

ShroffConnect Weekly Report

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Current news

World economy

- U.S. job openings surged in December and the number of Americans voluntarily quitting work hit a nine-year high, pointing to labour market strength despite a slowdown in economic growth.
- Fears that Greece will exit the eurozone, a "Grexit", could revive if Greek authorities do not come up with "credible" reforms, notably on pensions, a senior IMF official said Thursday.
- Industrial production in France, Europe's second biggest economy, unexpectedly tumbled again in December, data showed Wednesday, a day after powerhouse Germany also reported a surprise drop in output.
- Yields on Japan's benchmark 10-year government bond hit zero for the first time, as investors clamor for safe-haven assets in the wake of a global market rout.
- China's foreign reserves fell for a third straight month in January, as the central bank dumped dollars to defend the yuan and prevent an increase in capital outflows.
- The outlook for Brazil's economy continues to worsen as analysts in a central bank said the nation is headed for a deeper recession, while policy makers struggle to get inflation under control.

Indian economy

- The government needs to limit borrowing in the coming fiscal year to 6 trillion rupees (\$87.85 billion) or risk sparking a bond market sell-off that could raise companies' financing costs and add to doubts about the strength of the economy, traders said.
- The Reserve Bank of India said it will actively inject additional cash into the banking system in March, when liquidity conditions tend to tighten because it marks the end of the fiscal year.
- India will link the interest paid to millions of small savers in a \$137-billion central deposit scheme to market rates that will be revised every quarter.
- Indirect tax collection is likely to exceed by about Rs 40,000 crore this fiscal that will help the government meet the budgetary target of revenue collection for the first time in five years. This will also make up for the expected shortfall in the direct tax collections, Revenue Secretary Hasmukh Adhia has said.
- Foreign portfolio investors (FPIs) have withdrawn close to \$2 billion worth of stocks from India in 2016 so far. Foreign investors have turned risk averse with the increasing fears of a global slowdown, concerns over China's slowing economy, according to experts.

MACRO ECONOMIC SNAPSHOT AS ON 13/02/2016

USA	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.80	2.10
Inflation Rate	Monthly	0.70	0.50
Unemployment Rate	Monthly	4.90	5.00
Benchmark Interest Rate	Weekly	0.50	0.50
Govt. bond 10 year Rate	Weekly	↓1.67	1.84

Euro Area	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	↓1.50	1.60
Inflation Rate	Monthly	0.40	0.20
Unemployment Rate	Monthly	10.40	10.50
Benchmark Interest Rate	Weekly	0.05	0.05
Govt. bond 10 year Rate	Weekly	↑-0.24	-0.27

China	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	6.80	6.90
Inflation Rate	Monthly	1.60	1.50
Unemployment Rate	Monthly	4.05	4.05
Benchmark Interest Rate	Weekly	4.35	4.60
Govt. bond 10 year Rate	Weekly	↓2.86	2.91

Japan	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.60	0.70
Inflation Rate	Monthly	0.20	0.30
Unemployment Rate	Monthly	3.30	3.30
Benchmark Interest Rate	Weekly	-0.10	0.00
Govt. bond 10 year Rate	Weekly	↑0.09	0.03

UK	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.90	2.10
Inflation Rate	Monthly	0.20	0.10
Unemployment Rate	Monthly	5.10	5.20
Benchmark Interest Rate	Weekly	0.50	0.50
Govt. bond 10 year Rate	Weekly	↓1.38	1.56

India	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	↓7.30	7.40
Inflation Rate	Monthly	↑5.69	5.61
Unemployment Rate	Monthly	no data	
Benchmark Interest Rate	Weekly	6.75	7.25
Govt. bond 10 year Rate	Weekly	↓7.72	7.82

Brazil	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	-4.50	-3.00
Inflation Rate	Monthly	10.71	10.67
Unemployment Rate	Monthly	6.90	7.50
Benchmark Interest Rate	Weekly	14.25	14.25
Govt. bond 10 year Rate	Weekly	↓16.33	16.61

Russia	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	-3.80	-4.10
Inflation Rate	Monthly	9.80	12.90
Unemployment Rate	Monthly	5.80	5.80
Benchmark Interest Rate	Weekly	11.00	11.00
Govt. bond 10 year Rate	Weekly	↑10.38	10.24

WORLD MARKETS - A SNAPSHOT

	Name	Description	Week ended 13th Feb 2016	% Change
STOCKS	Australia	Aus Ordinaries	4816.61	(4.16)
	Brazil	Bovespa	39743.23	(3.23)
	China	Shanghai	2763.49	0.00
	France	CAC	3995.06	(4.89)
	Germany	DAX	8967.51	(3.43)
	Hong Kong	HANGSENG	18319.58	(5.02)
	India	Sensex	22986.12	(6.62)
	Japan	Nikkei	14952.61	(11.10)
	UK	FTSE	5707.60	(2.40)
	USA	DJIA	15973.84	(1.43)
COMMODITIES	Copper	\$/Pound	2.03	(3.33)
	Crude	\$/Barrel	29.44	(4.69)
	Gold	\$/Troy Ounce	1239.40	7.06
	Natural Gas	\$/MMBtu	1.97	(4.37)
	Silver	\$/Troy Ounce	15.79	6.83
	Aluminium	\$/Tonne	1501.00	(0.13)
	Lead	\$/Tonne	1850.00	4.76
	Nickel	\$/Tonne	7750.00	(4.50)
	Zinc	\$/Tonne	1698.50	1.83
CURRENCIES	USD/GBP		1.45	0.00
	USD/EUR		1.13	0.89
	USD/AUD		0.71	0.00
	JPY/USD		113.20	(3.16)
	INR/USD		68.11	0.46
	HKD/USD		7.79	0.00
	BRL/USD		4.00	2.56
	CNY/USD		6.57	0.00

WORLD MARKETS - TECHNICAL SNAPSHOT

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

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

INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 13th Feb 2016	% Change
STOCKS	Nifty	Large Cap	6980.95	(6.79)
	Sensex	Large Cap	22986.12	(6.62)
	BSE Midcap	Mid Cap	9615.24	(6.96)
	BSE Smallcap	Small Cap	9682.55	(8.39)
Some Major Shares	ACC	Rs/share	1221.05	(3.96)
	Bharti Airtel		324.55	5.65
	HDFC Ltd		1083.75	(8.39)
	Infosys		1084.65	(7.67)
	L&T		1053.65	(7.57)
	Reliance Inds		906.55	(6.63)
	Tata Motors		298.35	(11.50)
	Tata Steel		217.50	(6.99)
COMMODITIES	Aluminium	INR/Kg	102.60	0.29
	Copper	INR/Kg	306.50	(3.04)
	Crude	INR/Barrel	2006.00	(7.00)
	Gold	INR/10gms	29386.00	7.83
	Lead	INR/Kg	126.20	4.99
	Natural Gas	INR/1mmBtu	133.90	(4.01)
	Nickel	INR/Kg	534.10	(3.85)
	Silver	INR/Kg	37984.00	6.08
	Zinc	INR/Kg	115.90	2.07
CURRENCIES	INR/EUR		76.68	1.37
	INR/GBP		98.79	0.49
	INR/100 JPY		60.12	3.67
	INR/USD		68.11	0.46

INDIAN MARKETS - TECHNICAL SNAPSHOT

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

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

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