average numbers; we do not see a runaway rally in consumer names until the monsoon arrives. A normal monsoon may help to bring about the much needed demand revival. It is only monsoon that could trigger the next rally; many industry watchers are closely monitoring announcements from the new government on tax reform. A clue on the implementation of the goods and service tax could provide a fundamental fillip to the sector. A GST implementation plan by the new government is a boost for all sectors of the economy, while it will benefit FMCG companies.

**IT Sector – Short covering, rupee movement to set tone**

Shares of large-cap information technology companies may see some short covering due to expiry of future contracts this week, but the strengthening of the rupee against the dollar and further shift away from defensive sectors to cyclical sectors are expected to act as a cap on any bounce back in IT stocks this week. IT stocks saw a steep fall, triggered by the sudden rise in the rupee and a flight of capital from defensive sectors to domestic-market oriented plays, but most of the loss was made good during the rest of the week. Most of the frontline IT stocks ended down 1.5-2% last week, except for Infosys which lost 3.4% during the week. However, it was a different story for mid-cap IT stocks such as Rolta India, which will announce its results May 31, Justdial, Info Edge and Geometric, all of which gained more than 10% during the week. This week is unlikely to see any big correction in frontline IT stocks due to the expiry of future contracts.

Oil Sector – Seen in range this week; company earnings, rupee eyed

Shares of state-owned oil marketing companies are seen in a narrow range this week, with all eyes set on companies' Jan-Mar results, rupee-dollar movement, and the new government's views on fuel pricing. IOC, BPCL and HPCL will detail Jan-Mar earnings on May 28 and May 29. Analysts have predicted that all three will report profits as the government usually clears all outstanding subsidies ahead of their annual results. The Ministry of Petroleum and Natural Gas has set the subsidy burden of the upstream oil and gas companies at Rs 670.21 bln for 2013-14, while the government has provided Rs 707.72 bln as cash subsidy for the year. Public sector oil marketing companies incurred a total revenue loss of around Rs 1.40 trln. The oil retailers are now required to absorb Rs 20.76 bln as their part of subsidy share. Meanwhile, the rupee has been consistently strengthening against the dollar, a positive development for the oil marketing companies. Further appreciation could give more upside to BPCL, IOC and HPCL shares. Also, the new government's stance on fuel pricing, especially diesel will be key. If the govt halts monthly diesel price hikes, the shares of these companies could take a hit.

Pharma sector – To trade down this week; Sun Pharma earnings eyed

Frontline pharmaceutical stocks are likely to trade with a negative bias due to expectations of the rupee gaining against the dollar in the long term. Further, the pharma sector will also take some cues from the broader market which is likely to experience a volatile trade this week due to expiry of May futures and options contract. However, the impact of strength in rupee on pharma stock was overdone. There is high potential for most stocks in the sector, Dr Reddy's Lab in the large cap and Ipca Laboratories and Divi's Laboratories in the mid-cap. The street will also be watching out for drugmakers that will be reporting their earnings for the quarter-ending March. India's largest drugmaker by market capitalisation Sun Pharmaceuticals will report its earnings on May 29, Divi's Labs is expected to report its Jan-Mar earnings May 31. Wockhardt will report its Jan-Mar earnings on May 26. Jubilant LifeSciences will also declare its earnings on May 26, while Indoco Remedies, Dishman Pharmaceuticals and Shasun Pharmaceuticals will post their earnings on May 28.

Metal Sector – To focus on JSW Steel, Hindalco results

While the CNX Metal Index has rallied 13.5% over the last week riding on the momentum in the markets, metals stocks are likely to react to the results of sector leaders JSW Steel and Hindalco Industries which will report their earnings this week. JSW Steel will detail its earnings on May 27 while Hindalco Industries will post its results on May 29. JSW Steel Ltd is seen posting a 106% y-o-y increase in its Jan-Mar consolidated net profit to Rs 6.09 bln due to a 140 bps y-o-y rise in operating profit margins. In spite of higher volumes, Hindalco Industries is likely to post a 25% y-o-y decline in Jan-Mar standalone net profit at Rs 3.59 bln on lower realisations and higher interest costs. During the week, Sesa Sterlite rising 24.84% as Standard & Poor revised its outlook on the parent company Vedanta Resources to stable from negative, and further fuelled by market rumours that group company Cairn India may be merged into the metal major.

