

ShroffConnect Weekly Report

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Current news

World economy

- U.S. economic growth slowed in the first quarter although not as sharply as initially thought, as a surge in home building and steady inventory accumulation partially offset the drag from a steep decline in business investment.
- Risks to the euro zone's financial health have increased over the past six months, with a new bout of market turmoil and weak profits for banks and insurers emerging as the key sources of potential trouble.
- The MF is calling on European creditor nations to commit to "upfront unconditional" debt relief for Greece as part of an international rescue program for the debt-laden nation.
- Japan's core consumer prices fell for the second straight month in April as weak consumption discouraged firms from raising prices, stoking fears of deflation and keeping pressure on the central bank to do more to hit its ambitious inflation target.
- Brazil's interim President Michel Temer said on Tuesday he would seek constitutional change to limit increases in public spending as part of a series of measures to curb a record fiscal deficit and regain investor confidence.

Indian economy

- Indian companies are posting their best earnings results since Prime Minister Narendra Modi swept to power two years ago, giving the clearest sign yet that India's fast, but patchy, economic growth is becoming more broad-based.
- A normal monsoon this year is expected to provide a 20 per cent boost to the income of farmers, whose debt leverage has touched 22 per cent following two years of droughts, says a report.
- The Reserve Bank of India (RBI) has stepped up fund injections in the two months since Governor Raghuram Rajan pledged to gradually erase a cash deficit in the financial system, but commercial banks say it is still not enough for them to sharply lower interest rates.
- The country's forex reserves dipped by \$121.3 million to \$360.905 billion for the week ended May 20 on a fall in the core currency assets.
- India's economic growth will accelerate to 8 per cent by 2018-19 fiscal as gradual implementation of structural reforms will contribute to higher growth, Fitch said on Thursday.

MACRO ECONOMIC SNAPSHOT AS ON 28/05/2016

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	↑1.85	1.84

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	↓-0.32	-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	↓2.93	2.98

Japan	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	0.00	1.70
Inflation Rate	Monthly	↓-0.30	-0.10
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	↓2.00	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	↓1.44	1.45

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	↓7.47	7.48

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	↑13.04	12.48

Russia	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	-1.20	-3.80
Inflation Rate	Monthly	7.30	7.30
Unemployment Rate	Monthly	↓5.90	6.00
Benchmark Interest Rate	Weekly	11.00	11.00
Govt. bond 10 year Rate	Weekly	↓8.87	8.93

WORLD MARKETS - A SNAPSHOT

	Name	Description	Week ended 28th May 2016	% Change
STOCKS	Australia	Aus Ordinaries	5469.72	1.01
	Brazil	Bovespa	49051.49	(1.35)
	China	Shanghai	2821.05	(0.16)
	France	CAC	4514.74	3.69
	Germany	DAX	10286.31	3.73
	Hong Kong	HANGSENG	20576.77	3.65
	India	Sensex	26653.60	5.34
	Japan	Nikkei	16834.84	0.59
	UK	FTSE	6270.79	1.86
	USA	DJIA	17873.22	2.13
COMMODITIES	Copper	\$/Pound	2.11	2.43
	Crude	\$/Barrel	49.33	1.90
	Gold	\$/Troy Ounce	1216.70	(2.89)
	Natural Gas	\$/MMBtu	2.17	5.34
	Silver	\$/Troy Ounce	16.27	(1.57)
	Aluminium	\$/Tonne	1557.50	0.55
	Lead	\$/Tonne	1698.50	1.89
	Nickel	\$/Tonne	8385.00	(1.06)
	Zinc	\$/Tonne	1904.50	2.34
CURRENCIES	USD/GBP		1.46	0.69
	USD/EUR		1.11	(0.89)
	USD/AUD		0.72	0.00
	JPY/USD		110.22	0.07
	INR/USD		67.02	(0.56)
	HKD/USD		7.77	0.00
	BRL/USD		3.61	2.56
	CNY/USD		6.56	0.15

WORLD MARKETS - TECHNICAL SNAPSHOT

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

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

INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 28th May 2016	% Change
STOCKS	Nifty	Large Cap	8156.65	5.25
	Sensex	Large Cap	26653.60	5.34
	BSE Midcap	Mid Cap	11347.03	2.94
	BSE Smallcap	Small Cap	11110.96	3.90
Some Major Shares	ACC	Rs/share	1522.95	9.29
	Bharti Airtel		351.25	2.72
	HDFC Ltd		1255.55	6.44
	Infosys		1247.50	3.82
	L&T		1474.90	17.51
	Reliance Inds		974.70	4.34
	Tata Motors		403.90	5.06
	Tata Steel		329.60	2.15
COMMODITIES	Aluminium	INR/Kg	103.65	(0.43)
	Copper	INR/Kg	314.30	1.91
	Crude	INR/Barrel	3310.00	0.88
	Gold	INR/10gms	28603.00	(3.66)
	Lead	INR/Kg	113.60	0.84
	Natural Gas	INR/1mmBtu	147.00	5.98
	Nickel	INR/Kg	562.10	(1.75)
	Silver	INR/Kg	38866.00	(2.43)
	Zinc	INR/Kg	127.70	1.75
CURRENCIES	INR/EUR		74.49	(1.51)
	INR/GBP		97.99	0.27
	INR/100 JPY		60.71	(0.85)
	INR/USD		67.02	(0.56)

INDIAN MARKETS - TECHNICAL SNAPSHOT

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

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

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