

ShroffConnect Weekly Report

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Current news

World economy

- New York has knocked off London as the world's premier city for foreign investment in commercial real estate due to fears the vote to leave the European Union would diminish the British capital's appeal as a global financial center.
- Japanese manufacturers' mood soured in August to its lowest since 2013 when the central bank embarked on aggressive monetary easing, a Reuters poll showed, reflecting the pain caused by a rising yen and highlighting the huge task facing policymakers to generate growth.
- World stocks hit a new one-year high on Wednesday, while the dollar and benchmark government bond yields sank and precious metals rose after weak US productivity data again pushed back expectations of a Federal Reserve rate hike.
- The Bank of England will draw some comfort from signs that Britons took the initial shock of June's Brexit vote in their stride, but will see little to lessen the concern that prompted its huge stimulus announcement this month.

Indian economy

- India's wholesale prices rose at a faster-than-expected pace in July, gaining 3.55 percent from a year earlier on higher food prices, government data showed.
- India's focus at the G20 summit in China next month will be on global structural reforms to generate jobs, spur inclusive growth and discuss issues relating to the USD 100 billion climate financing committed by developed nations, the economic affairs secretary said Friday.
- Country's forex exchange reserves surged by USD 73.2 million to touch a life-time high of USD 365.82 billion in the week to August 12, helped by increase in foreign currency assets, the Reserve Bank said.
- The banking sector's non-performing assets (NPA) almost doubled to 8.5 percent in the first quarter of this fiscal, driven by surging bad assets of state-run lenders, sources said.
- India will save as much as Rs 20,000 crore as it has renegotiated a long-term gas import deal with Qatar, Prime Minister Narendra Modi said.

MACRO ECONOMIC SNAPSHOT AS ON 20/08/2016

| USA | Period | Current | Previous |
|-------------------------|-----------|---------|----------|
| GDP Annual Growth Rate | Quarterly | 1.20 | 1.60 |
| Inflation Rate | Monthly | ↓0.80 | 1.00 |
| Unemployment Rate | Monthly | 4.90 | 4.90 |
| Benchmark Interest Rate | Weekly | 0.50 | 0.50 |
| Govt. bond 10 year Rate | Weekly | ↑ 1.60 | 1.54 |

| Euro Area | Period | Current | Previous |
|-------------------------|-----------|---------|----------|
| GDP Annual Growth Rate | Quarterly | 1.60 | 1.70 |
| Inflation Rate | Monthly | 0.20 | 0.10 |
| Unemployment Rate | Monthly | 10.10 | 10.10 |
| Benchmark Interest Rate | Weekly | 0.00 | 0.00 |
| Govt. bond 10 year Rate | Weekly | ↑ -0.42 | -0.44 |

| China | Period | Current | Previous |
|-------------------------|-----------|---------|----------|
| GDP Annual Growth Rate | Quarterly | 6.70 | 6.70 |
| Inflation Rate | Monthly | 1.80 | 1.90 |
| Unemployment Rate | Monthly | 4.05 | 4.04 |
| Benchmark Interest Rate | Weekly | 4.35 | 4.35 |
| Govt. bond 10 year Rate | Weekly | ↑ 2.71 | 2.69 |

| Japan | Period | Current | Previous |
|-------------------------|-----------|---------|----------|
| GDP Annual Growth Rate | Quarterly | 0.10 | 0.70 |
| Inflation Rate | Monthly | -0.40 | -0.40 |
| Unemployment Rate | Monthly | 3.10 | 3.20 |
| Benchmark Interest Rate | Weekly | -0.10 | -0.10 |
| Govt. bond 10 year Rate | Weekly | ↑ -0.07 | -0.09 |

| UK | Period | Current | Previous |
|-------------------------|-----------|---------|----------|
| GDP Annual Growth Rate | Quarterly | 2.20 | 2.00 |
| Inflation Rate | Monthly | ↑0.60 | 0.50 |
| Unemployment Rate | Monthly | 4.90 | 4.90 |
| Benchmark Interest Rate | Weekly | 0.25 | 0.50 |
| Govt. bond 10 year Rate | Weekly | ↑ 0.62 | 0.53 |

| India | Period | Current | Previous |
|-------------------------|-----------|---------|----------|
| GDP Annual Growth Rate | Quarterly | 7.90 | 7.30 |
| Inflation Rate | Monthly | 6.07 | 5.77 |
| Unemployment Rate | Monthly | no data | |
| Benchmark Interest Rate | Weekly | 6.50 | 6.50 |
| Govt. bond 10 year Rate | Weekly | 7.10 | 7.10 |