Telecom Sector – To track broad market this week; bias positive

Telecom stocks are expected to trade in the green this week as the broad market is seen scaling new highs with the Nifty likely to surpass the 7500 mark. Friday, Nifty ended at a record closing level of 7367.10. With the equity market reaching new highs aided by inflows from foreign institutional investors, the Indian rupee has also strengthened against the US dollar. So far in May, the rupee has appreciated 3.06% against the dollar. The strengthening of the rupee will provide cushion to the balance sheets of telecom companies, some of which have significant dollar debt exposure. Bharti Airtel has substantial exposure to dollar debt with the company's total debt as on Mar 31 at \$10.07 bln, with a debt-to-EBITDA ratio at 2.13. The telecom sector is likely to take a breather with appreciation of rupee as all the three listed companies, especially Bharti and Reliance Communications have huge foreign debt. As a result, a strong local currency may lead to lower interest and instalment outgo for these companies.



Market Range for Week 7100- 7600

Nifty	Values
Support 1	7250
Support 2	7220
Support 3	7150
Resistance 1	7380
Resistance 2	7450
Resistance 3	7520

Resistance – Nifty facing Resistance level @7380 level above this level it may go up to @7450 &@ 7520 level.

Support - Support comes for market @7250 level for Nifty; below this level Nifty next support @7220 and @7150 will be the major support for market.

Technical – Last week Nifty opened at 7276 & it made a high of 7381. Last week we have seen well up move from lower levels. Nifty made a low of 7193 & closed at 7367. Last week Nifty gain 188 points from its low & on weekly basis it closed at 164 points higher. Sensex made a weekly high of 24745 & a low of 24107 almost it gains 638 points in the week from its low. So overall last week we have seen bulls on fire.

For the coming week the market range we expect 7100-7600

Weekly Chart View –

Last week we had expected market range (6800-7800) market made a high of 7381 & low of 7193, so overall it holds our both side range.

On daily chart we can see series of narrow range body formation, only last day candle we can see bullish candle. On weekly chart we can see bullish candle & continues above triangle. So overall we still can see stocks specific action. From here 7250-7180 will remain good support if we get that level we can see buyer at lower level. Apart from that we have F&O expiry so we can see some volatility.

