

ShroffConnect Weekly Report

21st May, 2016



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Current news

World economy

- US consumer prices recorded their biggest increase in more than three years in April as gasoline and rents rose, pointing to a steady inflation build-up that could give the Federal Reserve ammunition to raise interest rates later this year.
- The International Monetary Fund backed Saudi Arabia's sweeping economic reform plan on Thursday and said the kingdom was cutting spending at the right speed to cope with a huge state budget deficit caused by low oil prices.
- Most companies based in the euro zone believe a British decision to leave the European Union would hurt the region as it struggles with a sluggish economy and a migration crisis, a survey showed.
- Japan's economy expanded at the fastest pace in a year in the first quarter, thanks in part to a leap year consumption boost, but analysts say the rebound was not strong enough to dispel concerns over a contraction in this quarter.
- European Central Bank chief economist Peter Praet on Tuesday said the Eurozone banking sector is facing a severe profitability shock, pointing to high costs, an excessive amount of bad debt in some countries and lack of necessary consolidation.

Indian economy

- Medium-term growth prospect of the Indian economy is improving, and with the GST Bill likely to be passed later in the year.
- Moody's Investors Service could consider upgrading India's sovereign rating if the government's planned fiscal consolidation is faster than its expectations.
- Growth recovery in Indian economy is becoming more 'broad-based' with rise in public sector capital expenditure and foreign direct investment, says a Morgan Stanley report. Also, going forward the consumption growth is expected to pick up further.
- Prices of many food items such as pulses, sugar, vegetables and poultry products are set to surge in India in the next three months on thin supplies, which could fuel inflation and give the central bank little room to cut rates.
- India Meteorological Department said that the late arrival of the monsoon will not delay crop sowing and that rains are expected to make rapid progress after their arrival around June 7.
- India's receipts from invisible services declined 4 percent to USD 57.61 billion in the October-December quarter of 2015-16, while payments towards such activities rose by 5.8 percent to USD 30.67 billion, the RBI said.

MACRO ECONOMIC SNAPSHOT AS ON 21/05/2016

USA	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.00	2.00
Inflation Rate	Monthly	↓1.10	0.90
Unemployment Rate	Monthly	5.00	5.00
Benchmark Interest Rate	Weekly	0.50	0.50
Govt. bond 10 year Rate	Weekly	↑1.84	1.70

Euro Area	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.50	1.60
Inflation Rate	Monthly	-0.20	0.00
Unemployment Rate	Monthly	10.20	10.30
Benchmark Interest Rate	Weekly	0.00	0.00
Govt. bond 10 year Rate	Weekly	-0.30	-0.30

China	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	6.70	6.80
Inflation Rate	Monthly	2.30	2.30
Unemployment Rate	Monthly	4.04	4.05
Benchmark Interest Rate	Weekly	4.35	4.60
Govt. bond 10 year Rate	Weekly	↑2.98	2.91

Japan	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	0.70	1.70
Inflation Rate	Monthly	-0.10	0.30
Unemployment Rate	Monthly	3.20	3.30
Benchmark Interest Rate	Weekly	-0.10	-0.10
Govt. bond 10 year Rate	Weekly	-0.11	-0.11

UK	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.10	2.10
Inflation Rate	Monthly	↓0.30	0.50
Unemployment Rate	Monthly	5.10	5.10
Benchmark Interest Rate	Weekly	0.50	0.50
Govt. bond 10 year Rate	Weekly	↑1.45	1.40

India	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	7.30	7.40
Inflation Rate	Monthly	5.39	4.83
Unemployment Rate	Monthly	no data	
Benchmark Interest Rate	Weekly	6.50	6.75
Govt. bond 10 year Rate	Weekly	↑7.48	7.45

Brazil	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	-5.90	-4.50
Inflation Rate	Monthly	9.28	9.39
Unemployment Rate	Monthly	10.90	10.90
Benchmark Interest Rate	Weekly	14.25	14.25
Govt. bond 10 year Rate	Weekly	↑12.48	12.16

