



Ajcon Global™
Your Friendly Advisor
Since 1986



STOCK BROKING, INVESTMENT BANKING, CORPORATE ADVISORY & INSURANCE



Mr. Ashok Ajmera, CMD & CEO

Mr. Ajmera's column as on 6th Feb, 2016

Domestic bourses end on a dismal note; macroeconomic data to drive market direction..

In the absence of any immediate positive triggers, benchmark indices ended the week on a dismal note as weakness in global equities weighed on the domestic markets. The fluctuations in oil prices coupled with concerns of a slowdown in China dented the sentiments across the globe.

For the week ended February 05, 2016, the S&P BSE Sensex ended 254 points or 1.02% lower at 24,617. The Nifty50 settled at 7,489.10, down by 74.45 points or 0.98%.

The broader markets also followed suit. BSE Midcap index fell 0.7% or 82 points to end at 10,335 while BSE Small cap index closed at 10,569, down by 300 points or 2.76%.

The Reserve Bank of India in its sixth bi-monthly monetary policy review maintained status quo on interest rates with repo rate unchanged at 6.75% and the cash reserve ratio (CRR) was also unaltered at 4%. The apex bank stated that further rate cuts will depend on the reform measures announced in the Union Budget 2016.

On macro-economic front, India's manufacturing data for the month of January expanded to a four month high while Services PMI stood at 19 month high thus showing revival in the sector, seasonally adjusted Nikkei India Manufacturing Purchasing Managers' Index and Nikkei India services purchasing managers' index showed.

After witnessing a roller coaster ride, the crude oil prices ended the week lower, snapping two weeks of gains, ahead of the crucial meet between the OPEC and non- OPEC countries to tackle the supply glut issue.



STOCK BROKING, INVESTMENT BANKING, CORPORATE ADVISORY & INSURANCE

Sectors and stocks

Lupin soared 5.3% for the week mainly on the back of a robust December quarter results. The drug company's consolidated net profit climbed 29.6% to Rs 529.80 crore on 7.1% growth in revenue from operations (net) to Rs 3555.80 crore in third quarter over second quarter of the same year. The stock registered almost 10% rise on Friday alone.

L&T gained 3.4%. The company's consolidated net profit increased by 19% to Rs 1035 crore on 8.4% growth in gross revenue to Rs 26058 crore in Q3 when compared year on year.

Tata Steel reported consolidated net loss of Rs 2127 crore in Q3 December 2015 compared with net profit of Rs 157 crore year-on-year. The stock slumped 6.4%.

Maruti Suzuki tanked 9.13% after the company reported a 2.6% decline in total sales in January 2015 at 113,606 units, due to lower export sales. However, the company announced new launches at the Auto Expo 2016 including Vitara Breeza, a compact SUV.

Bharti Airtel emerged as the top gainer from the Sensex pack registering a 6% gain while NTPC slumped 12% to emerge as the top loser amongst the top 30 Sensex companies.

Week ahead

The government is all set to announce the December quarter Gross Domestic Product (GDP) data on February 8, 2016.

Along with the crucial GDP data, the consumer price index (CPI) for January 2016 will also be unveiled next week on 12 February 2016.

The last leg of corporate earnings season will be announced next week. Among the prominent companies unveiling their financial numbers are Dr Reddy's Laboratories, Hindalco Industries, and GAIL (India), Cipla, Coal India, State Bank of India, ONGC, Hero MotoCorp, Tata Motors, and Bharat Heavy Electricals, NMDC, Sun Pharmaceutical Industries, Mahindra & Mahindra (M&M) and BPCL.

Chinese markets will be closed next week on account of Lunar New Year.



Ajcon Global™
Your Friendly Advisor
Since 1986



STOCK BROKING, INVESTMENT BANKING, CORPORATE ADVISORY & INSURANCE

Disclaimer

Ajcon Global Services Ltd. is a fully integrated investment banking, merchant banking, corporate advisory, stock broking, commodity and currency broking. Ajcon Global Services Ltd. research analysts responsible for the preparation of the research report may interact with trading desk personnel, sales personnel and other parties for gathering, applying and interpreting information.

Ajcon Global Services Ltd. is a SEBI registered Research Analyst entity bearing registration Number INH000001170 under SEBI (Research Analysts) Regulations, 2014.

Individuals employed as research analyst by Ajcon Global Services Ltd. or their associates are not allowed to deal or trade in securities that the research analyst recommends within thirty days before and five days after the publication of a research report as prescribed under SEBI Research Analyst Regulations.

Subject to the restrictions mentioned in above paragraph, we and our affiliates, officers, directors, employees and their relative may: (a) from time to time, have long or short positions acting as a principal in, and buy or sell the securities or derivatives thereof, of Company mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage.

Ajcon Global Services Ltd. or its associates may have commercial transactions with the Company mentioned in the research report with respect to advisory services.

The information and opinions in this report have been prepared by Ajcon Global Services Ltd. 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 Ajcon Global Services Ltd. While we would endeavour to update the information herein on a reasonable basis, Ajcon Global Services Ltd. is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent Ajcon Global Services Ltd. from doing so. 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. Ajcon Global Services Ltd. 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. Ajcon Global Services Ltd. 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. Ajcon Global Services Ltd. or its associates



Ajcon Global™
Your Friendly Advisor
Since 1986



STOCK BROKING, INVESTMENT BANKING, CORPORATE ADVISORY & INSURANCE

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.

Ajcon Global Services Ltd. encourages independence in research report preparation and strives to minimize conflict in preparation of research report. Ajcon Global Services Ltd. 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 Ajcon Global Services Ltd. nor Research Analysts have any material conflict of interest at the time of publication of this report.

It is confirmed that CA Ashok Ajmera or any other Research Analysts of this report has not received any compensation from the company 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.

Ajcon Global Services Ltd. or its subsidiaries collectively or Directors including their relatives, Research Analysts, 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.

It is confirmed that CA Ashok Ajmera research analyst or any other Research Analysts of Ajcon Global do not serve as an officer, director or employee of the companies mentioned in the report.

Ajcon Global Services Ltd. may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither the Research Analysts nor Ajcon Global Services Ltd. have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on Ajcon Global Services Ltd. by any Regulatory Authority impacting Equity Research Analysis activities.

Analyst Certification

I, CA Ashok Ajmera, research analyst, author 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 securities. I also certify that no part of compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view (s) in this report.



Ajcon Global™
Your Friendly Advisor
Since 1986



STOCK BROKING, INVESTMENT BANKING, CORPORATE ADVISORY & INSURANCE



For research related queries contact:

Mr. Akash Jain – Vice President (Research) at research@ajcon.net

CIN: L74140MH1986PLC041941

SEBI registration Number: INH000001170 as per SEBI (Research Analysts) Regulations, 2014.

Website: www.ajcononline.com

Corporate and Broking Division : 408 – (4th Floor), Express Zone, “A” Wing, Cello – Sonal Realty, Near Oberoi Mall and Patel’s, Western Express Highway, Malad (East), Mumbai – 400063. Tel: 91-22-67160400, Fax: 022-28722062

Registered Office: 101, Samarth, Off. Hinduja Hospital, 151 Lt. P.N. Kotnis Road, Mahim (West), Mumbai – 400016. Tel: 022-24460335/36/40