Weekly Chart





Weekly Sectoral Technical Outlook

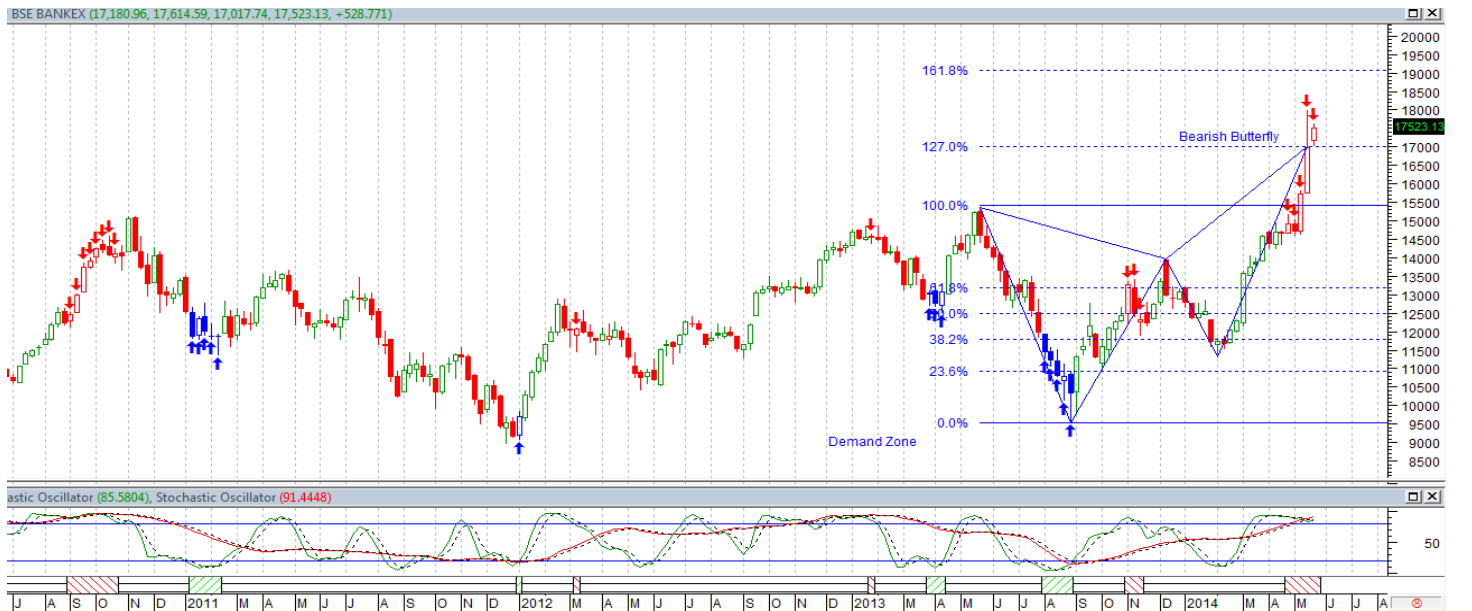
BSE Auto Index	CMP: 14580
-----------------------	-------------------



BSE Auto

Since we are observing an inside week candle formation, we maintain our earlier stance that those long in this sector can book partial profit and can trial the stop loss to 13600 level.

