

ShroffConnect Weekly Report

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Current news

World economy

- Britain's shock vote to leave the European Union - the first time a member state has chosen to pull out - sends the post-World War Two unification process that has underpinned peace and prosperity on the continent into reverse.
- Global stock markets lost about \$2 trillion in value on Friday after Britain voted to leave the European Union, while sterling suffered a record one-day plunge to a 31-year low and money poured into safe-haven gold and government bonds.
- Japan's finance minister and central bank governor warned that excess volatility and disorderly currency movements could harm financial stability and that they will take appropriate steps if necessary, after Britain's vote to leave the EU sparked turmoil in financial and currency markets.
- At least two Asian central banks were suspected of intervening in their currency markets on Friday, as global financial markets went into a tailspin after Britain voted to leave the European Union in a historic vote.
- World oil prices plunged over USD 2.00 a barrel on June 24 amid a surging dollar and financial markets turmoil after Britain's surprise vote to leave the European Union.

Indian economy

- India's foreign exchange reserves hit a record high of \$363.83 billion as of the week ended June 17, shoring up the country's defences just as investors brace for continued volatility after Britain voted to leave the European Union.
- Monsoon rains are likely to end in India later than usual this year, with plentiful showers towards the latter stages of the season helping farmers recover from two straight droughts, the chief of the country's weather office said.
- Reserve Bank Governor Raghuram Rajan on Friday asked central banks across the globe to desist from currency depreciation to create competitive advantage in the wake of Britain's exit from the European Union.
- India on Monday announced sweeping reforms to rules on foreign direct investment (FDI), opening up its defence and civil aviation sectors to complete outside ownership.
- Currency volatility post Britain's decision to exit from the EU may put pressure on India's exports in the immediate future as both British Pound and Euro will depreciate, giving greater competitiveness to their products, exporters' body FIEO said on Friday.

MACRO ECONOMIC SNAPSHOT AS ON 25/06/2016

USA	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.00	2.00
Inflation Rate	Monthly	1.00	1.10
Unemployment Rate	Monthly	4.70	5.00
Benchmark Interest Rate	Weekly	0.50	0.50
Govt. bond 10 year Rate	Weekly	↓1.48	1.64

Euro Area	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.70	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	↑-0.34	-0.35

China	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	6.70	6.80
Inflation Rate	Monthly	2.00	2.30
Unemployment Rate	Monthly	4.04	4.05
Benchmark Interest Rate	Weekly	4.35	4.60
Govt. bond 10 year Rate	Weekly	↓2.95	2.97

Japan	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	0.10	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	↓-0.20	-0.14

UK	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.00	2.10
Inflation Rate	Monthly	0.30	0.30
Unemployment Rate	Monthly	5.00	5.10
Benchmark Interest Rate	Weekly	0.50	0.50
Govt. bond 10 year Rate	Weekly	↓1.09	1.14

India	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	7.90	7.30
Inflation Rate	Monthly	5.76	5.39
Unemployment Rate	Monthly	no data	
Benchmark Interest Rate	Weekly	6.50	6.75
Govt. bond 10 year Rate	Weekly	↓7.48	7.50

Brazil	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	-5.40	-5.90
Inflation Rate	Monthly	9.32	9.28
Unemployment Rate	Monthly	11.20	10.90
Benchmark Interest Rate	Weekly	14.25	14.25
Govt. bond 10 year Rate	Weekly	↓12.42	12.72

Russia	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	-1.20	-3.80
Inflation Rate	Monthly	7.30	7.30
Unemployment Rate	Monthly	↓5.60	5.90
Benchmark Interest Rate	Weekly	10.50	11.00
Govt. bond 10 year Rate	Weekly	↓8.59	8.76

WORLD MARKETS - A SNAPSHOT

	Name	Description	Week ended 25th June 2016	% Change
STOCKS	Australia	Aus Ordinaries	5192.83	(1.06)
	Brazil	Bovespa	50105.26	1.15
	China	Shanghai	2854.29	(1.07)
	France	CAC	4106.73	(2.08)
	Germany	DAX	9557.16	(0.77)
	Hong Kong	HANGSENG	20259.13	0.44
	India	Sensex	26397.71	(0.86)
	Japan	Nikkei	14952.02	(4.15)
	UK	FTSE	6138.69	1.95
	USA	DJIA	17400.75	(1.55)
COMMODITIES	Copper	\$/Pound	2.11	2.93
	Crude	\$/Barrel	47.64	(0.71)
	Gold	\$/Troy Ounce	1322.40	2.13
	Natural Gas	\$/MMBtu	2.69	2.67
	Silver	\$/Troy Ounce	17.79	2.18
	Aluminium	\$/Tonne	1618.00	0.19
	Lead	\$/Tonne	1710.50	0.53
	Nickel	\$/Tonne	8995.00	(0.39)
	Zinc	\$/Tonne	2022.00	2.15
CURRENCIES	USD/GBP		1.36	(5.56)
	USD/EUR		1.11	(1.77)
	USD/AUD		0.75	1.35
	JPY/USD		102.19	(1.83)
	INR/USD		67.82	1.13
	HKD/USD		7.76	0.00
	BRL/USD		3.39	(0.88)
	CNY/USD		6.61	0.46

WORLD MARKETS - TECHNICAL SNAPSHOT

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

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

INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 25th June 2016	% Change
STOCKS	Nifty	Large Cap	8088.60	(1.00)
	Sensex	Large Cap	26397.71	(0.86)
	BSE Midcap	Mid Cap	11313.41	(0.40)
	BSE Smallcap	Small Cap	11278.63	(1.37)
Some Major Shares	ACC	Rs/share	1568.10	0.82
	Bharti Airtel		355.85	(0.32)
	HDFC Ltd		1222.75	(0.37)
	Infosys		1194.55	1.28
	L&T		1430.60	(3.35)
	Reliance Inds		951.45	(2.41)
	Tata Motors		449.40	(3.23)
	Tata Steel		312.65	(3.93)
COMMODITIES	Aluminium	INR/Kg	109.15	1.02
	Copper	INR/Kg	317.30	4.03
	Crude	INR/Barrel	3266.00	2.38
	Gold	INR/10gms	31401.00	2.61
	Lead	INR/Kg	115.90	1.53
	Natural Gas	INR/1mmBtu	181.50	3.63
	Nickel	INR/Kg	608.30	0.30
	Silver	INR/Kg	42392.00	2.49
	Zinc	INR/Kg	137.10	3.39
CURRENCIES	INR/EUR		75.44	(0.22)
	INR/GBP		92.76	(3.66)
	INR/100 JPY		66.35	3.01
	INR/USD		67.82	1.13

INDIAN MARKETS - TECHNICAL SNAPSHOT

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

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

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