

FACT SHEET- AUGUST 2015

Monthly Overview

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Domestic Indices

Indices	31-Jul-15	31-Aug-15	% Change
CNX Nifty Index	8533	7971	-6.58%
CNX Midcap	13729	13059	-4.88%
CNX Smallcap	5723	5167	-9.71%
CNX 500	7106	6669	-6.15%
Nifty Futures	8607	8042	-6.56%
S&P BSE Sensex	28115	26283	-6.51%
S&P BSE MID CAP	11273	10734	-4.78%
S&P BSE SMALL CAP	11831	10971	-7.27%

Global Indices

Indices	31-Jul-15	31-Aug-15	% Change
Nasdaq	4589	4275	-6.85%
Dow Jones	17690	16528	-6.57%
FTSE 100	6696	6248	-6.70%
DAX	11309	10259	-9.28%
Nikkei 225	20585	18890	-8.23%
Hang Seng	24636	21671	-12.04%
KOSPI	244	233	-4.71%

Sectoral Indices

Indices	31-Jul-15	31-Aug-15	% Change
CNX Auto	8545	7949	-6.98%
CNX Bank Nifty	18730	17147	-8.45%
CNX Commodities	2616	2340	-10.58%
CNX Consumption	3682	3424	-6.99%
CNX Energy	8712	7646	-12.24%
CNX Finance	7683	6998	-8.91%
CNX FMCG	20920	20112	-3.87%
CNX Infrastructure	3298	2953	-10.46%
CNX IT	11594	11606	0.10%
CNX Media	2452	2328	-5.05%
CNX Metal	2129	1833	-13.88%
CNX MNC	10352	9676	-6.53%
CNX Pharma	12353	13213	6.96%
CNX PSU BANK	3412	3200	-6.20%
CNX Realty	177	161	-8.61%
CNX Service	11007	10300	-6.42%

Commodities

Particulars	31-Jul-15	31-Aug-15	% Change
Gold/10G	24592	26556	7.99%
Silver/KG	33611	34467	2.55%
Crude/Barrel	3106	2812	-9.47%

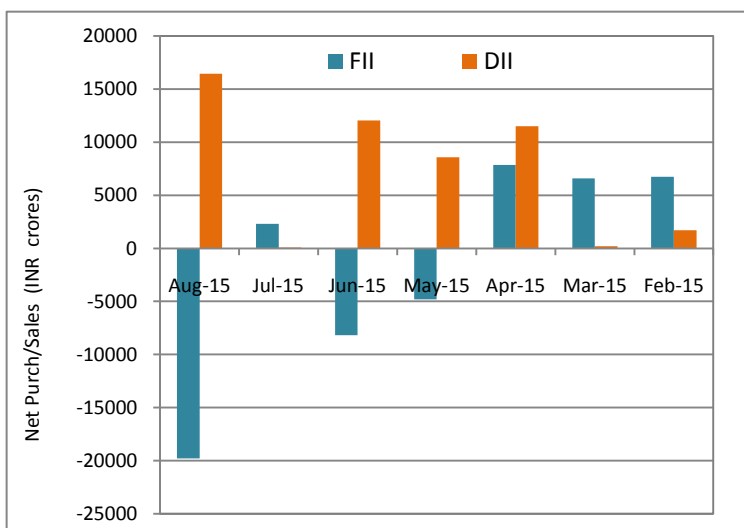
Currency

Particulars	31-Jul-15	31-Aug-15	% Change
Dollar/ Rupee	63.98	66.40	3.79%
Euro / Rupee	70.48	74.44	5.62%
Pound / Rupee	99.95	101.87	1.93%

Debt Watch

Particulars	31-Jul-15	31-Aug-15
10 yr G-sec yield	7.81	7.79
5 yr G-sec yield	7.94	7.91
10yr AAA yield	8.44	8.35
5yr AAA yield	8.45	8.36

Institutional Activity



Advances/Declines

Month	Advances	Declines	Advance/ Decline Ratio
Aug-15	686	833	0.82
Jul-15	803	703	1.14
Jun-15	690	796	0.87
May-15	732	759	0.97
Mar-15	627	881	0.71
Feb-15	683	813	0.84
Jan-15	748	786	0.95
Dec-14	706	822	0.86
Nov-14	736	808	0.91
Oct-14	770	759	1.01
Sep-14	778	782	1.00

CNX Nifty opened the month on a positive note but could not hold the tempo. Nifty ended the month in the negative by around 6.5%. In August, on monthly chart, Nifty had formed strong bear candle and it near to its 38% retracement level, if nifty breaches this level then further downside can be expected. The intermediate support is placed around 7600 levels which is @ 38% retracement level of earlier rise from 5467 to 8955. RSI is also in oversold zone. This suggests that the current decline could reach the retracement support during this month.