BSE Bankex	CMP: 17523
-------------------	-------------------



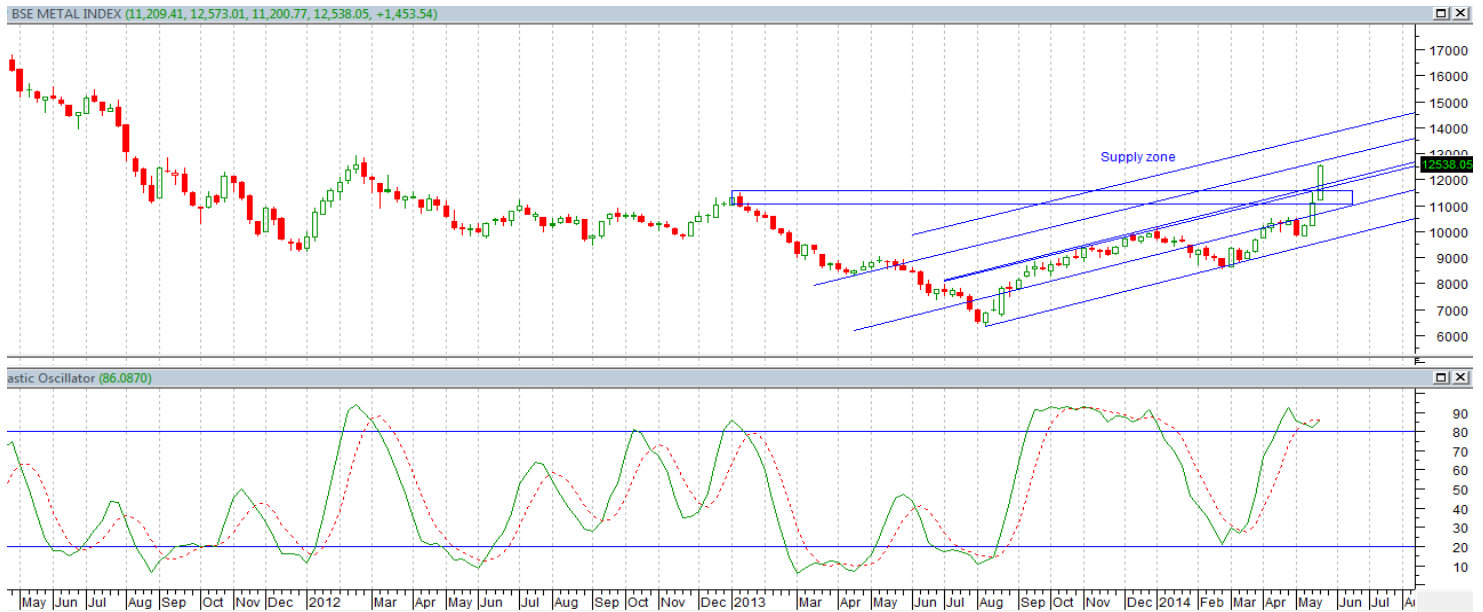
BSE Bankex

Since the prices have marginally closed above the 127%Fib level we still maintain our stance that the prices have completed the bearish butterfly pattern on closing basis. This suggests that a correction could be expected in this sector. On the downside it may test 16500 – 16200 levels. On the upside 17500 – 17986 may act resistance for the week. At present there is no sign of weakness but one can book partial profit in this sector or trial the stop loss to 17000.



BSE Metal Index

CMP: 12538

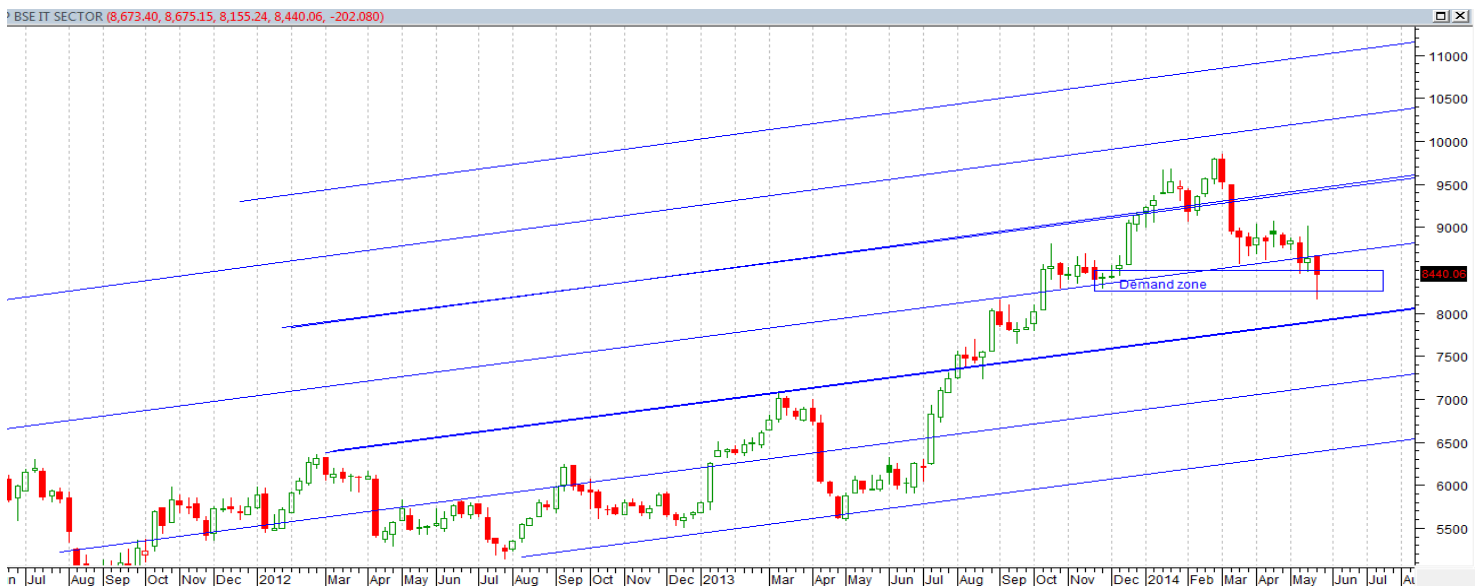


BSE Metal Index

The current price action has given a close above the supply zone. This suggests that momentum on the upside is likely to continue. On the upside it can test 12800 – 13000 level. Hence, those long in this sector can book profits or can trial the stop loss to 12000 levels.

