

**India mirrors the globe.****Markets this week**

- The week started on a bullish note as the markets digested positive results from index majors. Benchmark indices saw green for three consecutive sessions amid positive global cues, from French elections and Trump tax policies. The benchmark indices broke the winning streak on Thursday, as it saw some profit booking after BSE celebrated 30k mark. markets witnessed significant volatility, Nifty gains for 5 straight series, the index had gained 2% for April series while Bank Nifty bagged >3% in April series.
- NIFTY and SENSEX gained on three out of the five trading sessions this week as they settled on 9304 and 29918, up by 184 points (2.02 %) and 553 points (1.88%) respectively. The broader markets continued their rally as they outperformed, NIFTY MIDCAP and SMALLCAP index gained 3.40% and 1.72% respectively.
- The biggest sectoral gainer for the week was AUTO as it added 4.02%. Mahindra & Mahindra gained 6.15% and Maruti Suzuki was the other big gainer with an increase of 5.48%.
- The biggest sectoral loser for the week was PHARMA as it lost 0.86% continued to underperform for second consecutive week. Lupin and Aurobindo Pharma were the big losers from the Pharma pack, they lost 4.94% and 4.18% respectively.

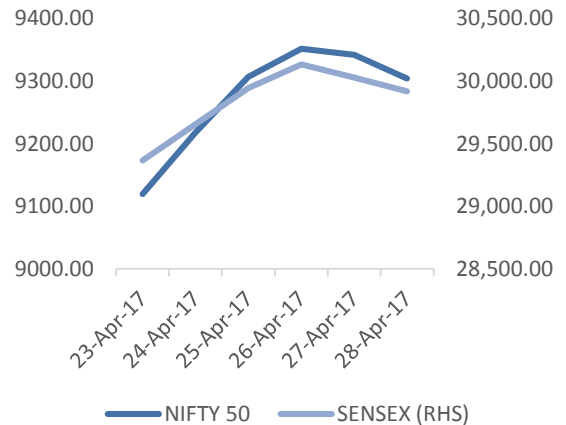
**Corporate updates**

- The expansion of Somany's sanitaryware plant is complete. It commenced operations on April 26, 2017. Consequently, its capacity has increased from 3.03 lakh pieces to 11.5 lakh pieces
- L&T has announced a contract with the Korean defence firm to execute an order for 100 'K 9 Vajra T' howitzers by the Indian Army. The order is worth INR 4,500 crore for the first batch, with additional numbers likely to be added over the next few years to meet the requirements for a fast moving, mobile artillery gun on the border.
- IOC has received a green approval for the upgradation of its Bongaigaon refinery for the production of BS-VI grade fuels. The cost for the upgradation is estimated to be at INR 4185 crore.
- L&T Finance has finalised a plan to sell its entire stake in L&T Mutual Fund and is scouting for a buyer to take over the AMC business. As of March 2017, AUM was at INR 39300 crore with ~30% in equity schemes. The company is seeking valuation of ~INR 2000 crore, valuing the company at 5% of AUM.
- Reliance Industries' Q4FY17 standalone revenues posted growth of 37.6% YoY at INR 74598 crore due to the strong performance of the refining and petrochemicals business. GRMs were at US\$11.5/bbl (US\$10.8/bbl in Q4FY16) with consolidated EBITDA at INR 14169 crore. Profit during the quarter posted growth of 12.7% YoY to INR 8151 crore.
- SEBI has announced reform permitting exchanges to launch options contracts in commodities.
- The Delhi High Court allowed Tata Sons to pay NTT Docomo a \$1.18 billion arbitration award upon termination of their telecom joint venture, likely ending a prolonged corporate battle that had cast a shadow on Indo-Japanese economic ties.
- Sun Pharma's subsidiary Taro Pharma has recalled 278304 tubes of Nystatin and Triamcinolone Acetonide Cream (dermatology), due to failed content uniformity specifications. It is a Class II recall.

**24<sup>th</sup> April to 28<sup>th</sup> April, 2017****Indian equity benchmark indices' returns**

Broad Indices	WkCl	WkOp	% Chg
NIFTY 50	9304	9119	2.02%
SENSEX	29918	29365	1.88%
NIFTY MID 50	4658	4505	3.40%
NIFTY SMALL 50	4146	4076	1.72%

Sectoral Indices	WkCl	WkOp	% Chg
AUTO	10255	9859	4.02%
BANK	22358	21551	3.74%
ENERGY	12263	12194	0.57%
FINANCIAL	9066	8817	2.82%
FMCG	23675	23230	1.92%
IT	9944	10008	-0.64%
METAL	2974	2905	2.38%
PHARMA	10120	10208	-0.86%
REALTY	251	252	-0.40%

**Benchmark Indices****FII and DII weekly investments (RS Cr)**

Action	FII Inv (Equity)	DII Inv (Equity)
Buy	25891	18800
Sell	27817	13888
<b>Net</b>	<b>-1925</b>	<b>4912</b>

**Nifty top 5 gainers/losers**

Gainers	WkCl	WkOp	% Chg
ACC	1626.55	1495.45	8.77
Bank Baroda	187.55	175.2	7.05
UltraTech Cement	4248.95	3978.35	6.8
M & M	1335.55	1258.2	6.15
GAIL	423.95	399.5	6.12

