

ShroffConnect Weekly Report

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Current news

World economy

- The European Central Bank abruptly cancelled its acceptance of Greek bonds in return for funding on Wednesday, shifting the burden onto Athens' central bank to finance its lenders and isolating Greece unless it strikes a new reform deal.
- The US trade deficit in December widened sharply to its highest level since 2012 as a stronger dollar appeared to suck in imports and weigh on exports, which could see the fourth-quarter economic growth estimate revised lower.
- China's central bank made a system-wide cut to bank reserve requirements on Wednesday, the first time it has done so in over two years, to unleash a fresh flood of liquidity to fight off economic slowdown and looming deflation.
- France's public deficit rose to 85.6 billion euros by end-December 2014 from 74.9 billion euros a year earlier, the Finance Ministry said on Friday.
- Australia's central bank Friday cut its forecasts for economic growth and inflation this year and warned unemployment would likely rise as the economy transitions away from a mining investment boom.

Indian economy

- Reserve Bank of India Governor Raghuram Rajan said on Wednesday that inflation was still a concern but added the deflationary global environment gave the central bank some elbow room with monetary policy.
- Manufacturing growth slipped to a three-month low in January -- after a two-year high in the previous month on slower pace of order flows from domestic and global markets.
- The Reserve Bank of India (RBI) held interest rates steady on Tuesday, while boosting banks' liquidity in a bid to persuade them to lower lending rates after they failed to pass on the benefits of the last official rate cut three weeks ago.
- The Reserve Bank on Tuesday decided to liberalise FDI norms by allowing greater flexibility in the pricing of instruments with a view to attract more investments from overseas.
- Current account deficit is estimated to come down to 1.3 percent of GDP in the fiscal ending March, helped by moderation in petroleum and gold imports.

MACRO ECONOMIC SNAPSHOT AS ON 07/02/2015

USA	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.50	2.70
Inflation Rate	Monthly	0.80	1.30
Unemployment Rate	Monthly	↑5.70	5.60
Benchmark Interest Rate	Weekly	0.25	0.25
Govt. bond 10 year Rate	Weekly	↑1.93	1.75

Euro Area	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	0.80	0.80
Inflation Rate	Monthly	-0.60	-0.20
Unemployment Rate	Monthly	11.40	11.50
Benchmark Interest Rate	Weekly	0.05	0.05
Govt. bond 10 year Rate	Weekly	↓0.02	0.03

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	↓3.43	3.54

Japan	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	-1.20	-0.20
Inflation Rate	Monthly	2.40	2.90
Unemployment Rate	Monthly	3.40	3.50
Benchmark Interest Rate	Weekly	0.00	0.00
Govt. bond 10 year Rate	Weekly	↑0.34	0.28

UK	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.70	2.60
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	↑1.64	1.36

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	7.69

Brazil	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	-0.20	-0.90
Inflation Rate	Monthly	↑7.14	6.41
Unemployment Rate	Monthly	4.30	4.80
Benchmark Interest Rate	Weekly	12.25	11.75
Govt. bond 10 year Rate	Weekly	↑12.48	11.97

Russia	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	0.70	0.80
Inflation Rate	Monthly	↑15.00	11.40
Unemployment Rate	Monthly	5.30	5.20
Benchmark Interest Rate	Weekly	15.00	17.00
Govt. bond 10 year Rate	Weekly	↓12.93	13.91

WORLD MARKETS - A SNAPSHOT

	Name	Description	Week ended 7th Feb 2015	% Change
STOCKS	Brazil	Bovespa	48792.27	4.02
	China	Shanghai	3075.91	(4.19)
	France	CAC	4691.03	1.88
	Germany	DAX	10846.39	1.42
	India	Sensex	28717.91	(1.59)
	Japan	Nikkei	17648.50	(0.15)
	UK	FTSE	6853.44	1.54
	USA	DJIA	17824.30	3.84
COMMODITIES	Copper	\$/Pound	2.59	4.02
	Crude	\$/Barrel	51.69	7.15
	Gold	\$/Troy Ounce	1234.60	(3.49)
	Natural Gas	\$/MMBtu	2.58	(4.09)
	Silver	\$/Troy Ounce	16.69	(3.02)
	Aluminium	\$/Tonne	1871.00	0.38
	Lead	\$/Tonne	1852.00	(0.43)
	Nickel	\$/Tonne	15235.00	0.46
CURRENCIES	Zinc	\$/Tonne	2158.00	1.55
	USD/GBP		1.52	0.66
	USD/EUR		1.13	0.00
	USD/AUD		0.78	0.00
	JPY/USD		118.96	1.29
	INR/USD		61.97	(0.06)
	HKD/USD		7.75	0.00
	BRL/USD		2.78	3.73
BONDS	2 Year	US Treasury	109.52	(0.33)
	10 Year		128.72	(1.65)
	30 Year		147.66	(2.39)

WORLD MARKETS - TECHNICAL SNAPSHOT

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

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

INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 7th Feb 2015	% Change
STOCKS	Nifty	Large Cap	8661.05	(1.68)
	Sensex	Large Cap	28717.91	(1.59)
	BSE Midcap	Mid Cap	10490.68	(2.31)
	BSE Smallcap	Small Cap	11077.34	(2.22)
Some Major Shares	ACC	Rs/share	1507.20	(3.41)
	Bharti Airtel		368.25	(1.46)
	HDFC Ltd		1280.55	1.43
	Infosys		2230.50	4.14
	L&T		1683.55	(1.00)
	Reliance Inds		909.90	(0.58)
	Tata Motors		559.60	(4.37)
	Tata Steel		368.65	(5.58)
COMMODITIES	Aluminium	INR/Kg	115.85	2.12
	Copper	INR/Kg	354.60	3.43
	Crude	INR/Barrel	3260.00	14.19
	Gold	INR/10gms	26802.00	(3.92)
	Lead	INR/Kg	114.85	0.88
	Natural Gas	INR/1mmBtu	161.10	(4.33)
	Nickel	INR/Kg	941.40	3.12
	Silver	INR/Kg	37024.00	(2.84)
	Zinc	INR/Kg	133.90	2.68
CURRENCIES	INR/EUR		70.10	0.16
	INR/GBP		94.45	1.10
	INR/100 JPY		52.00	(1.89)
	INR/USD		61.97	(0.06)

INDIAN MARKETS - TECHNICAL SNAPSHOT



INDICES	Mid Cap ↑ Nifty	Sensex ↓	Small Cap ↓		
SECTORS	Auto Bankex Cons Durable ↑ FMCG Healthcare IT ↑ Teck ↑	Cap Goods	Power Realty	Oil & Gas	Metal
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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