On the weekly charts, while closing the month it has formed hammer type candle but after that in immediate week it had formed long bear candle. Nifty had breached the strong support level of 8000. NIFTY has made lower low on weekly chart; this validates lower top and lower bottom formation on bigger picture which is a medium term bearish sign. In addition to this, structurally index has formed the "Head & Shoulder" pattern, with support of the volumes. It had breached neckline of this pattern. Weekly momentum oscillator like 14 day RSI has slipped below the key lower levels of 40.

On the daily chart, Nifty has breached the neckline of head & shoulder pattern with gaps during the month of August.

Monthly Chart

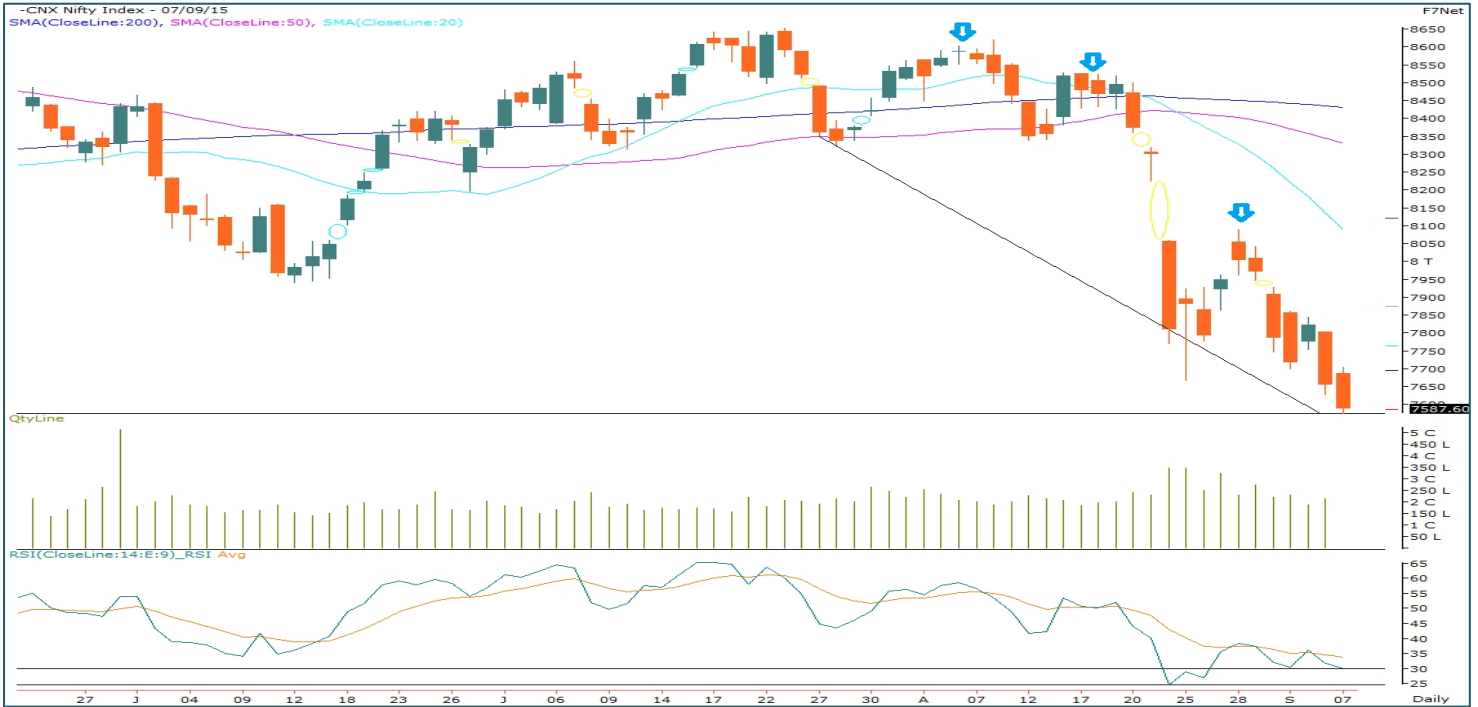


Weekly Chart



Daily Chart





The bearish market sentiments prevailed on account of poor set of June 2015 quarter earnings, no rate cut announced by the RBI in its bi-monthly monetary policy review and devaluation of Yuan affecting other emerging markets currencies. Apart from this, fears of a global economic slowdown and indecision on goods and services tax bill in the Parliament also weighed on the market.