BSE IT

CMP: 8440



BSE IT

The current price action has tested the demand zone and bounce back to form a candlestick pattern that resembles a Bullish Hammer. Hence if this sector trades above 8680 level then the bullish implication will get activated. In such scenario this sector can rally up to 8900 – 9200 levels. Hence, wait for clear signal to emerge to go long in this sector.



Weekly Technicals of Key Companies –

Company	Closing 23-May-14	Buy/Sell Trigger	Resistnace 1	Resistance 2	Support 1	Support 2
ACC	1380.10	1399.93	1438.87	1497.63	1341.17	1302.23
AMBUJACEM	213.20	217.62	224.53	235.87	206.28	199.37
ASIANPAINT	540.55	535.37	555.03	569.52	520.88	501.22
AXISBANK	1864.50	1846.97	1916.93	1969.37	1794.53	1724.57
BAJAJ-AUTO	1976.25	1948.35	2056.60	2136.95	1868.00	1759.75
BANKBARODA	954.50	956.78	992.72	1030.93	918.57	882.63
BHARTIARTL	343.65	341.43	352.17	360.68	332.92	322.18
BHEL	272.15	263.67	296.28	320.42	239.53	206.92
BPCL	556.20	565.13	580.07	603.93	541.27	526.33
CAIRN	348.75	348.83	356.57	364.38	341.02	333.28
CIPLA	387.90	387.07	395.23	402.57	379.73	371.57
COALINDIA	397.90	382.50	416.80	435.70	363.60	329.30
DLF	217.15	204.00	235.50	253.85	185.65	154.15
DRREDDY	2308.70	2325.40	2404.30	2499.90	2229.80	2150.90
GAIL	425.40	423.17	438.13	450.87	410.43	395.47
GRASIM	3001.35	3009.07	3111.73	3222.12	2898.68	2796.02
HCLTECH	1341.05	1324.95	1393.90	1446.75	1272.10	1203.15
HDFC	931.95	926.07	951.88	971.82	906.13	880.32
HDFCBANK	789.65	802.45	822.20	854.75	769.90	750.15
HEROMOTOCO	2349.20	2375.63	2446.27	2543.33	2278.57	2207.93
HINDALCO	152.05	152.57	163.13	174.22	141.48	130.92
HINDUNILVR	561.50	569.02	586.48	611.47	544.03	526.57
ICICIBANK	1460.80	1458.48	1495.87	1530.93	1423.42	1386.03
IDFC	143.25	137.42	149.83	156.42	130.83	118.42
INDUSINDBK	560.85	563.53	580.67	600.48	543.72	526.58
INFY	3069.55	3089.22	3178.33	3287.12	2980.43	2891.32
ITC	343.10	346.22	357.88	372.67	331.43	319.77
JINDALSTEL	300.75	292.42	317.33	333.92	275.83	250.92
KOTAKBANK	878.35	894.43	915.92	953.48	856.87	835.38
LT	1514.00	1497.37	1554.53	1595.07	1456.83	1399.67
LUPIN	923.85	931.98	958.97	994.08	896.87	869.88
M&M	1159.30	1135.87	1195.43	1231.57	1099.73	1040.17
MARUTI	2385.85	2318.28	2470.57	2555.28	2233.57	2081.28
MCDOWELL-N	2793.00	2735.28	2874.52	2956.03	2653.77	2514.53
NMDC	178.15	175.58	191.92	205.68	161.82	145.48
NTPC	160.20	152.27	170.53	180.87	141.93	123.67
ONGC	407.95	405.77	422.18	436.42	391.53	375.12
PNB	1037.85	1004.48	1076.97	1116.08	965.37	892.88
POWERGRID	130.85	127.63	135.22	139.58	123.27	115.68
RELIANCE	1127.45	1111.07	1148.38	1169.32	1090.13	1052.82
SBIN	2753.50	2659.83	2870.67	2987.83	2542.67	2331.83
SSLT	268.35	252.80	286.55	304.75	234.60	200.85
SUNPHARMA	584.30	592.95	613.90	643.50	563.35	542.40
TATAMOTORS	431.30	438.03	451.07	470.83	418.27	405.23
TATAPOWER	105.80	101.83	110.67	115.53	96.97	88.13
TATASTEEL	478.20	465.60	495.60	513.00	448.20	418.20
TCS	2127.90	2095.80	2192.10	2256.30	2031.60	1935.30
TECHM	1786.35	1784.12	1838.23	1890.12	1732.23	1678.12
ULTRACEMCO	2270.10	2287.25	2354.50	2438.90	2202.85	2135.60
WIPRO	490.00	489.85	505.00	520.00	474.85	459.70

