

# *ShroffConnect* Weekly Report

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# Current news

## World economy

- The International Monetary Fund lowered its forecast for global economic growth in 2015, and called on Tuesday for governments and central banks to pursue accommodative monetary policies and structural reforms to support growth.
- China's economy grew at its slowest pace in 24 years in 2014 as property prices cooled and companies and local governments struggled under heavy debt burdens, keeping pressure on Beijing to take aggressive steps to avoid a sharper downturn.
- The European Central Bank took the ultimate policy leap on Thursday, launching a government bond-buying programme which will pump hundreds of billions in new money into a sagging euro zone economy.
- Asian stocks extended a global rally on Friday after the European Central Bank launched a landmark bond-buying stimulus programme that buoyed investors' risk appetite, drove bonds higher and left the euro pinned near 11-year lows.

## Indian economy

- The government estimates the country needs to spend \$800 billion on infrastructure to grow at 7% per annum, sharply higher than around 5.5% projected by the Reserve Bank of India for the current fiscal year that ends in March.
- India has asked its refiners to slash oil buys from Iran in the next two months to keep the imports in line with the previous fiscal year's levels.
- India is set to become the world's fastest-growing major economy in about two years from now, as China slows after tearing along at speeds in excess of 10 per cent at times over the past three decades or so.
- Government sought merchant bankers to assist it in sale of its stake in three blue-chip firms--IOC, BHEL and NALCO-- to help meet disinvestment target of Rs 43,425 crore set for this fiscal.
- A sharp plunge in oil prices is likely to transfer \$1.5 trillion of wealth to consumers, bringing the US back as global growth engine while India is the most promising story among emerging markets, says a study.

## MACRO ECONOMIC SNAPSHOT AS ON 24/01/2015

USA	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.70	2.40
Inflation Rate	Monthly	0.80	1.30
Unemployment Rate	Monthly	5.60	5.80
Benchmark Interest Rate	Weekly	0.25	0.25
Govt. bond 10 year Rate	Weekly	↑1.81	1.77

Euro Area	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	0.80	0.80
Inflation Rate	Monthly	-0.20	0.30
Unemployment Rate	Monthly	11.50	11.50
Benchmark Interest Rate	Weekly	0.05	0.05
Govt. bond 10 year Rate	Weekly	↓0.01	0.06

China	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	7.30	7.30
Inflation Rate	Monthly	1.50	1.40
Unemployment Rate	Monthly	4.10	4.10
Benchmark Interest Rate	Weekly	5.60	6.00
Govt. bond 10 year Rate	Weekly	↓3.46	3.52

Japan	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	-1.20	-0.20
Inflation Rate	Monthly	2.40	2.90
Unemployment Rate	Monthly	3.50	3.60
Benchmark Interest Rate	Weekly	0.00	0.00
Govt. bond 10 year Rate	Weekly	0.24	0.24

UK	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.60	3.00
Inflation Rate	Monthly	0.50	1.00
Unemployment Rate	Monthly	↓5.80	6.00
Benchmark Interest Rate	Weekly	0.50	0.50
Govt. bond 10 year Rate	Weekly	↓1.47	1.54

India	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	5.30	5.70
Inflation Rate	Monthly	5.00	4.38
Unemployment Rate	Monthly	no data	
Benchmark Interest Rate	Weekly	7.75	8.00
Govt. bond 10 year Rate	Weekly	7.70	7.70

Brazil	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	-0.20	-0.90
Inflation Rate	Monthly	6.41	6.56
Unemployment Rate	Monthly	4.80	4.70
Benchmark Interest Rate	Weekly	↑12.25	11.75
Govt. bond 10 year Rate	Weekly	↓11.74	12.03

Russia	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	0.70	0.80
Inflation Rate	Monthly	11.40	9.10
Unemployment Rate	Monthly	5.20	5.10
Benchmark Interest Rate	Weekly	17.00	10.50
Govt. bond 10 year Rate	Weekly	↓13.84	14.39