In near term the factors such as the rate decision by the US Fed, crude prices, developments on Chinese economic crisis and on the domestic front, outcome of RBI bi-monthly monetary policy review may provide further clues to the market.

Technically, CNX Nifty has been declining in the negative sequence of lower tops and bottoms. Lower top lower bottom reflects a downtrend in index. The big falls over the last ten days dented the market confidence. Few opening downside gaps have been formed in the last couple of weeks and all the gaps are unfilled and unchallenged. A small pullback rally cannot be ruled out but overall trend is expected to remain negative and need to maintain cautious approach before considering long positions. Stock specific view can be built. Currently it is better to avoid catching a low, as the line of least resistance is on downside and medium term trend is negative. Only move above 7960 will provide first positive indication and prices can then move upside.

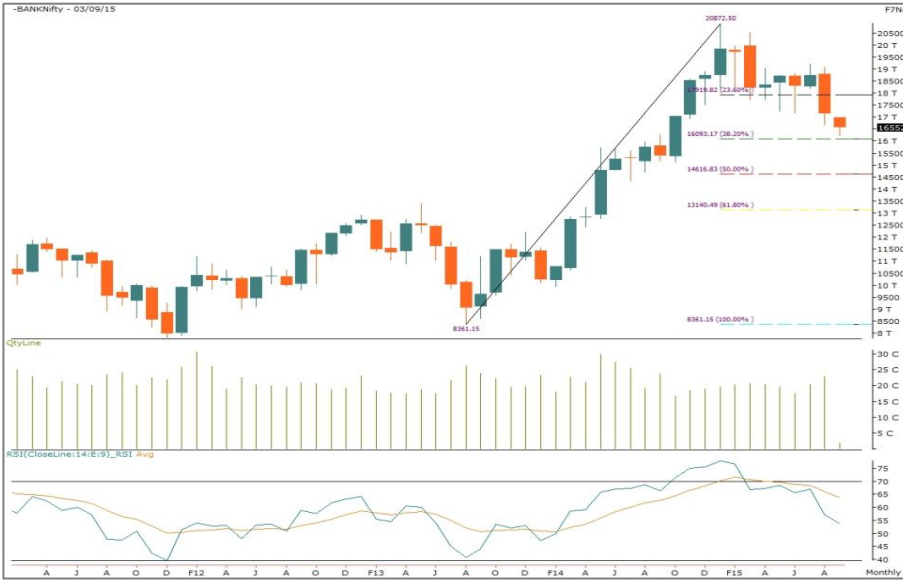
Nifty Outlook:	
Short-term	Negative
Medium-term	Neutral to Negative
Long-term	Positive

Monthly Closing	7971	
Monthly High: 8589	Monthly Low : 7792	
Sector Bias:	Negative	
Support Level:	7510	7240
Resistance Level:	7790	7960



Moving Average	
Days	SMA
20days	8430
50 Days	8330
200 Days	8037

CNX BankNifty



Montly Closing	17147	
Monthly High: 19029	Monthly Low : 16811	
Sector Bias:	Neutral	
Support Level:	15800	15650
Resistance Level:	16500	16740

Sector Outperformers

BankBaroda
HDFCBank

Sector Underperformers

ICICIBank
YesBank

CNX Banknifty represents about 15.55% of the free float market capitalization and 89.90% of free float market capitalization of stocks forming a part of bank sector.

The CNX Bank index declined by around 8.5%. The PSU bank stocks remained most volatile on the banking sector front. This was mainly due to a weak June 2015 quarter earnings & concerns over NPAs. Technically BankNifty is around 38% retracement levels. If it fails to hold at around these levels then further negativity can be expected. The RBI rate action may give further cues on the sector.

CNX AUTO



Montly Closing	7949	
Monthly High: 8803	Monthly Low: 7773	
Sector Bias:	Neutral	
Support Level:	7380	7270
Resistance Level:	7680	7795

Sector Outperformers

Maruti
EICHERMot

Sector Underperformers

Tata Motors
AmtekAuto

CNX auto index which represents about 7.63% of Free float market capitalization of stock listed on NSE and 95.42% of Free float market capitalization of stock forming a part of automobile Sector universe.

CNX AUTO index closed the week on negative note losing around 7%. On monthly chart it is depicting a falling channel. During August it formed a long bear candle. September sales data is quite encouraging but considering overall weakness in the market the sector is likely to take further hit. TataMotors was the biggest contributor for the fall of Auto Index.

