



Monthly Report - June 2017

Monthly Overview

Product & Services



E - MARGIN

Explore the joy of...



MARGIN

Fuelling growth with...



COVER

Amplify your gains...



ENCASH

Settle on the spot...



EQUITY SIP

Invest regularly to...

OPEN AN ACCOUNT
1800 22 3366



MUTUAL FUND

Safe & lucrative inves...



COLLATERAL

Offering collateral advisory...



IPO/ BONDS

Participate in primary...



BROKERAGE BENEFITS

Flexible brokerage options...



NRI SERVICES

Investment options for NRIs



BUSINESS PARTNER

Become our Partners...



HNI SERVICES

Catering HNI Clients...

www.idbidirect.in

BUY **Target Price: ₹ 435**

Market Cap:	₹ 4399.86Crores	Stock P/E:	16.35
Current Price:	₹ 330.35	Book Value:	₹ 205.56
Target Price:	₹ 435	Dividend yield:	3.30%
Upside potential:	30%+ (15-18 months)	52 Week High/Low:	₹ 429 / ₹ 220

Moil Ltd.

MOIL is India's leading manganese ore producer with 50% market share in India. It is headquartered in Nagpur and operates mines in Maharashtra and Madhya Pradesh.

MOIL has world class assets with a long mine life. Also, the company is one of the lowest cost producers of manganese ore globally. Manganese ore demand is linked to the fortunes of steel industry. With steel production expected to increase in India, we expect demand for manganese ore to increase in the coming 2-3 years.

MOIL recently cut prices for its April deliveries by 15% (for higher grades) and 10% (for others). This was expected, as its prices were at a premium to global prices. Benchmark (44% Mn, CIF China) prices slipped to USD 4.15/dmtu in March-end from US\$8+ in early January. Further, INR has appreciated against the USD which adds to the pressure

Nevertheless, the price of global manganese ore prices has rebounded and stabilized around \$4-5/dmtu post the fall witnessed in January. We believe \$4-5/dmtu is a sustainable price going forward as prices at these levels are not remunerative enough for the moth-balled capacity to restart. Further, supplies from South African mines are not economical below \$5/dmtu.

MOIL trades at inexpensive valuations (2.4/2.0x FY18/19E EV/EBITDA) as per Bloomberg consensus estimates. We believe recent correction in the stock price provides an attractive entry point. We recommend a Buy on the stock.

Company overview:

MOIL Limited is a state-owned manganese-ore mining company headquartered in Nagpur. It is engaged in production of manganese ore (largest producer of manganese ore with 50% market share in India) and also manufactures products such as electrolytic manganese dioxide and high carbon Ferro manganese alloy. The company operates approximately three open-cast and over seven underground mines located in Maharashtra and Madhya Pradesh. It has total mining leases over an area of approximately 1,614 hectares land. The Company produced ~0.9mn tonnes of manganese ore in FY16.

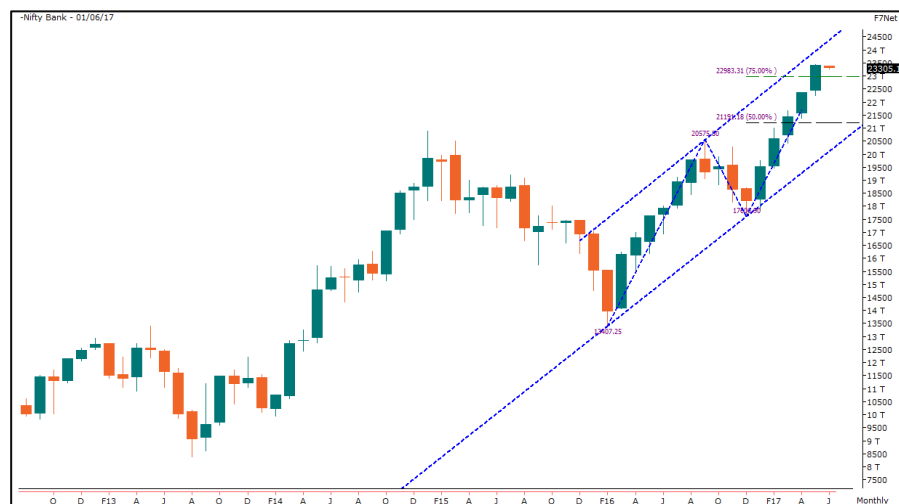
Technical Overview: Moil Ltd.



