

ShroffConnect Weekly Report

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Current news

World economy

- U.S. economic growth was slightly more tepid than initially thought in the second quarter as businesses aggressively ran down inventories, offsetting a spurt in consumer spending.
- The number of regional Federal Reserve banks calling on the central bank to raise the rate it charges commercial banks for emergency loans rose to eight in July, minutes from the Fed's discount rate meeting released on Tuesday.
- Profits of China's major industrial firms rose 6.9 percent year on year in the first seven months of 2016, accelerating from the 6.2 percent rise registered in the first half, official data showed.
- Japanese manufacturing activity showed signs of steadying in August as output rose for the first time in six months, in a tentative sign that the economy may be recovering from a slump earlier this year, a survey showed.
- German business morale deteriorated sharply in August posting the steepest monthly drop since the height of the euro zone debt crisis in 2012, a survey showed on Thursday, in a sign that Brexit has weighed more heavily on sentiment among executives.

Indian economy

- After 92 years the Railway Budget will cease to exist -- instead, beginning next fiscal year, it will be presented along with the Union Budget.
- Keen on a wider debate on changing the financial year, government has sought public comments on the desirability of replacing the existing period in a bid to improve budgetary process and cash management.
- The country's foreign exchange reserves increased by a healthy USD 1.346 billion to touch a record high of USD 367.169 billion in the week to August 19 mainly due to a rise in foreign currency assets (FCAs).
- Smuggled gold could account for more than a third of demand this year in India - the world's second-biggest buyer of the metal after China - potentially costing the government over USD 1 billion in lost revenue.
- Market participants and analysts have hailed the Reserve Bank's measures announced to deepen the corporate bonds market, saying the move will go a long way in developing the nascent debt space.

MACRO ECONOMIC SNAPSHOT AS ON 27/08/2016

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	↑ 1.63	1.60

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	↑ -0.39	-0.42

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	↑ 2.79	2.71

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	-0.07

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	↓ 0.56	0.62

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	↑ 7.13	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	↑ 12.16	11.79

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	↓ 8.31	8.33

WORLD MARKETS - A SNAPSHOT

	Name	Description	Week ended 27th Aug 2016	% Change
STOCKS	Australia	Aus Ordinaries	5631.43	0.11
	Brazil	Bovespa	57716.25	(2.34)
	China	Shanghai	3070.31	(1.22)
	France	CAC	4441.87	0.94
	Germany	DAX	10587.77	0.41
	Hong Kong	HANGSENG	22909.54	(0.12)
	India	Sensex	27782.25	(1.05)
	Japan	Nikkei	16360.71	(1.12)
	UK	FTSE	6838.05	(0.30)
	USA	DJIA	18395.40	(0.85)
COMMODITIES	Copper	\$/Pound	2.08	(4.15)
	Crude	\$/Barrel	47.33	(3.62)
	Gold	\$/Troy Ounce	1324.60	(1.60)
	Natural Gas	\$/MMBtu	2.88	11.63
	Silver	\$/Troy Ounce	18.49	(4.30)
	Aluminium	\$/Tonne	1647.50	(1.29)
	Lead	\$/Tonne	1879.00	(0.53)
	Nickel	\$/Tonne	9825.00	(5.12)
	Zinc	\$/Tonne	2320.00	1.09
CURRENCIES	USD/GBP		1.31	0.77
	USD/EUR		1.11	(1.77)
	USD/AUD		0.75	(1.32)
	JPY/USD		101.81	1.60
	INR/USD		67.05	(0.07)
	HKD/USD		7.75	0.00
	BRL/USD		3.26	1.87
	CNY/USD		6.66	0.15

WORLD MARKETS - TECHNICAL SNAPSHOT

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

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

INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 27th Aug 2016	% Change
STOCKS	Nifty	Large Cap	8572.55	(1.09)
	Sensex	Large Cap	27782.25	(1.05)
	BSE Midcap	Mid Cap	13000.15	(0.27)
	BSE Smallcap	Small Cap	12487.12	0.22
Some Major Shares	ACC	Rs/share	1638.20	(3.13)
	Bharti Airtel		343.95	(2.12)
	HDFC Ltd		1366.35	(0.22)
	Infosys		1020.25	(0.10)
	L&T		1427.20	(4.49)
	Reliance Inds		1027.90	1.28
	Tata Motors		503.75	(1.23)
	Tata Steel		369.45	(5.79)
COMMODITIES	Aluminium	INR/Kg	109.55	(1.66)
	Copper	INR/Kg	307.95	(4.41)
	Crude	INR/Barrel	3194.00	(1.63)
	Gold	INR/10gms	30990.00	(1.32)
	Lead	INR/Kg	125.25	(0.83)
	Natural Gas	INR/1mmBtu	192.40	9.94
	Nickel	INR/Kg	656.80	(5.39)
	Silver	INR/Kg	43977.00	(3.23)
	Zinc	INR/Kg	155.75	1.20
CURRENCIES	INR/EUR		75.19	(1.10)
	INR/GBP		88.16	0.51
	INR/100 JPY		65.91	(1.52)
	INR/USD		67.05	(0.07)

INDIAN MARKETS - TECHNICAL SNAPSHOT

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

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

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