## WORLD MARKETS - A SNAPSHOT

	Name	Description	Week ended 24th Jan 2015	% Change
STOCKS	Brazil	Bovespa	48775.30	(0.49)
	China	Shanghai	3351.76	(0.73)
	France	CAC	4640.69	5.96
	Germany	DAX	10649.58	4.74
	India	Sensex	29278.84	4.11
	Japan	Nikkei	17511.75	3.84
	UK	FTSE	6832.83	4.31
	USA	DJIA	17672.60	0.92
COMMODITIES	Copper	\$/Pound	2.50	(4.58)
	Crude	\$/Barrel	45.59	(6.37)
	Gold	\$/Troy Ounce	1292.60	1.23
	Natural Gas	\$/MMBtu	2.99	(4.47)
	Silver	\$/Troy Ounce	18.30	3.10
	Aluminium	\$/Tonne	1831.00	(0.76)
	Lead	\$/Tonne	1845.50	0.01
	Nickel	\$/Tonne	14250.00	(3.59)
CURRENCIES	Zinc	\$/Tonne	2094.00	(0.17)
	USD/GBP		1.50	(0.66)
	USD/EUR		1.12	(3.45)
	USD/AUD		0.79	(3.66)
	JPY/USD		117.74	0.11
	INR/USD		61.43	(0.71)
	HKD/USD		7.75	0.00
	BRL/USD		2.58	(1.53)
BONDS	2 Year	US Treasury	109.74	(0.03)
	10 Year		129.67	(0.15)
	30 Year		149.84	0.21

## WORLD MARKETS - TECHNICAL SNAPSHOT

		Very Bullish	Bullish	Neutral	Bearish	Very Bearish
STOCKS		China Germany ↑ India ↑ Japan ↑	France ↑ USA	UK ↑		Brazil
COMMODITIES				Gold Silver	Aluminium ↑ Zinc	Copper Crude Oil Lead Natural Gas Nickel
CURRENCIES (against USD)				HKD ↓ INR ↑		AUD BRL EUR GBP JPY
BONDS (US Treasury)		10 Year 30 Year			2 Year	

↑ = moved up from last week, ↓ = moved dn from last week

## INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 24th Jan 2015	% Change
STOCKS	Nifty	Large Cap	8835.60	3.78
	Sensex	Large Cap	29278.84	4.11
	BSE Midcap	Mid Cap	10695.67	0.59
	BSE Smallcap	Small Cap	11366.09	0.50
Some Major Shares	ACC	Rs/share	1542.05	1.56
	Bharti Airtel		384.10	12.03
	HDFC Ltd		1290.10	8.00
	Infosys		2215.05	4.57
	L&T		1711.30	7.51
	Reliance Inds		886.90	1.98
	Tata Motors		588.45	11.93
	Tata Steel		403.10	5.14
COMMODITIES	Aluminium	INR/Kg	112.30	(0.88)
	Copper	INR/Kg	341.35	(4.90)
	Crude	INR/Barrel	2837.00	(4.51)
	Gold	INR/10gms	27864.00	0.76
	Lead	INR/Kg	112.25	(1.36)
	Natural Gas	INR/1mmBtu	182.80	(5.19)
	Nickel	INR/Kg	872.40	(4.08)
	Silver	INR/Kg	39965.00	2.31
	Zinc	INR/Kg	128.40	(0.62)
CURRENCIES	INR/EUR		68.85	(3.79)
	INR/GBP		92.07	(1.75)
	INR/100 JPY		52.00	(1.89)
	INR/USD		61.43	(0.71)

## INDIAN MARKETS - TECHNICAL SNAPSHOT

		Very Bullish	Bullish	Neutral	Bearish	Very Bearish
INDICES	Nifty ↑ Sensex ↑		Mid Cap Small Cap			
SECTORS	Auto Bankex FMCG Healthcare ↑		Cap Goods ↑ Cons Durable ↑ IT Teck ↑	Power	Realty	Metal Oil & Gas
COMMODITIES			Gold ↑	Silver	Aluminium ↑ Zinc	Copper Crude Oil Lead Natural Gas Nickel
CURRENCIES (against INR)				USD ↓		EUR GBP JPY

↑ = moved up from last week, ↓ = moved dn from last week

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