- As depicted on the Monthly chart, the stock rallied from the low of 172.95 to the high of 423.06 and after that depicted weakness. However, from Fib retracement level of 50%, it is showing positive inclination.
- The stock created 'Hammer' kind off a candle on the monthly chart by reverting from 50% fib retracement level which is further supporting the reversal.
- The RSI is showing bullish crossover on the monthly time frame chart.
- On the Daily time frame chart, the stock is showing short-term channel breakout with bullish RSI diversion.
- The stock is trading above all the important averages i.e. 50DMA (321.78), 200DMA (319.41) and 200Week SMA (251.68).

Based on above mentioned technical & fundamental rational, we can build a long position in the stock with 15-18 months perspective and target can be placed at around 435. We can accumulate the stock in the range of 335-320. We believe the stock is having high-performance prospects with long-term perspective so one can hold the stock for a longer time for better returns.

Nifty Bank- Overview



Montly Closing	23424	
Monthly High: 23469	Monthly Low : 22240	
Sector Bias:	Neutral to Positive	
Support Level:	21380	20575
Resistance Level:	23980	24775

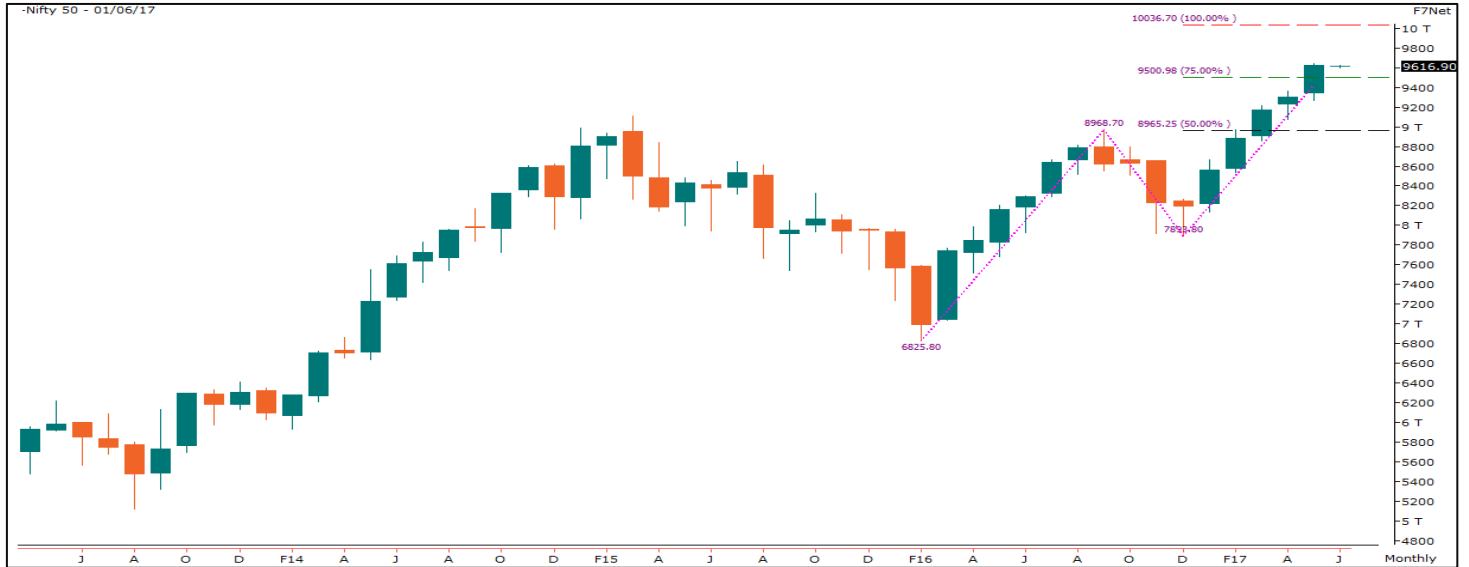
Sector Outperformers

ICICI Bank
HDFC Bank

Sector Underperformers

Punjab National Bank
Yes Bank

Nifty Bank recorded gains of around 4.5% during the month of May. It depicted sideways consolidation till the last week of the month. Nifty Bank gave upside breakout on the monthly F&O expiry day and extended the gains until month end. Nifty Bank hit a fresh all-time high level of 23469 during the month of May. Technically it is showing bullish trend by forming higher-high or by crossing the previous swing high on the daily time frame chart. It is showing rising channel kind off pattern. Now till Bank Nifty holds the 22240 mark on a closing basis the bias will remain positive. During the month it crossed the 75% level of price extension pattern on a closing basis. The long-term bias on Nifty Bank is bullish and one can accumulate quality stocks on dips. The PSU banks like SBIN, CANBK, and BANKBARODA are showing more conviction. The outcome of upcoming RBI monetary policy review and policies with respect to NPA are key triggers for banking stocks.