CNX Energy



Montly Closing	7646	
Monthly High: 8698	Monthly Low : 7334	
Sector Bias:	Neutral	
Support Level:	7660	7750
Resistance Level:	6990	6780

Sector Outperformers

BPCL
IOC

Sector Underperformers

Cairn
ONGC

CNX Energy represents about 10.46% of the free float market capitalization and 82.99% of free float market capitalization of stocks forming a part of energy sector.

The CNX Energy index fell by around 12% on account of a fall in crude oil prices. The fall in crude prices in turn affect the margins of the upstream companies. Technically it is near to its horizontal support band. RSI is in negative zone at around 30 levels.

CNX Metal



Montly Closing	1833	
Monthly High: 2168	Monthly Low: 1694	
Sector Bias:	Negative to Neutral	
Support Level:	1880	1990
Resistance Level:	1480	1290

Sector Outperformers

CoalIndia
JSW Steel

Sector Underperformers

Vedanta
Tatasteel

CNX Metal index which represents about 4.62% of Free float market capitalization of stock listed on NSE and 90.37% of Free float market capitalization of stock forming a part of metal Sector universe.

The CNX Metal index was biggest loser among the key sectoral indices during August. It declined by around 13%. The key concern factor behind the fall was the fears of a further dip in commodity prices on account of slowdown in the Chinese economy. Technically since July 2014 the sector is in negative momentum. It is trending in falling channel.

- The Agriculture Ministry has proposed an increase in import duty on crude and refined edible oils. Existing import duty on crude edible oil was 7.5%, and for refined oil, it was 15%.
- GlaxoSmithKline Pharmaceuticals Ltd (GSK) has decided to invest ₹1,000 crore to set up facility to manufacture tablets and capsules. The global pharmaceutical company's facility at Vemgal, Kolar, is the first new manufacturing facility of the company after a gap of 15 years anywhere in the world.
- Berger Paints India Ltd has decided to set up two manufacturing units in Assam to serve the North-East market at a cost of around ₹60 crore.
- The government has approved proposals for divesting 11.36% stake in NTPC and 5% stake in NHPC Ltd, a move that it likely to fetch Rs 8,247 crore to the exchequer.
- Adani Power got shareholders' approval to raise up to Rs 10,000 crore through issuance of shares, bonds or other securities, including for investments in various businesses.
- Ajanta Pharma has received final approval for its three ANDAs (Abbreviated New Drug Application) by US FDA for Montelukast tablets, 10 mg, Montelukast sodium chewable tablets, 4mg and 5mg and Montelukast oral granules.
- Home grown auto major Mahindra and Mahindra planned to invest Rs 700 crore in commercial vehicle (CV) vertical as it aims to become a full range player in the segment in the next two years. Mahindra Truck and Bus Division (MTBD), a part of USD 16.9 billion Mahindra Group, planned to be a full range commercial vehicle player with focus on developing vehicles in the 9-16 tonnes range.
- State-run Corporation Bank's board has approved capital infusion of Rs 857 crore by the government.
- Godrej Agrovet has approved execution of a share purchase agreement with promoters of Astec Lifesciences whereby the promoters of the company have agreed to sell 45.29 percent of the current paid-up equity shares of the Company at a price of Rs 190 per share.
- Sun Pharma announced successful completion of Opiates business acquisition in Australia. This acquisition fortifies Sun Pharma's global position with two Opiates manufacturing facilities in Port Fairy & Latrobe (both in Australia) complementing its current API manufacturing footprint globally.
- Reliance Communications announced partnership with Jasper, a global Internet of Things (IoT) services player to enable enterprises throughout India to launch, manage and monetize Next-Generation IoT businesses. Reliance is Jasper's sole telecom partner in India.
- US regulator FDA has hiked its fees for new generic drug applications by up to 30% , a move that may hit hard Indian drugmakers, which account for a major chunk of generic medicines sold in that country.
- Adani's plan to build one of the world's largest coal mines in Australia suffered a setback after a Australian court revoked the govt's environmental approval for the \$16.5 bn project.
- The People's Bank of China cut its key lending rate by 0.25 percentage points to 4.6% in an effort to calm stock markets after two days of turmoil. It is the fifth interest rate cut since November.