| Brazil | Period | Current | Previous |
|-------------------------|-----------|---------|----------|
| GDP Annual Growth Rate | Quarterly | -5.40 | -5.90 |
| Inflation Rate | Monthly | 8.74 | 8.84 |
| Unemployment Rate | Monthly | 11.30 | 11.20 |
| Benchmark Interest Rate | Weekly | 14.25 | 14.25 |
| Govt. bond 10 year Rate | Weekly | ↓ 11.79 | 11.80 |

| Russia | Period | Current | Previous |
|-------------------------|-----------|---------|----------|
| GDP Annual Growth Rate | Quarterly | -0.60 | -1.20 |
| Inflation Rate | Monthly | 7.20 | 7.50 |
| Unemployment Rate | Monthly | ↓5.30 | 5.40 |
| Benchmark Interest Rate | Weekly | 10.50 | 10.50 |
| Govt. bond 10 year Rate | Weekly | ↓ 8.33 | 8.38 |

WORLD MARKETS - A SNAPSHOT

| | Name | Description | Week ended 20th Aug 2016 | % Change |
|-------------|-------------|----------------|-----------------------------|----------|
| STOCKS | Australia | Aus Ordinaries | 5625.37 | (0.02) |
| | Brazil | Bovespa | 59098.92 | 1.37 |
| | China | Shanghai | 3108.10 | 1.88 |
| | France | CAC | 4400.52 | (2.21) |
| | Germany | DAX | 10544.36 | (1.58) |
| | Hong Kong | HANGSENG | 22937.22 | 0.75 |
| | India | Sensex | 28077.00 | (0.27) |
| | Japan | Nikkei | 16545.82 | (2.21) |
| | UK | FTSE | 6858.95 | (0.83) |
| | USA | DJIA | 18552.57 | (0.13) |
| COMMODITIES | Copper | \$/Pound | 2.17 | 1.40 |
| | Crude | \$/Barrel | 49.11 | 10.38 |
| | Gold | \$/Troy Ounce | 1346.20 | 0.22 |
| | Natural Gas | \$/MMBtu | 2.58 | (0.39) |
| | Silver | \$/Troy Ounce | 19.32 | (1.93) |
| | Aluminium | \$/Tonne | 1669.00 | 1.09 |
| | Lead | \$/Tonne | 1889.00 | 2.83 |
| | Nickel | \$/Tonne | 10355.00 | 0.58 |
| | Zinc | \$/Tonne | 2295.00 | 2.59 |
| CURRENCIES | USD/GBP | | 1.30 | 0.78 |
| | USD/EUR | | 1.13 | 1.80 |
| | USD/AUD | | 0.76 | 0.00 |
| | JPY/USD | | 100.21 | (1.03) |
| | INR/USD | | 67.10 | 0.46 |
| | HKD/USD | | 7.75 | 0.00 |
| | BRL/USD | | 3.20 | 0.95 |
| | CNY/USD | | 6.65 | 0.30 |

WORLD MARKETS - TECHNICAL SNAPSHOT

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

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

INDIAN MARKETS - A SNAPSHOT

| | Name | Description | Week ended 20th Aug 2016 | % Change |
|----------------------|---------------|-------------|-----------------------------|----------|
| STOCKS | Nifty | Large Cap | 8666.90 | (0.06) |
| | Sensex | Large Cap | 28077.00 | (0.27) |
| | BSE Midcap | Mid Cap | 13035.17 | 2.21 |
| | BSE Smallcap | Small Cap | 12459.46 | 2.01 |
| Some Major Shares | ACC | Rs/share | 1691.20 | 2.34 |
| | Bharti Airtel | | 351.40 | 1.04 |
| | HDFC Ltd | | 1369.40 | (0.92) |
| | Infosys | | 1021.30 | (3.88) |
| | L&T | | 1494.35 | 0.16 |
| | Reliance Inds | | 1014.90 | (2.02) |
| | Tata Motors | | 510.00 | (1.32) |
| | Tata Steel | | 392.15 | 4.64 |
| COMMODITIES | Aluminium | INR/Kg | 111.40 | 1.13 |
| | Copper | INR/Kg | 322.15 | 1.59 |
| | Crude | INR/Barrel | 3247.00 | 9.29 |
| | Gold | INR/10gms | 31404.00 | 0.59 |
| | Lead | INR/Kg | 126.30 | 2.93 |
| | Natural Gas | INR/1mmBtu | 175.00 | 0.75 |
| | Nickel | INR/Kg | 694.20 | 0.80 |
| | Silver | INR/Kg | 45444.00 | (1.48) |
| | Zinc | INR/Kg | 153.90 | 2.84 |
| CURRENCIES | INR/EUR | | 76.03 | 1.78 |
| | INR/GBP | | 87.71 | 1.52 |
| | INR/100 JPY | | 66.93 | 1.36 |
| | INR/USD | | 67.10 | 0.46 |

INDIAN MARKETS - TECHNICAL SNAPSHOT

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

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

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