Nifty Outlook

Nifty extended the dream run in May and posted returns of around 3% during the month. Nifty started the month with sideways consolidation but from the second week, it resumed the uptrend. Nifty created 5th consecutive positive candle on the Monthly chart.

Nifty rallied from the low of 6825 (Mar-16) to the high of 8968 (Sep-16) and after around 50% Fib retracement it resumed the uptrend. During the month of May Nifty crossed the 75% level of price extension pattern i.e.9500 on a closing basis and hit a fresh life high of 9649 too which is a positive indication. On the daily chart, Nifty is showing short-term rising channel pattern & currently hovering near the upper band of the channel. The momentum oscillator Relative Strength Index (RSI) is showing a concern as Nifty is marking higher-high but RSI is making lower-high. The correction of 400-500 points in the bull market is very much possible. However, any such correction in the market should be utilised to create long with positional perspective. We are expecting the market to rally to 10500 to 12000 levels by this financial year while our long-term target is 22000-24000 by 2024.

The domestic long-term scenario is very optimistic. Lots of policies and reforms initiated by the Modi government and it would normally take 5-6 years to give results. The GST is going to rollout, government focus on Make in India, Ease of doing business, Cleaning of Bank assets, Making India Digital, Financial inclusion, Cashless economy for which demonization implemented all would pave the way. There is good order-book build-up in the capital goods space which is also an indication of ground level up spurt in the economy. The strengthening of the rupee and the recently re-worked IIP, GDP data all are working towards showing India in a better light. On the flip side geopolitical tension is the concern factor.

A good monsoon is expected and considering this we feel M&M, COROMANDEL, RALLIS are likely to perform better. Secondly, GST rollout is positive for FMCG the sector so stocks like HUL, COLPAL, ITC can show good performance going forward. Our top pick based on GST regime is CENTURYPLY.

Nifty Outlook:

Short-term	Positive
Medium-term	Neutral to Positive
Long-term	Bullish

Montly Closing	9621	
Monthly High: 9649	Monthly Low : 9269	
Monthly Bias:	Positive	
Support Level:	9340	9260
Resistance Level:	9800	10100

Moving Average

Days	SMA
50 Days	9292
200 Days	8733
200 Weeks	7836

Date	Event	Period	Survey	Actual	Prior
1-Jun-17	Nikkei India PMI Mfg	May	--	--	52.5
5-Jun-17	Nikkei India PMI Services	May	--	--	50.2
5-Jun-17	Nikkei India PMI Composite	May	--	--	51.3
7-Jun-17	RBI Repurchase Rate	Jun-07	6.25%	--	6.25%
7-Jun-17	RBI Reverse Repo Rate	Jun-07	6.00%	--	6.00%
7-Jun-17	RBI Cash Reserve Ratio	Jun-07	4.00%	--	4.00%
9-Jun-17	Local Car Sales	May	--	--	190788
12-Jun-17	CPI YoY	May	--	--	2.99%
12-Jun-17	Industrial Production YoY	Apr	--	--	2.70%
12-Jun-17	BoP Current Account Balance	1Q	--	--	-\$7.90b
13-Jun-17	Manpower Survey	3Q	--	--	18%
13-Jun-17	SEA Total Edible Oil Imports	May	--	--	1324.0k
13-Jun-17	SEA Crude Palm Oil Imports	May	--	--	511.1k
13-Jun-17	SEA Palm Olein Imports	May	--	--	232.2k
13-Jun-17	SEA Edible Crude Palm Kernel Oil Imports	May	--	--	9.3k
13-Jun-17	SEA Sunflower Oil Imports	May	--	--	234.5k
13-Jun-17	SEA Soybean Oil Degummed Imports	May	--	--	304.9k
14-Jun-17	Wholesale Prices YoY	May	--	--	3.85%
14-Jun-17	Trade Balance	May	--	--	-\$13249.2m
14-Jun-17	Exports YoY	May	--	--	19.80%
14-Jun-17	Imports YoY	May	--	--	49.10%
26-Jun-17	Eight Infrastructure Industries	May	--	--	--
30-Jun-17	Fiscal Deficit INR Crore	May	--	--	--

Research Desk

Equity Research Head

A. K. Prabhakar

ak.prabhakar@idbicapital.com

Equity Research Analyst

Sonal Parmar

022-43221207

sonal.parmar@idbicapital.com



IDBI Capital Markets & Securities Ltd. (A wholly owned subsidiary of IDBI Bank Ltd.)