Source: Iris Software



Arihant Fundamental Desk: Stocks under our radar

Company and Sector	Current	Target	Research	EPS (Rs/share)			P/E (x)			ROE %			Dividend Yield %		
	Price	Price	Call	FY13	FY14E	FY15E	FY13	FY14E	FY15E	FY13	FY14E	FY15E	FY13	FY14E	FY15E
Automobile															
M&M	1159	1029	Reduce	54.6	62.8	68.5	21.2	18.5	16.9	25.0	24.0	22.1	1.1	1.3	1.5
Maruti Suzuki	2395	1887	Reduce	79.2	92.1	125.8	30.2	26.0	19.0	13.3	17.3	18.3	0.3	0.4	0.4
Tata Motors	431	437	Neutral	31.0	51.7	56.0	13.9	8.3	7.7	27.5	35.3	32.1	0.5	0.7	0.9
TVS Motors	132	88	Reduce	4.4	5.4	6.4	30.4	24.5	20.6	9.6	20.3	17.9	0.9	0.9	1.0
Bajaj Auto	1976	2145	Hold	105.2	112.1	143.0	18.8	17.6	13.8	43.7	33.8	37.6	2.3	2.5	3.0
Hero MotoCorp	2349	1854	Reduce	106.1	107.2	123.6	22.1	21.9	19.0	45.6	40.7	42.3	2.6	3.0	3.4
Ashok Leyland	33	13	Reduce	0.7	0.1	1.1	46.9	469.3	31.0	4.3	0.4	6.2	4.5	0.0	3.0
Escorts	129	137	Hold	5.8	14.1	14.9	22.2	9.1	8.7	8.9	9.9	11.3	2.3	2.7	3.1
Bharat Forge	476	383	Reduce	10.6	15.9	20.2	44.7	29.9	23.6	11.2	15.3	19.5	0.7	1.0	1.4
Banking & NBFC															
BOB	955	1061	Hold	107.3	107.4	107.9	8.9	8.9	8.8	15.1	13.0	12.2	2.3	2.3	2.3
SBI	2755	1846	Reduce	206.2	196.8	238.9	13.4	14.0	11.5	16.1	16.3	16.6	1.5	1.6	1.8
Axis Bank	1865	1387	Reduce	110.7	132.6	144.9	16.8	14.1	12.9	18.5	18.2	18.4	1.0	1.1	1.2
ICICI Bank	1461	1240	Reduce	72.2	85.0	94.0	20.2	17.2	15.5	12.9	13.7	13.1	1.4	1.6	1.7
Federal Bank	127	107	Reduce	9.8	9.8	10.6	12.9	12.9	11.9	14.0	12.8	13.1	1.4	1.6	1.7
Yes Bank	564	476	Reduce	36.5	44.9	51.0	15.5	12.6	11.1	24.8	24.3	20.2	1.1	1.4	1.8
Indusind Bank	561	490	Reduce	21.4	26.9	32.4	26.2	20.9	17.3	18.5	17.5	18.2	0.5	0.6	0.6
Bank of Mah	49	32	Reduce	12.1	4.6	6.5	4.0	10.7	7.5	18.0	6.7	10.7	4.7	2.1	4.1
DCB	75	69	Reduce	3.8	6.1	9.1	19.7	12.4	8.2	11.1	14.0	12.6	0.0	0.0	0.0
Andhra Bank	93	60	Reduce	23.0	7.7	9.9	4.1	12.1	9.4	16.2	5.1	6.7	5.4	1.2	3.2
HDFC Bank	790	712	Reduce	28.9	35.5	45.1	27.3	22.2	17.5	20.6	19.5	21.6	0.7	0.9	1.0
IDBI Bank	95	60	Reduce	14.7	8.0	5.8	6.5	11.9	16.4	10.4	5.6	4.3	3.7	1.1	3.2
M&M Fin	318	224	Reduce	15.4	15.8	20.3	20.6	20.2	15.7	23.5	18.6	21.4	1.1	1.2	1.3
Cement															
Ultratech Cement	2269	1679	Reduce	97.7	80.0	94.0	23.2	28.4	24.1	11.1	13.5	15.0	0.4	0.4	0.4
ACC	1381	1006	Reduce	56.0	58.3	52.2	24.7	23.7	26.5	14.0	14.0	12.1	1.4	1.4	1.4
