

ShroffConnect Weekly Report

10th September, 2016



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Current news

World economy

- U.S. services sector activity slowed to a 6-1/2-year low in August amid sharp drops in production and orders, pointing to slowing economic growth that further diminished prospects for an interest rate hike from the Federal Reserve this month.
- British manufacturing output fell in July at the fastest pace in a year, confirming earlier signs that factories took an immediate hit after the vote to leave the European Union, official data showed.
- European stocks fell and bond yields rose on Friday, driven by German trade figures that cast doubt on the strength of the euro zone's largest economy and lingering disappointment after the European Central Bank's policy meeting the previous day.
- German exports fell unexpectedly in July, posting their steepest drop in nearly a year, while imports also edged down, suggesting Europe's biggest economy started the third quarter on a weak footing after Britain's vote to leave the European Union.
- China's foreign exchange reserves fell to the lowest since 2011 in August as the central bank intervened to support the yuan currency as it weakened to near-six year lows.

Indian economy

- Bullish on future prospects for the country's aviation space, the government said it expects USD 6 billion investments in the airports sector and passenger numbers to see over 30 per cent growth in five years.
- Mutual fund industry's asset base rose to a fresh all-time high of Rs 15.6 trillion at the end of August, helped by strong inflows in income and equity segments.
- Lower food prices likely cooled India's inflation rate in August, a poll showed, but probably not by enough to give the central bank scope to ease monetary policy again anytime soon.
- India is expected to see net FDI inflows of USD 35 billion this financial year, which may fall short of the figure for 2015-16, says a report.
- According top priority to the implementation of GST, Finance Minister Arun Jaitley on Wednesday sounded confident on the tax rates coming down once the indirect taxation regime is put in place.
- The Cabinet's recent initiative to revive the construction sector will provide much-needed liquidity to developers by releasing the capital blocked in claims and also help them reduce debt and expedite execution, ratings agency Icra said.

MACRO ECONOMIC SNAPSHOT AS ON 10/09/2016

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	↑1.67	1.61

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	↓-0.44	-0.43

China	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	6.70	6.70
Inflation Rate	Monthly	↓1.30	1.80
Unemployment Rate	Monthly	4.05	4.04
Benchmark Interest Rate	Weekly	4.35	4.35
Govt. bond 10 year Rate	Weekly	↑ 2.83	2.80

Japan	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	↑0.80	0.20
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	-0.02

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	↑ 0.86	0.73

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	↓7.05	7.12

Brazil	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	-3.80	-5.40
Inflation Rate	Monthly	↑8.97	8.74
Unemployment Rate	Monthly	11.60	11.30
Benchmark Interest Rate	Weekly	14.25	14.25
Govt. bond 10 year Rate	Weekly	↑12.26	11.99

Russia	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	-0.60	-1.20
Inflation Rate	Monthly	↓6.90	7.20
Unemployment Rate	Monthly	5.30	5.40
Benchmark Interest Rate	Weekly	10.50	10.50
Govt. bond 10 year Rate	Weekly	↓ 7.94	8.23

WORLD MARKETS - A SNAPSHOT

	Name	Description	Week ended 10th Sep 2016	% Change
STOCKS	Australia	Aus Ordinaries	5440.45	(0.55)
	Brazil	Bovespa	57999.73	(2.71)
	China	Shanghai	3078.85	0.37
	France	CAC	4491.40	(1.12)
	Germany	DAX	10573.44	(1.03)
	Hong Kong	HANGSENG	24099.70	3.58
	India	Sensex	28979.25	1.57
	Japan	Nikkei	16965.76	0.24
	UK	FTSE	6776.95	(1.71)
	USA	DJIA	18085.45	(2.20)
COMMODITIES	Copper	\$/Pound	2.08	0.00
	Crude	\$/Barrel	45.71	2.86
	Gold	\$/Troy Ounce	1331.80	0.38
	Natural Gas	\$/MMBtu	2.80	0.36
	Silver	\$/Troy Ounce	19.13	(1.24)
	Aluminium	\$/Tonne	1575.50	(1.16)
	Lead	\$/Tonne	1897.50	(2.39)
	Nickel	\$/Tonne	10355.00	3.19
	Zinc	\$/Tonne	2292.00	(3.03)
CURRENCIES	USD/GBP		1.32	0.00
	USD/EUR		1.12	0.90
	USD/AUD		0.75	0.00
	JPY/USD		102.67	(1.25)
	INR/USD		66.87	0.07
	HKD/USD		7.75	0.00
	BRL/USD		3.27	0.62
	CNY/USD		6.66	(0.15)

WORLD MARKETS - TECHNICAL SNAPSHOT

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

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

INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 10th Sep 2016	% Change
STOCKS	Nifty	Large Cap	8866.70	0.65
	Sensex	Large Cap	28979.25	1.57
	BSE Midcap	Mid Cap	13345.32	0.86
	BSE Smallcap	Small Cap	12861.39	1.72
Some Major Shares	ACC	Rs/share	1653.35	(0.96)
	Bharti Airtel		322.10	0.64
	HDFC Ltd		1410.65	(1.98)
	Infosys		1035.50	0.05
	L&T		1517.70	0.54
	Reliance Inds		1044.55	2.65
	Tata Motors		573.25	4.26
	Tata Steel		394.60	5.45
COMMODITIES	Aluminium	INR/Kg	104.85	(1.04)
	Copper	INR/Kg	313.65	0.95
	Crude	INR/Barrel	3080.00	3.53
	Gold	INR/10gms	31217.00	0.96
	Lead	INR/Kg	126.60	(2.13)
	Natural Gas	INR/1mmBtu	188.30	0.59
	Nickel	INR/Kg	692.30	3.44
	Silver	INR/Kg	46194.00	4.43
	Zinc	INR/Kg	153.05	(2.86)
CURRENCIES	INR/EUR		74.98	0.63
	INR/GBP		88.60	(0.19)
	INR/100 JPY		65.00	1.42
	INR/USD		66.87	0.07

INDIAN MARKETS - TECHNICAL SNAPSHOT

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

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

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