Retail Research Desk

Regd. Office: 3rd Floor, Mafatlal Centre, Nariman Point, Mumbai – 400 021. Phones: (91-22) 4322 1212; Fax: (91-22) 2285 0785; Email: info@idbidirect.in

SEBI Registration: BSE & NSE (Cash & FO) – INZ000007237, NSDL – IN-DP-NSDL-12-96, Research – INH000002459, CIN – U65990MH1993GOI075578

Compliance Officer: Christina D'souza; Email: compliance@idbicapital.com; Telephone: (91-22) 4322 1212

Disclaimer

This document has been prepared by IDBI Capital Markets & Securities Ltd (formerly known as "IDBI Capital Market Services Ltd.) (IDBI Capital) and is meant for the recipient only for use as intended and not for circulation. This document should not be reproduced or copied or made available to others. No person associated with IDBI Capital is obligated to call or initiate contact with you for the purposes of elaborating or following up on the information contained in this document. The Report and information contained herein is strictly confidential and meant for 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 the prior written consent of IDBI Capital.

Recipients may not receive this report at the same time as other recipients. IDBI Capital will not treat recipients as customers by virtue of their receiving this report. The information contained herein is from the public domain or sources believed to be reliable. While reasonable care has been taken to ensure that information given is at the time believed to be fair and correct and opinions based thereupon are reasonable, due to the very nature of research it cannot be warranted or represented that it is accurate or complete and it should not be relied upon as such. In so far as this report includes current or historical information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

Opinions expressed are current opinions as of the date appearing on this material only. While we endeavor to update on a reasonable basis, the information discussed in this material, IDBI Capital, its directors, employees are under no obligation to update or keep the information current. Further there may be regulatory, compliance, or other reasons that prevent us from doing so.

Prospective investors and others are cautioned that any forward-looking statements are not predictions and may be subject to change without notice.

IDBI Capital, its directors and employees and any person connected with it, will not in any way be responsible for the contents of this report or for any losses, costs, expenses, charges, including notional losses/lost opportunities incurred by a recipient as a result of acting or non acting on any information/material contained in the report.

This is not an offer to sell or a solicitation to buy any securities or an attempt to influence the opinion or behaviour of investors or recipients or provide any investment/tax advice.

This report is for information only and has not been prepared based on specific investment objectives. The securities discussed in this report may not be suitable for all investors. Investors must make their own investment decision based on their own investment objectives, goals and financial position and based on their own analysis.

Trading in stocks, stock derivatives, and other securities is inherently risky and the recipient agrees to assume complete and full responsibility for the outcomes of all trading decisions that the recipient makes, including but not limited to loss of capital.

Opinions, projections and estimates in this report solely constitute the current judgment of the author of this report as of the date of this report and do not in any way reflect the views of IDBI Capital, its directors, officers, or employees.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject IDBI Capital and associates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.

Analyst Disclosures :-

I, Sonal Parmar, hereby certify that the views expressed in this report accurately reflect my personal views about the subject companies and / or securities. I also certify that no part of my compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this report.

Other Disclosures :-

IDBI Capital Markets & Securities Ltd (formerly known as "IDBI Capital Market Services Ltd.") "IDBI Capital" was incorporated in the year 1993 under Companies Act, 1956 and is a wholly owned subsidiary of IDBI Bank Limited. IDBI Capital is one of India's leading securities firm which offers a full suite of products and services to individual, institutional and corporate clients namely Stock broking (Institutional and Retail), Distribution of financial products, Merchant Banking, Corporate Advisory Services, Debt Arranging & Underwriting, Portfolio Manager Services and providing Depository Services.

IDBI Capital registered trading and clearing member of BSE Ltd. (BSE) and National Stock Exchange of India Limited (NSE). IDBI Capital is also a SEBI registered Merchant Banker, Portfolio Manager and Research Analyst.

IDBI Capital is also a SEBI registered depository participant with National Securities Depository Limited (NSDL) and is also a Mutual Fund Advisor registered with Association of Mutual Funds in India (AMFI).

