

ShroffConnect Weekly Report

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Current news

World economy

- The dollar sank against most major currencies Friday after a shockingly weak US jobs report that essentially ruled out a Federal Reserve interest rate increase later this month.
- Euro zone business growth improved more than expected in May but remained modest, further evidence the expansion early in the year won't be repeated this quarter, a survey showed.
- Global manufacturing activity remained stuck in a rut last month with factory output from Asia, Europe and the Americas barely improving as producers struggled to bring in new orders.
- Japanese capital expenditure accelerated in the first quarter from the prior three-month period, suggesting gross domestic product growth could be revised up, but analysts remain wary about the outlook given growing pressure on corporate earnings.
- Eurozone inflation remained in negative territory in May, providing evidence that the European Central Bank's unprecedented stimulus efforts are slow to work.
- UK manufacturing activity rose slightly in May, raising concerns over the economy's strength in the run-up to the 23 June European Union referendum.

Indian economy

- Growth in India's services industry slowed sharply in May to a six-month low, due to a deceleration in new orders, a business survey showed.
- India's weather office on Thursday stuck to its initial forecast for above average monsoon rains in 2016, boosting hopes for a revival in farm output which could translate into lower food prices and also lower interest rates.
- Petrol price has been hiked by a steep Rs 4.47 a litre and diesel by Rs 6.46 per litre in the last five weeks, taking retail rates to their highest level in one year.
- Investments into India's capital markets through participatory notes (P-Notes) declined to a 20-month low of Rs 2.11 lakh crore at the end of April, with Sebi keeping a strict vigil on funds coming through this route.
- India's eight core sectors growth rose by 8.5 percent in April compared to (-)0.2 percent in same month last year.
- Indian manufacturers increased activity for a fifth consecutive month in May but the pace of expansion was weak as output growth softened for the second month in a row, a survey showed.

MACRO ECONOMIC SNAPSHOT AS ON 04/06/2016

USA	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.00	2.00
Inflation Rate	Monthly	1.10	0.90
Unemployment Rate	Monthly	↓4.70	5.00
Benchmark Interest Rate	Weekly	0.50	0.50
Govt. bond 10 year Rate	Weekly	↓1.71	1.85

Euro Area	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.50	1.60
Inflation Rate	Monthly	↑-0.10	-0.20
Unemployment Rate	Monthly	10.20	10.20
Benchmark Interest Rate	Weekly	0.00	0.00
Govt. bond 10 year Rate	Weekly	↑-0.31	-0.32

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	↑3.03	2.93

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	3.20
Benchmark Interest Rate	Weekly	-0.10	-0.10
Govt. bond 10 year Rate	Weekly	↑-0.10	-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	↓1.28	1.44

India	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	↑7.90	7.30
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	↑7.49	7.47

Brazil	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	↑-5.40	-5.90
Inflation Rate	Monthly	9.28	9.39
Unemployment Rate	Monthly	↑11.20	10.90
Benchmark Interest Rate	Weekly	14.25	14.25
Govt. bond 10 year Rate	Weekly	↓12.59	13.04

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	↑8.99	8.87

WORLD MARKETS - A SNAPSHOT

	Name	Description	Week ended 4th June 2016	% Change
STOCKS	Australia	Aus Ordinaries	5392.55	(1.41)
	Brazil	Bovespa	50619.50	3.20
	China	Shanghai	2938.68	4.17
	France	CAC	4421.78	(2.06)
	Germany	DAX	10103.26	(1.78)
	Hong Kong	HANGSENG	20947.24	1.80
	India	Sensex	26843.03	0.71
	Japan	Nikkei	16642.23	(1.14)
	UK	FTSE	6209.63	(0.98)
	USA	DJIA	17807.06	(0.37)
COMMODITIES	Copper	\$/Pound	2.11	0.00
	Crude	\$/Barrel	48.62	(1.44)
	Gold	\$/Troy Ounce	1242.90	2.15
	Natural Gas	\$/MMBtu	2.40	10.60
	Silver	\$/Troy Ounce	16.36	0.55
	Aluminium	\$/Tonne	1543.00	(0.93)
	Lead	\$/Tonne	1721.00	1.32
	Nickel	\$/Tonne	8510.00	1.49
	Zinc	\$/Tonne	1998.00	4.91
CURRENCIES	USD/GBP		1.45	(0.68)
	USD/EUR		1.14	2.70
	USD/AUD		0.74	2.78
	JPY/USD		106.51	(3.37)
	INR/USD		66.99	(0.04)
	HKD/USD		7.77	0.00
	BRL/USD		3.52	(2.49)
	CNY/USD		6.56	0.00

WORLD MARKETS - TECHNICAL SNAPSHOT

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

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

INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 4th June 2016	% Change
STOCKS	Nifty	Large Cap	8220.80	0.79
	Sensex	Large Cap	26843.03	0.71
	BSE Midcap	Mid Cap	11394.64	0.42
	BSE Smallcap	Small Cap	11148.71	0.34
Some Major Shares	ACC	Rs/share	1540.00	1.12
	Bharti Airtel		358.15	1.96
	HDFC Ltd		1254.90	(0.05)
	Infosys		1266.90	1.56
	L&T		1460.60	(0.97)
	Reliance Inds		959.65	(1.54)
	Tata Motors		453.95	12.39
	Tata Steel		338.55	2.72
COMMODITIES	Aluminium	INR/Kg	103.35	(0.29)
	Copper	INR/Kg	313.60	(0.22)
	Crude	INR/Barrel	3253.00	(1.72)
	Gold	INR/10gms	28679.00	0.27
	Lead	INR/Kg	115.90	2.02
	Natural Gas	INR/1mmBtu	162.00	10.20
	Nickel	INR/Kg	572.10	1.78
	Silver	INR/Kg	39079.00	0.55
	Zinc	INR/Kg	133.65	4.66
CURRENCIES	INR/EUR		76.13	2.20
	INR/GBP		97.26	(0.74)
	INR/100 JPY		62.88	3.57
	INR/USD		66.99	(0.04)

INDIAN MARKETS - TECHNICAL SNAPSHOT

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

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

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