BUY

Target Price: ₹ 310

Market Cap:	₹ 48663 Crores	Stock P/E:	43.6
Current Price:	₹ 275	Book Value:	₹ 20.58
Target Price:	₹ 310	Dividend yield:	0.72%
Upside potential:	12% (4-6 Weeks)	52 Week High/Low:	₹ 316.50 / ₹ 196.40

Company Profile:

Dabur India Limited is an India-based consumer products manufacturing company. The Company's product portfolio includes over 381 products spread across 21 categories and over 1,000 stock keeping units (SKUs). The Company's strategic business units include Consumer Care Business and International Business. Its Consumer Care Business unit includes healthcare, which consists of health supplements, digestives, over-the-counter (OTC) and ayurvedic ethical products; home and personal care (HPC), which consists of hair care, oral care, skin care and home care, and foods, which consists of fruit-based beverages and culinary pastes business. Its International Business unit offers a range of hair, skin and oral care products in the Middle East, Africa, South Asia, Europe and Americas. The Company markets its products under the brands, including Dabur Chyawanprash, Dabur Honey, Dabur Baby, Dabur Glucose, Vatika, Hajmola, Dabur Lal Tail and Real, among others.

Monthly chart:

On monthly chart the stock is depicting positive momentum. It has always moved above its long-term trend line in positive direction. It has consistently moved above yearly moving average line. Any small retracement can be considered as buying opportunity for this positive stock.



Weekly chart:

On weekly chart the price is at support level of Andrews' Pitchfork. Andrews' Pitchfork is a trend channel tool. As with normal trend lines and channels, the outside trend lines mark potential support and resistance areas. A trend remains in place as long as the Pitchfork channel holds. Reversals occur when prices break out of a Pitchfork channel



Considering different factors mentioned above, we can create long position in the zone of 265-275 levels with pyramid approach. Stop loss need to be maintained at 250 on weekly closing basis with target of 310-325 levels. At current volatile market situation the investors might have to hold for more time for better return.

A Head and Shoulders reversal pattern forms after an uptrend, and its completion marks a trend reversal. The pattern contains three successive peaks with the middle peak (head) being the highest and the two outside peaks (shoulders) being low and roughly equal. The reaction lows of each peak can be connected to form support, or a neckline.

Pattern presumption:

1. **Prior Trend:** It is important to establish the existence of a prior uptrend for this to be a reversal pattern. Without a prior uptrend to reverse, there cannot be a Head and Shoulders reversal pattern.
2. **Left Shoulder:** While in an uptrend, the left shoulder forms a peak that marks the high point of the current trend. After making this peak, a decline ensues to complete the formation of the shoulder (1). The low of the decline usually remains above the trend line, keeping the uptrend intact.
3. **Head:** From the low of the left shoulder, an advance begins that exceeds the previous high and marks the top of the head. After peaking, the low of the subsequent decline marks the second point of the neckline (2). The low of the decline usually breaks the uptrend line, putting the uptrend in jeopardy.
4. **Right Shoulder:** The advance from the low of the head forms the right shoulder. This peak is lower than the head (a lower high) and usually in line with the high of the left shoulder. While symmetry is preferred, sometimes the shoulders can be out of whack. The decline from the peak of the right shoulder should break the neckline.
5. **Neckline:** The neckline forms by connecting low points 1 and 2. Low point 1 marks the end of the left shoulder and the beginning of the head. Low point 2 marks the end of the head and the beginning of the right shoulder. Depending on the relationship between the two low points, the neckline can slope up, slope down or be horizontal. The slope of the neckline will affect the pattern's degree of bearishness—a downward slope is more bearish than an upward slope. Sometimes more than one low point can be used to form the neckline.
6. **Volume:** Ideally, but not always, volume during the advance of the left shoulder should be higher than during the advance of the head. This decrease in volume and the new high of the head, together, serve as a warning sign. The next warning sign comes when volume increases on the decline from the peak of the head. Final confirmation comes when volume further increases during the decline of the right shoulder.
7. **Neckline Break:** The head and shoulders pattern is not complete and the uptrend is not reversed until neckline support is broken. Ideally, this should also occur in a convincing manner, with an expansion in volume.
8. **Support Turned Resistance:** Once support is broken, it is common for this same support level to turn into resistance. Sometimes, but certainly not always, the price will return to the support break, and offer a second chance to sell.
9. **Price Target:** After breaking neckline support, the projected price decline is found by measuring the distance from the neckline to the top of the head. This distance is then subtracted from the neckline to reach a price target. Any price target should serve as a rough guide, and other factors should be considered as well. These factors might include previous support levels, Fibonacci retracements, or long-term moving averages.

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- Debt: Indian Market & Global Market
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