Russia	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	↑-1.20	-3.80
Inflation Rate	Monthly	7.30	7.30
Unemployment Rate	Monthly	6.00	5.80
Benchmark Interest Rate	Weekly	11.00	11.00
Govt. bond 10 year Rate	Weekly	↑8.93	8.82

WORLD MARKETS - A SNAPSHOT

	Name	Description	Week ended 21st May 2016	% Change
STOCKS	Australia	Aus Ordinaries	5415.18	0.35
	Brazil	Bovespa	49722.75	(5.59)
	China	Shanghai	2825.48	(0.06)
	France	CAC	4353.9	0.78
	Germany	DAX	9916.02	(0.37)
	Hong Kong	HANGSENG	19852.2	0.67
	India	Sensex	25301.9	(0.74)
	Japan	Nikkei	16736.35	1.97
	UK	FTSE	6156.32	0.29
	USA	DJIA	17500.94	(0.20)
COMMODITIES	Copper	\$/Pound	2.06	(0.48)
	Crude	\$/Barrel	48.41	4.76
	Gold	\$/Troy Ounce	1252.9	(1.56)
	Natural Gas	\$/MMBtu	2.06	(1.90)
	Silver	\$/Troy Ounce	16.53	(3.50)
	Aluminium	\$/Tonne	1549	0.75
	Lead	\$/Tonne	1667	(2.57)
	Nickel	\$/Tonne	8475	(1.91)
	Zinc	\$/Tonne	1861	(1.85)
CURRENCIES	USD/GBP		1.45	0.69
	USD/EUR		1.12	(0.88)
	USD/AUD		0.72	(1.37)
	JPY/USD		110.14	1.42
	INR/USD		67.4	0.82
	HKD/USD		7.77	0.13
	BRL/USD		3.52	(0.28)
	CNY/USD		6.55	0.31

WORLD MARKETS - TECHNICAL SNAPSHOT



STOCKS

Australia
USA

Brazil ↓
France
Germany
India
Japan
UK

China
HongKong

COMMODITIES

Crude Oil
Gold
Silver
Zinc

Aluminium
Copper
Lead
Natural Gas
Nickel

CURRENCIES (against USD)

BRL
HKD
JPY

AUD
EUR ↓
GBP
INR ↑

CNY ↓

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

INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 21st May 2016	% Change
STOCKS	Nifty	Large Cap	7749.7	(0.83)
	Sensex	Large Cap	25301.9	(0.74)
	BSE Midcap	Mid Cap	11023.18	(1.19)
	BSE Smallcap	Small Cap	10694.26	(3.77)
Some Major Shares	ACC	Rs/share	1393.45	(4.37)
	Bharti Airtel		341.95	(3.65)
	HDFC Ltd		1179.55	1.16
	Infosys		1201.6	(0.47)
	L&T		1255.1	(2.44)
	Reliance Inds		934.2	(4.49)
	Tata Motors		384.45	(1.41)
	Tata Steel		322.65	0.00
COMMODITIES	Aluminium	INR/Kg	104.1	1.12
	Copper	INR/Kg	308.4	(0.47)
	Crude	INR/Barrel	3281	5.94
	Gold	INR/10gms	29691	(1.14)
	Lead	INR/Kg	112.65	(2.00)
	Natural Gas	INR/1mmBtu	138.7	(1.91)
	Nickel	INR/Kg	572.1	(1.51)
	Silver	INR/Kg	39834	(2.78)
	Zinc	INR/Kg	125.5	(0.79)
CURRENCIES	INR/EUR		75.63	0.08
	INR/GBP		97.73	1.80
	INR/100 JPY		61.23	(0.47)
	INR/USD		67.4	0.82

INDIAN MARKETS - TECHNICAL SNAPSHOT

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

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

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