

# *ShroffConnect* Weekly Report

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# Current news

## World economy

- China's economy grew slightly faster than expected in the second quarter as a government spending spree and housing boom boosted industrial activity, but a slump in private investment growth is pointing to a loss of momentum later in the year.
- Three Federal Reserve policymakers on Thursday expressed the view that there was no hurry to raise U.S. interest rates in the wake of the UK decision to leave the European Union, despite signs that the U.S. economy is near full employment.
- The U.S. economy continued to expand from mid-May through the end of June but there was little indication that inflation would surge any time soon, the Federal Reserve said on Wednesday.
- The Bank of England is set to cut interest rates for the first time in more than seven years as it tries to cushion the economy from the shock decision by voters to pull Britain out of the European Union.
- Eurozone finance ministers agreed to officially to begin a sanctions procedure against Spain and Portugal for doing too little to fix their rule-breaking deficits. The minister "found that Portugal and Spain had not taken effective action in response to its recommendations on measures to correct their excessive deficits."

## Indian economy

- India's wholesale prices rose at a faster-than-expected pace in June, gaining 1.62 percent from a year earlier on higher food prices, government data showed.
- India's industrial output unexpectedly rose 1.2 percent in May from a year earlier, led by a pick up in manufacturing, government data showed.
- The government's decision to hike kerosene prices, although staggered over 10 months, sends a positive signal on reforms and will ease the fiscal subsidy burden by Rs. 1190 crore, a report said.
- Investors pulled out Rs 21,535 crore from various mutual fund (MF) schemes in June, making it the second consecutive monthly outflow, primarily due to huge redemption from money market segment.
- The Foreign Investment Promotion Board on Tuesday cleared six foreign direct investment proposals worth about Rs. 180 crore.
- Government has disbursed Rs 1,433 crore up to March under the interest subsidy scheme to exporters, the Commerce Ministry said.
- The Finance Ministry is likely to soon clear the first round of capital infusion in public sector banks that has been slated for the current financial year.

## MACRO ECONOMIC SNAPSHOT AS ON 16/07/2016

USA	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.10	2.00
Inflation Rate	Monthly	1.00	1.00
Unemployment Rate	Monthly	4.90	4.70
Benchmark Interest Rate	Weekly	0.50	0.50
Govt. bond 10 year Rate	Weekly	↑1.55	1.37

Euro Area	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.70	1.60
Inflation Rate	Monthly	0.10	-0.10
Unemployment Rate	Monthly	10.10	10.20
Benchmark Interest Rate	Weekly	0.00	0.00
Govt. bond 10 year Rate	Weekly	↓-0.42	-0.39

China	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	6.70	6.70
Inflation Rate	Monthly	↓1.90	2.00
Unemployment Rate	Monthly	4.05	4.04
Benchmark Interest Rate	Weekly	4.35	4.35
Govt. bond 10 year Rate	Weekly	↓2.87	2.88

Japan	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	0.10	0.70
Inflation Rate	Monthly	-0.40	-0.30
Unemployment Rate	Monthly	3.20	3.20
Benchmark Interest Rate	Weekly	-0.10	-0.10
Govt. bond 10 year Rate	Weekly	↑-0.23	-0.27

UK	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.00	1.80
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	↑0.83	0.74

India	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	7.90	7.30
Inflation Rate	Monthly	↑5.77	5.76
Unemployment Rate	Monthly	no data	
Benchmark Interest Rate	Weekly	6.50	6.75
Govt. bond 10 year Rate	Weekly	↓7.27	7.39

Brazil	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	-5.40	-5.90
Inflation Rate	Monthly	8.84	9.32
Unemployment Rate	Monthly	11.20	11.20
Benchmark Interest Rate	Weekly	14.25	14.25
Govt. bond 10 year Rate	Weekly	↓11.95	12.05

Russia	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	-1.20	-3.80
Inflation Rate	Monthly	7.50	7.30
Unemployment Rate	Monthly	5.60	5.90
Benchmark Interest Rate	Weekly	10.50	11.00
Govt. bond 10 year Rate	Weekly	↓8.42	8.43

## WORLD MARKETS - A SNAPSHOT

	Name	Description	Week ended 16th July 2016	% Change
STOCKS	Australia	Aus Ordinaries	5510.10	3.66
	Brazil	Bovespa	55578.24	4.59
	China	Shanghai	3054.30	2.22
	France	CAC	4372.51	4.34
	Germany	DAX	10066.90	4.54
	Hong Kong	HANGSENG	21659.25	5.33
	India	Sensex	27836.50	2.62
	Japan	Nikkei	16497.85	9.21
	UK	FTSE	6669.24	1.19
	USA	DJIA	18516.55	2.04
COMMODITIES	Copper	\$/Pound	2.23	5.19
	Crude	\$/Barrel	45.95	1.19
	Gold	\$/Troy Ounce	1327.40	(2.28)
	Natural Gas	\$/MMBtu	2.76	(1.43)
	Silver	\$/Troy Ounce	20.17	0.35
	Aluminium	\$/Tonne	1670.00	0.60
	Lead	\$/Tonne	1866.00	3.04
	Nickel	\$/Tonne	10205.00	3.39
	Zinc	\$/Tonne	2206.00	2.94
CURRENCIES	USD/GBP		1.32	2.33
	USD/EUR		1.10	0.00
	USD/AUD		0.75	0.00
	JPY/USD		104.65	4.13
	INR/USD		66.98	(0.25)
	HKD/USD		7.75	0.00
	BRL/USD		3.28	(0.30)
	CNY/USD		6.68	1.37

## WORLD MARKETS - TECHNICAL SNAPSHOT

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

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

## INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 16th July 2016	% Change
STOCKS	Nifty	Large Cap	8541.40	2.62
	Sensex	Large Cap	27836.50	2.62
	BSE Midcap	Mid Cap	12125.21	2.06
	BSE Smallcap	Small Cap	11979.69	0.02
Some Major Shares	ACC	Rs/share	1613.00	0.96
	Bharti Airtel		378.90	6.72
	HDFC Ltd		1364.10	6.00
	Infosys		1072.55	(7.40)
	L&T		1585.85	3.47
	Reliance Inds		1012.20	3.45
	Tata Motors		494.00	5.94
	Tata Steel		372.90	17.14
COMMODITIES	Aluminium	INR/Kg	111.45	0.18
	Copper	INR/Kg	334.00	5.10
	Crude	INR/Barrel	3081.00	0.72
	Gold	INR/10gms	30977.00	(2.34)
	Lead	INR/Kg	125.10	2.84
	Natural Gas	INR/1mmBtu	184.70	(1.91)
	Nickel	INR/Kg	686.50	3.45
	Silver	INR/Kg	47275.00	(0.45)
	Zinc	INR/Kg	147.95	2.81
CURRENCIES	INR/EUR		74.00	(0.32)
	INR/GBP		88.34	1.60
	INR/100 JPY		63.91	(4.33)
	INR/USD		66.98	(0.25)

## INDIAN MARKETS - TECHNICAL SNAPSHOT

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

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

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