

ShroffConnect Weekly Report

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Current news

World economy

- The U.S. economy grew at a fairly healthy clip in the third quarter as strong consumer and business spending offset efforts by businesses to reduce an inventory glut, underscoring its resilience despite a raft of headwinds.
- Reaching the dead-end of an exports-led growth, China has unveiled a new blueprint to make its monetary policy more "flexible" as it embarks on a supply-side reform to arrest the slowdown of the world's second-largest economy and power its transition to a consumption-based model.
- The number of Americans filing for unemployment benefits fell more than expected last week, nearing a 42-year low as labor market conditions continued to tighten in a boost to the economy.
- Japanese Prime Minister Shinzo Abe's cabinet approved on Thursday a record fiscal 2016 budget that counts on higher growth and tax revenue to achieve his aim of reviving the economy and reining in huge public debt.
- Plunging crude oil prices are diverting hundreds of billions of dollars away from the treasure chests of oil-exporting nations, putting some of the United States' adversaries under greater stress.

Indian economy

- The current account deficit (CAD) narrowed to 1.6 percent of GDP at USD 8.2 billion in the second quarter ended September, mainly due to lower trade deficit.
- India's balance of payments slipped into deficit in the third quarter for the first time in nearly two years, as foreign investors turned net sellers of Indian financial assets in anticipation of December's U.S. rate hike.
- RBI Governor Raghuram Rajan said domestic policies need to be carefully calibrated to withstand global headwinds due to China's slowdown and the US rate hike, even though India remains "relatively better placed" to handle volatilities.
- India's banks say they expect credit growth to pick up moderately this financial year after falling to an almost two-decade low, as consumer confidence grows and companies resume borrowing to keep plants running and fund new projects.
- The government said it was difficult to predict a timeline for the passage of a bill that seeks to harmonise state taxes after lawmakers failed to vote on the measure in the parliament session that ended on Wednesday.

MACRO ECONOMIC SNAPSHOT AS ON 26/12/2015

USA	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.10	2.70
Inflation Rate	Monthly	0.50	0.20
Unemployment Rate	Monthly	5.00	5.00
Benchmark Interest Rate	Weekly	0.50	0.25
Govt. bond 10 year Rate	Weekly	↑2.25	2.21

Euro Area	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.60	1.50
Inflation Rate	Monthly	0.20	0.10
Unemployment Rate	Monthly	10.70	10.80
Benchmark Interest Rate	Weekly	0.05	0.05
Govt. bond 10 year Rate	Weekly	↑-0.06	-0.11

China	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	6.90	7.00
Inflation Rate	Monthly	1.50	1.30
Unemployment Rate	Monthly	4.05	4.04
Benchmark Interest Rate	Weekly	4.35	4.60
Govt. bond 10 year Rate	Weekly	↓2.88	2.99

Japan	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.60	0.70
Inflation Rate	Monthly	0.30	0.30
Unemployment Rate	Monthly	↑3.30	3.10
Benchmark Interest Rate	Weekly	0.00	0.00
Govt. bond 10 year Rate	Weekly	↑0.28	0.27

UK	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.10	2.40
Inflation Rate	Monthly	0.10	-0.10
Unemployment Rate	Monthly	5.20	5.30
Benchmark Interest Rate	Weekly	0.50	0.50
Govt. bond 10 year Rate	Weekly	↑1.92	1.83

India	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	7.40	7.00
Inflation Rate	Monthly	5.41	5.00
Unemployment Rate	Monthly	no data	
Benchmark Interest Rate	Weekly	6.75	7.25
Govt. bond 10 year Rate	Weekly	↑7.75	7.73

Brazil	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	-4.50	-3.00
Inflation Rate	Monthly	10.48	9.93
Unemployment Rate	Monthly	7.50	7.90
Benchmark Interest Rate	Weekly	14.25	14.25
Govt. bond 10 year Rate	Weekly	↓16.27	16.29

Russia	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	-4.10	-4.60
Inflation Rate	Monthly	15.00	15.60
Unemployment Rate	Monthly	5.80	5.50
Benchmark Interest Rate	Weekly	11.00	11.00
Govt. bond 10 year Rate	Weekly	↓9.87	9.99

WORLD MARKETS - A SNAPSHOT

	Name	Description	Week ended 26th Dec 2015	% Change
STOCKS	Australia	Aus Ordinaries	5256.14	1.93
	Brazil	Bovespa	43841.20	(1.17)
	China	Shanghai	3612.49	0.94
	France	CAC	4663.18	0.82
	Germany	DAX	10727.64	1.13
	Hong Kong	HANGSENG	22138.13	1.76
	India	Sensex	25838.71	1.25
	Japan	Nikkei	18789.69	(1.04)
	UK	FTSE	6254.64	3.34
	USA	DJIA	17552.17	2.47
COMMODITIES	Copper	\$/Pound	2.12	0.47
	Crude	\$/Barrel	38.10	5.66
	Gold	\$/Troy Ounce	1075.90	1.02
	Natural Gas	\$/MMBtu	2.03	14.69
	Silver	\$/Troy Ounce	14.38	1.99
	Aluminium	\$/Tonne	1540.50	2.29
	Lead	\$/Tonne	1744.00	3.84
	Nickel	\$/Tonne	8620.00	(1.71)
	Zinc	\$/Tonne	1553.50	2.41
CURRENCIES	USD/GBP		1.49	0.00
	USD/EUR		1.10	0.92
	USD/AUD		0.72	0.00
	JPY/USD		120.40	(0.66)
	INR/USD		66.02	(0.35)
	HKD/USD		7.75	0.00
	BRL/USD		3.94	(1.01)
	CNY/USD		6.47	(0.15)

WORLD MARKETS - TECHNICAL SNAPSHOT

		Very Bullish	Bullish	Neutral	Bearish	Very Bearish
STOCKS			Germany ↑ Japan USA ↑	Australia China France HongKong ↑ India UK		Brazil
COMMODITIES					Aluminium Gold ↑ Lead Silver	Copper Crude Oil Natural Gas Nickel Zinc
CURRENCIES (against USD)				HKD	AUD EUR GBP INR JPY	BRL CNY

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

INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 26th Dec 2015	% Change
STOCKS	Nifty	Large Cap	7861.05	1.28
	Sensex	Large Cap	25838.71	1.25
	BSE Midcap	Mid Cap	11018.17	0.91
	BSE Smallcap	Small Cap	11730.59	1.72
Some Major Shares	ACC	Rs/share	1344.15	(0.36)
	Bharti Airtel		338.45	6.08
	HDFC Ltd		1229.55	0.38
	Infosys		1096.35	1.22
	L&T		1294.50	0.55
	Reliance Inds		1000.55	0.87
	Tata Motors		382.40	1.10
	Tata Steel		263.35	3.01
COMMODITIES	Aluminium	INR/Kg	100.80	1.20
	Copper	INR/Kg	313.30	0.00
	Crude	INR/Barrel	2528.00	9.58
	Gold	INR/10gms	25212.00	0.52
	Lead	INR/Kg	115.20	3.04
	Natural Gas	INR/1mmBtu	133.40	13.63
	Nickel	INR/Kg	567.20	(2.36)
	Silver	INR/Kg	34345.00	1.21
	Zinc	INR/Kg	101.15	1.40
CURRENCIES	INR/EUR		72.44	0.65
	INR/GBP		98.57	(0.08)
	INR/100 JPY		54.78	0.24
	INR/USD		66.02	(0.35)

INDIAN MARKETS - TECHNICAL SNAPSHOT



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

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

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