Ambuja Cement	214	166	Reduce	8.4	8.4	9.6	25.4	25.4	22.2	14.9	13.1	14.2	1.7	1.7	1.7
JK Lakshmi Cement	178	76	Reduce	15.9	7.2	8.7	11.2	24.7	20.5	14.8	6.4	7.3	2.8	2.8	2.8
JK Cement	229	210	Reduce	33.0	8.2	17.1	6.9	27.9	13.4	13.7	3.4	6.8	2.8	2.8	2.8
Grasim Ind	2994	2782	Reduce	294.9	195.0	243.0	10.2	15.4	12.3	13.9	8.0	10.0	0.8	0.8	0.8
FMCG															
HUL	561	624	Hold	17.7	18.2	19.5	31.7	30.8	28.8	117.3	118.0	115.0	3.0	1.8	2.1
ITC	342	339	Reduce	9.7	11.0	13.0	35.3	31.1	26.3	35.7	35.0	36.0	1.6	1.7	2.0
Dabur	183	172	Reduce	4.4	5.3	6.2	41.8	34.9	29.8	39.7	35.3	35.4	0.9	1.0	1.1
IT															
Infosys	3067	3667	Accumulate	164.9	186.4	203.8	18.6	16.5	15.0	26.3	25.6	26.1	2.4	2.7	3.1
TCS	2127	2317	Hold	71.1	97.6	113.0	29.9	21.8	18.8	37.2	38.4	36.5	1.1	1.4	1.7
Wipro	489	590	Buy	24.0	31.7	36.9	20.4	15.4	13.3	20.6	24.3	16.4	2.1	2.3	2.5
HCL Tech	1337	1587	Accumulate	58.1	88.6	99.2	23.0	15.1	13.5	32.8	59.0	61.7	0.6	0.7	0.7
KPIT Tech	160	169	Hold	11.3	13.2	17.8	14.2	12.1	9.0	25.3	25.0	24.2	0.6	0.6	0.6
Infotech Enterprises	280	323	Accumulate	20.9	22.5	26.9	13.4	12.5	10.4	18.8	17.8	18.6	2.9	3.1	3.7
Mphasis	395	373	Reduce	35.4	35.5	38.8	11.2	11.1	10.2	16.4	15.5	14.5	4.3	4.3	4.3
Persistent Systems	1000	971	Reduce	46.9	62.3	76.2	21.3	16.0	13.1	20.5	21.2	20.9	0.9	1.1	1.3
Metal															
SAIL	90	60	Reduce	5.3	7.2	4.2	17.2	12.5	21.5	5.3	6.9	3.9	2.2	2.2	2.2
Tata Steel	478	485	Neutral	3.4	37.0	43.5	140.5	12.9	11.0	8.3	8.4	9.2	2.0	2.0	2.0
JSW Steel	1264	968	Reduce	43.2	70.1	87.4	29.3	18.0	14.5	5.6	10.0	12.0	0.8	0.8	0.8
Hindustan Zinc	162	144	Reduce	16.3	16.0	16.0	9.9	10.1	10.1	21.4	19.6	19.6	1.9	1.9	1.9
Hindalco	152	99	Reduce	15.8	8.6	11.2	9.6	17.7	13.6	8.7	4.5	5.5	0.9	0.9	0.9
NMDC	179	157	Reduce	16.0	15.7	16.3	11.2	11.4	11.0	23.4	20.0	19.1	3.9	3.9	3.9
Monnet Ispat	142	97	Reduce	38.9	40.6	36.4	3.6	3.5	3.9	9.1	8.7	7.3	2.1	2.0	2.0
GPIL	149	80	Reduce	46.9	17.0	34.0	3.2	8.8	4.4	18.8	6.5	11.9	1.7	1.7	1.7
Adhunik Metaliks	54	19	Reduce	6.4	-1.6	3.8	8.5	NA	14.3	6.0	NA	4.4	0.0	0.0	0.0
IMFA	434	272	Reduce	24.4	20.1	25.4	17.8	21.6	17.1	7.7	6.5	7.0	1.2	1.2	1.2
Oil and Gas															
ONGC	408	297	Reduce	28.3	31.0	37.8	14.4	13.1	10.8	19.6	23.3	26.5	2.4	2.4	2.4
GAIL	426	381	Reduce	31.7	35.1	33.5	13.4	12.1	12.7	16.5	16.2	13.9	2.0	2.0	2.0
IGL	328	318	Reduce	25.3	25.5	30.1	13.0	12.9	10.9	23.6	21.0	19.6	1.5	1.5	1.5



