

ShroffConnect Weekly Report

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Current news

World economy

- U.S. employment growth likely moderated in August after two straight months of hefty gains, but was probably still strong enough to push the Federal Reserve to raise interest rates later this year.
- International Monetary Fund Managing Director Christine Lagarde said the institution will likely downgrade its 2016 global growth forecast again as economic prospects are dimmed by weak demand, flagging trade and investment and growing inequality.
- British manufacturing staged one of its sharpest rebounds on record in August, a post-Brexit surprise that could prompt the Bank of England to rethink the need to cut interest rates again if other surveys confirm the trend.
- Manufacturers across Asia and Europe showed few signs of returning to health in August, as demand remained fitful at best, although British factories bucked the global trend, surveys showed on Thursday.
- Activity in China's manufacturing sector unexpectedly expanded in August, though growth was modest, an official survey showed on Thursday.

Indian economy

- Indian factory activity expanded at its fastest pace since mid-2015 in August, helped by surging new orders, while only modest price increases should give the central bank scope to ease policy further, a survey showed.
- India's economic growth hit a 15-month low between April and June, putting Prime Minister Narendra Modi's target further out of reach and making it tougher for him to create millions of new jobs for a burgeoning workforce.
- After reaching a life-time high, country's foreign exchange reserves marginally declined by USD 392.6 million to USD 366.77 billion in the week to August 26 on account of fall in foreign currency assets, RBI said.
- India Inc pressed for keeping GST at a maximum 18 percent while e-commerce firms sought to be kept out of the new regime, as state finance ministers began consultations on deciding the rate for the unified nation-wide indirect tax.
- With banks turning stingy in passing on RBI's rate cuts to consumers, rate of home loans has fallen by only 0.26 percentage point since 2015, but corporates have managed to bring down their borrowing cost by 1.44 percentage point by tapping bond markets, as per the central bank.

MACRO ECONOMIC SNAPSHOT AS ON 03/09/2016

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	↓1.61	1.63

Euro Area	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.60	1.70
Inflation Rate	Monthly	0.20	0.20
Unemployment Rate	Monthly	10.10	10.10
Benchmark Interest Rate	Weekly	0.00	0.00
Govt. bond 10 year Rate	Weekly	↓-0.43	-0.39

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	↑ 2.80	2.79

Japan	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	0.10	0.70
Inflation Rate	Monthly	-0.40	-0.40
Unemployment Rate	Monthly	↓3.00	3.10
Benchmark Interest Rate	Weekly	-0.10	-0.10
Govt. bond 10 year Rate	Weekly	↑-0.02	-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	↑ 0.73	0.56

India	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	↓7.10	7.90
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	↓7.12	7.13

Brazil	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	↑-3.80	-5.40
Inflation Rate	Monthly	8.74	8.84
Unemployment Rate	Monthly	↑11.60	11.30
Benchmark Interest Rate	Weekly	14.25	14.25
Govt. bond 10 year Rate	Weekly	↓11.99	12.16

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	↓ 8.23	8.31

WORLD MARKETS - A SNAPSHOT

	Name	Description	Week ended 3rd Sep 2016	% Change
STOCKS	Australia	Aus Ordinaries	5470.57	(2.86)
	Brazil	Bovespa	59616.40	3.29
	China	Shanghai	3067.35	(0.10)
	France	CAC	4542.17	2.26
	Germany	DAX	10683.82	0.91
	Hong Kong	HANGSENG	23266.70	1.56
	India	Sensex	28532.11	2.70
	Japan	Nikkei	16925.68	3.45
	UK	FTSE	6894.60	0.83
	USA	DJIA	18491.96	0.52
COMMODITIES	Copper	\$/Pound	2.08	0.00
	Crude	\$/Barrel	44.44	(6.11)
	Gold	\$/Troy Ounce	1326.70	0.16
	Natural Gas	\$/MMBtu	2.79	(3.13)
	Silver	\$/Troy Ounce	19.37	4.76
	Aluminium	\$/Tonne	1594.00	(3.25)
	Lead	\$/Tonne	1944.00	3.46
	Nickel	\$/Tonne	10035.00	2.14
	Zinc	\$/Tonne	2363.50	1.88
CURRENCIES	USD/GBP		1.32	0.76
	USD/EUR		1.11	0.00
	USD/AUD		0.75	0.00
	JPY/USD		103.97	2.12
	INR/USD		66.82	(0.34)
	HKD/USD		7.75	0.00
	BRL/USD		3.25	(0.31)
	CNY/USD		6.67	0.15

WORLD MARKETS - TECHNICAL SNAPSHOT

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

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

INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 3rd Sep 2016	% Change
STOCKS	Nifty	Large Cap	8809.65	2.77
	Sensex	Large Cap	28532.11	2.70
	BSE Midcap	Mid Cap	13230.94	1.78
	BSE Smallcap	Small Cap	12644.06	1.26
Some Major Shares	ACC	Rs/share	1669.35	1.90
	Bharti Airtel		320.05	(6.95)
	HDFC Ltd		1439.15	5.33
	Infosys		1035.00	1.45
	L&T		1509.50	5.77
	Reliance Inds		1017.55	(1.01)
	Tata Motors		549.85	9.15
	Tata Steel		374.20	1.29
COMMODITIES	Aluminium	INR/Kg	105.95	(3.29)
	Copper	INR/Kg	310.70	0.89
	Crude	INR/Barrel	2975.00	(6.86)
	Gold	INR/10gms	30920.00	(0.23)
	Lead	INR/Kg	129.35	3.27
	Natural Gas	INR/1mmBtu	187.20	(2.70)
	Nickel	INR/Kg	669.30	1.90
	Silver	INR/Kg	44236.00	0.59
	Zinc	INR/Kg	157.55	1.16
CURRENCIES	INR/EUR		74.51	(0.90)
	INR/GBP		88.77	0.69
	INR/100 JPY		64.09	(2.76)
	INR/USD		66.82	(0.34)

INDIAN MARKETS - TECHNICAL SNAPSHOT

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

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

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