Losers	WkCl	WkOp	% Chg
Lupin	1338	1408	-4.94%
Aurobindo	607	633	-4.18%
Tech Mahindra	417	428	-2.50%
TCS	2273	2311	-1.63%
NTPC	165	167	-1.61%

**Weekly Newsletter****Stock in Focus: Sterlite Technologies Ltd. (STERLITE) –**

- The company has ~40.0% market share in the domestic optical fibre market. It has an Optical fibre capacity of 30.0 mn fibre km, which is expected to be ~50.0 mn fibre km by 2020.
- Continues to witness strong demand in both its products and services with stellar order book growth of 40.0% to INR 3018 crore as on Q4FY17 from INR 2200 crore at the end of FY16.
- Increased export revenue from INR 465 crore in FY15 (29% of total revenues) to INR 957 crore in FY17 (37% of total revenues of the company) exhibits robust global demand for fibre as the 5G wave is beginning to play.
- International revenues have shown robust growth of 75% YoY to INR 957 crore and now forms ~37.0% of total revenues in FY17 led by entry into new regions and strong demand from China and Europe.
- Strong domestic demand from governments increased focus on Digital India and Bharat Net led to the capacity expansion.
- The company has a strong order book visibility of INR 3018 crore of which INR 1477 crore belongs to the services segment. The management guided execution of the remaining INR 700 crore NFS project in the coming year, which will aid overall FY17-19E services revenue CAGR of 81.1% in FY17-19 to INR 1072.9 crore.
- Company registered sales growth of 15% on YoY basis, EBITDA grew by 19% on YoY basis highest ever EBITDA recorded in any quarter, driven by growth in product volume with project execution progressing firmly on QoQ basis, 16% PAT growth on YoY basis. Stronger growth in EBITDA CAGR growth at 38%, ROCE for the business stands at 21% for FY17.
- STL is poised to benefit from its leadership in the optical fibre/cable while its presence in the service segment would enable it to exploit new opportunities.

**Stock Information**

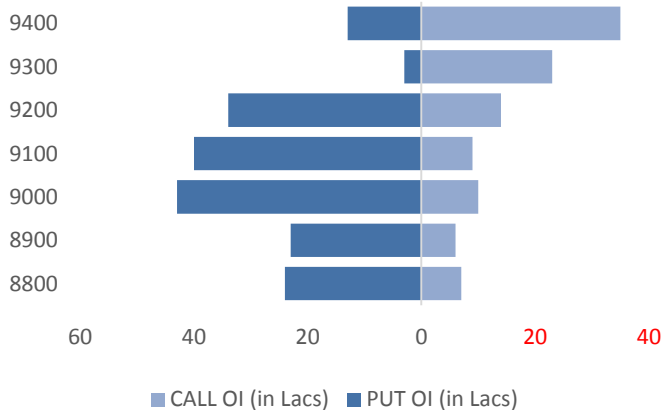
CMP (INR)	146
No. of Shares (Cr):	39.8
Market Cap (INR Cr):	5877
52 WK HI/LO (INR):	156.45/73
Face Value (INR):	2.00

**Shareholding Pattern in %**

Promoters	54.5
FII's	5.9
Institutional	11.2
Public & Others	28.4

**Financial Snapshot (INR Cr)**

Particulars	201703	201603
Gross Sales	642.86	581.28
Excise Duty	6.71	5.96
Net Sales	636.15	575.32
Other Income	8.75	7.89
Total Income	644.9	583.21
Total Expend	507.23	452.72
PBIDT	137.67	130.49
Interest	24.79	25.33
PBDT	112.88	105.16
Depreciation	38.73	33.33
Tax	23.55	15.32
EPS Calc	1.25	1.4

**Technical View****NIFTY Index Option Open Interest**

Maximum put open interest was seen at 9000 followed by 9100 with 43 lakh and 40 lakh contracts respectively. 9200 PE had accumulated 34 lakh contracts. 9100 and 9200 saw maximum put addition will act as a crucial support.

Fresh call writing was seen at 9500 with 43 lakh contracts which will act as a key resistance for the index for the current expiry. While strike prices 9300 had 23 lakh contracts and 9400 had 35 lakh contracts respectively. The put-call-ratio (PCR) stands at 1.04

<b>Resistance</b>	R1 – 9369	R2 – 9404	R3 – 9500
<b>Support</b>	S1 – 9272	S2 – 9215	S3 – 9118

**Market Outlook**

Indian bourses closed on negative note above 9300, remained largely in our expected range. Global indices zoomed throughout the week with FTSE and NASDAQ up by 1.4% on the back of favourable French election results and Trump corporate policies. NASDAQ tops 6000 for the first time. FII's were net sellers and DII's were net buyers.

Mid and small cap continued to outperform the broader index consecutively. 9200 which remained a major resistance, now will change its role as crucial support. The index has to stay healthy above 9260 to see 9350-9420. On the flip side, a breach of 9230 will take the index towards 9170-9080. The index is expected to take support at the gap area of 9220-9270. A buy on dips strategy is expected to be profitable until the index is above 9180.