IDBI Capital Markets & Securities Ltd (formerly known as "IDBI Capital Market Services Ltd.") and its associates (IDBI Bank Ltd. (Holding Company), IDBI Intech Ltd. (Fellow Subsidiary), IDBI Asset Management Ltd. (Fellow Subsidiary) and IDBI Trusteeship Services Ltd. (Fellow Subsidiary).

IDBI Group are a full-serviced banking, integrated investment banking, investment management, brokerage and financing group. Details in respect of which are available on www.idbicapital.com

IDBI Capital along with its associates are leading underwriter of securities and participants in virtually all securities trading markets in India. We and our associates have investment banking and other business relationships with a significant percentage of the companies covered by our Research Department. Investors should assume that IDBI Capital and/or its associates are seeking or will seek investment banking or other business from the company or companies that are the subject of this material. IDBI Capital generally prohibits its analysts, persons reporting to analysts, and their dependant family members having a financial conflict of interest in the securities or derivatives of any companies that the analysts cover.

Additionally, IDBI Capital generally prohibits its analysts and persons reporting to analysts from serving as an officer, director, or advisory board member of any companies that the analysts cover. Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein.

This material should not be construed as an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. We are not soliciting any action based on this material. It is for the general information of clients of IDBI Capital. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients.

Before acting on any advice or recommendation in this material, clients should consider whether it is suitable for their particular circumstances and, if necessary, seek professional advice. The price and value of the investments referred to in this material and the income from them may go down as well as up, and investors may realize losses on any investments. Past performance is not a guide for future performance, future returns are not guaranteed and a loss of original capital may occur.

We and our associates, officers, directors, and employees, including persons involved in the preparation or issuance of this material, may from time to time have "long" or "short" positions in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. For the purpose of calculating whether IDBI Capital Markets & Securities Ltd (formerly known as "IDBI Capital Market Services Ltd.") and its associates holds beneficially owns or controls, including the right to vote for directors, 1% of more of the equity shares of the subject issuer of a research report, the holdings does not include accounts managed by IDBI Asset Management Company/ IDBI Mutual Fund.

IDBI Capital hereby declare that our activities were neither suspended nor we have materially defaulted with any Stock Exchange authority with whom we are registered in last five years. However SEBI, Exchanges and Depositories have conducted the routine inspection and based on their observations have issued advise letters or levied minor penalty on IDBI Capital for certain operational deviations. We have not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has our certificate of registration been cancelled by SEBI at any point of time.

IDBI Capital, its directors or employees or associates, may from time to time, have positions in, or options on, and buy and sell securities referred to herein. IDBI Capital or its associates, during the normal course of business, from time to time, may solicit from or perform investment banking or other services for any company mentioned in this document or their connected persons or be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or their affiliate companies or act as advisor or lender / borrower to such company(ies)/associates companies or have other potential conflict of interest.

This report may provide hyperlinks to other websites. Except to the extent to which the report refers to the website of IDBI Capital, IDBI Capital states that it has not reviewed the linked site and takes no responsibility for the content contained in such other websites. Accessing such websites shall be at recipient's own risk.

IDBI Capital encourages the practice of giving independent opinion in research report preparation by the analyst and thus strives to minimize the conflict in preparation of research report. Accordingly, neither IDBI Capital nor Research Analysts have any material conflict of interest at the time of publication of this report.

We offer our research services to primarily institutional investors and their employees, directors, fund managers, advisors who are registered with us. The Research Analyst has not served as an officer, director or employee of Subject Company.

We or our associates may have received compensation from the subject company in the past 12 months. We or our associates may have managed or co-managed public offering of securities for the subject company in the past 12 months. We or our associates may have received compensation for investment banking or merchant banking or brokerage services from the subject company in the past 12 months. We or our associates may have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months. We or our associates may have received any compensation or other benefits from the Subject Company or third party in connection with the research report.

Research Analyst or his/her relative's may have financial interest in the subject company. IDBI Capital Markets & Securities Ltd (formerly known as "IDBI Capital Market Services Ltd.") or its associates may have financial interest in the subject company. Research Analyst or his/her relatives does not have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report. IDBI Capital or its associates may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report. The Subject Company may have been a client during twelve months preceding the date of distribution of the research report.

Price history of the daily closing price of the securities covered in this note is available at bseindia.com nseindia.com and economictimes.indiatimes.com/markets/stocks/stock-quotes.