Note: Bank's Book values are as per Bloomberg estimates

Rating scale	
BUY	>20%
ACCUMULATE	12-20%
HOLD	5-12%
NEUTRAL	0-5%
REDUCE	< 0%

Contact

SMS: 'Arihant' to 56677

Website

www.arihantcapital.com

Email Id

research@arihantcapital.com

**Arihant is Forbes Asia's '200 Best under a \$Billion' Company
'Best Emerging Commodities Broker' awarded by UTV Bloomberg**

Disclaimer: This document has been prepared by Arihant Capital Markets Limited (hereinafter called as Arihant) and its subsidiaries and associated companies. This document does not constitute an offer or solicitation for the purchase and sale of any financial instrument by Arihant. Receipt and review of this document constitutes your agreement not to circulate, redistribute, retransmit or disclose to others the contents, opinions, conclusion, or information contained herein. This document has been prepared and issued on the basis of publicly available information, internally developed data and other sources believed to be reliable. Whilst meticulous care has been taken to ensure that the facts stated are accurate and opinions given are fair and reasonable, neither the analyst nor any employee of our company is in any way is responsible for its contents and nor is its accuracy or completeness guaranteed. This document is prepared for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. All recipients of this material should before dealing and or transacting in any of the products referred to in this material make their own investigation, seek appropriate professional advice. The investments discussed in this material may not be suitable for all investors. The recipient alone shall be fully responsible/are liable for any decision taken on the basis of this material. Arihant Capital Markets Ltd (including its affiliates) or its officers, directors, personnel and employees, including persons involved in the preparation or issuance of this material may; (a) from time to time, have positions in, and buy or sell or (b) be engaged in any other transaction and earn brokerage or other compensation in the financial instruments/products discussed herein or act as advisor or lender/borrower in respect of such securities/financial instruments/products or have other potential conflict of interest with respect to any recommendation and related information and opinions. The said persons may have acted upon and/or in a manner contradictory with the information contained here and may have a position or be otherwise interested in the investment referred to in this document before its publication. The user of this report assumes the entire risk of any use made of this data / Report. Arihant especially states that it has no financial liability, whatsoever, to the users of this Report.

ARIHANT Capital Markets Ltd

3rd Floor Krishna Bhavan, 67 Nehru Road, Vile Parle (E), Mumbai 400057.
T. 022-42254800. Fax: 022-42254880

www.arihantcapital.com

RCH-WMR-00