



AJCON GLOBAL

Market Wrap

Feb. 14, 2018

Markets end in red; PNB cracks significantly..

The benchmark indices ended lower on Wednesday taking cues from its key Asian peers.

The S&P BSE Sensex ended at 34,156, down 145 points while the broader Nifty50 index settled at 10,501, down 39 points.

Global Markets

In global markets, Asian stocks ended mixed in cautious trade Wednesday ahead of Lunar New Year holidays and the US inflation report due later in the day, which may provide further cues on interest-rate changes in the world's largest economy.

Japanese shares hit a four-month low as the dollar slid to a 15-month low against the yen and data showed the country's GDP grew at a slower than expected 0.5 percent annual pace in the fourth quarter, marking the eighth straight quarter of expansion.

The Nikkei average dropped 90.51 points or 0.43 per cent to 21,154.17, the lowest closing level since October 12, 2018. The broader Topix index closed 0.82 per cent lower at 1,702.72 amid across-the-board selling.

Chinese stocks eked out modest gains in thin trade ahead of the week-long Lunar New Year holiday starting on Thursday. The benchmark Shanghai Composite index rose 14.20 points or 0.45 per cent to 3,199.16. Hong Kong's Hang Seng index was up as much as 2.5 per cent in late trade after having shed over 9 per cent last week.

Sectors and stocks

Among stocks, Punjab National Bank (PNB) declined 10% on BSE during the day after the state-owned bank said that it had detected some fraudulent and unauthorised transactions worth about Rs 1.13 trillion (\$1,771.69 million) at one of its branches in Mumbai. The development triggered a fall in most other banking stocks, with the Nifty Bank index slipping around 5%. Concerned over fraud of over Rs 113 billion (Rs 11,300 crore) at Punjab National Bank (PNB), the finance ministry has asked all banks to send reports involving this case or other such incidents latest by the end of this week. Earlier in the day, PNB disclosed some fraudulent transactions with financial implication of \$1.77 billion (about Rs 11,334.4 crore). The bank has detected some fraudulent transactions in one of its branches in Mumbai for the benefit of a few select account holders with their apparent connivance, PNB said in a statement.

NCC has rallied 9% to Rs 130 on BSE after the company reported 72% year on year (Y-o-Y) growth in net profit at Rs 1,004 million in December quarter (Q3FY18), on back of healthy operational performance. The construction & engineering company had profit of Rs 583 million during the same quarter last fiscal. However, the operational revenue during the quarter declined 2.7% to Rs 18,507 million from Rs 19,037 million in the corresponding quarter of previous fiscal.



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 para, 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 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 Akash Jain – MBA (Financial Markets) 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 Akash Jain – MBA (Financial Markets) 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, Akash Jain MBA (Financial Markets), 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 issuer(s) or 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.

For research related queries contact:

Mr. Akash Jain – Vice President (Research) at, 022-67160431 (D)

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, Goregaon (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