

ShroffConnect Weekly Report

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Current news

World economy

- Global growth is likely to accelerate next year but the outlook is fraught with risks, particularly from big emerging market economies including China, and Britain's decision to leave the EU, the European Central Bank said on Thursday.
- Having weathered almost two years of volatility spurred by a fickle Federal Reserve, most long-term investors in Asia's emerging markets barely blinked this week as the Fed once again redrew the future path of U.S. interest rates.
- Japanese manufacturing activity expanded for the first time in seven months in September, in a tentative sign that economic growth could pick up pace.
- Long-term euro zone bond yields rose and curves steepened on Wednesday after the Bank of Japan set a long-term rate target and "curve controls" in a move seen as a shift away from money-printing.
- Sentiment at Asian companies edged up to its highest level in five quarters in July-September, boosted by signs that China's economy is stabilizing and as concerns about Britain's move to exit the European Union recede, a survey showed.

Indian economy

- Moving on fast track to roll out the new indirect tax regime from April 1, GST Council fixed annual turnover limit for exemption at Rs 20 lakh and resolved that all cesses will be subsumed in the GST.
- India's crude oil imports touched 7-year high in August as oil companies stepped up purchases to meet galloping domestic fuel demand.
- India's diesel exports are expected to hover near a three-year high in September, as monsoon rains reduce the need to use the fuel in irrigation pumps, according to traders and refinery sources.
- Ending 92-year-old tradition, the Cabinet decided to merge rail budget with the general budget and agreed in-principle to advance the date of its presentation in Parliament from the usual February end.
- India saw a record inflow of over USD 1.3 billion from listed foreign funds in August, primarily on account of strong capital infusion in passive funds, says a report.
- India's external debt stood at USD 485.6 billion at March-end 2016, increasing by USD 10.6 billion, or 2.2 percent, year-on-year due to rise in long-term debt, particularly NRI deposits.

MACRO ECONOMIC SNAPSHOT AS ON 24/09/2016

USA	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.20	1.60
Inflation Rate	Monthly	1.10	0.80
Unemployment Rate	Monthly	4.90	4.90
Benchmark Interest Rate	Weekly	0.50	0.50
Govt. bond 10 year Rate	Weekly	↓1.61	1.69

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	↓-0.45	-0.44

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	↓ 2.78	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	↓-0.06	-0.04

UK	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.20	2.00
Inflation Rate	Monthly	0.60	0.60
Unemployment Rate	Monthly	4.90	4.90
Benchmark Interest Rate	Weekly	0.25	0.25
Govt. bond 10 year Rate	Weekly	↓ 0.73	0.87

India	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	7.10	7.90
Inflation Rate	Monthly	5.05	6.07
Unemployment Rate	Monthly	no data	
Benchmark Interest Rate	Weekly	6.50	6.50
Govt. bond 10 year Rate	Weekly	↓6.80	6.87

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	↓11.87	12.21

Russia	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	-0.60	-1.20
Inflation Rate	Monthly	6.90	7.20
Unemployment Rate	Monthly	↓5.20	5.30
Benchmark Interest Rate	Weekly	10.00	10.50
Govt. bond 10 year Rate	Weekly	↑8.14	8.12

WORLD MARKETS - A SNAPSHOT

	Name	Description	Week ended 24th Sep 2016	% Change
STOCKS	Australia	Aus Ordinaries	5518.65	2.26
	Brazil	Bovespa	58697.00	2.83
	China	Shanghai	3033.90	1.03
	France	CAC	4488.69	3.61
	Germany	DAX	10626.97	3.41
	Hong Kong	HANGSENG	23686.48	1.50
	India	Sensex	28668.22	0.24
	Japan	Nikkei	16754.02	1.42
	UK	FTSE	6909.43	2.97
	USA	DJIA	18261.45	0.76
COMMODITIES	Copper	\$/Pound	2.20	2.33
	Crude	\$/Barrel	44.48	2.99
	Gold	\$/Troy Ounce	1341.70	2.17
	Natural Gas	\$/MMBtu	2.95	(0.34)
	Silver	\$/Troy Ounce	19.81	5.20
	Aluminium	\$/Tonne	1636.50	3.84
	Lead	\$/Tonne	1917.00	(0.90)
	Nickel	\$/Tonne	10640.00	9.41
	Zinc	\$/Tonne	2276.50	2.68
CURRENCIES	USD/GBP		1.30	0.00
	USD/EUR		1.12	0.90
	USD/AUD		0.76	2.70
	JPY/USD		100.98	(1.26)
	INR/USD		66.70	(0.54)
	HKD/USD		7.76	0.13
	BRL/USD		3.24	(0.61)
	CNY/USD		6.67	0.00

WORLD MARKETS - TECHNICAL SNAPSHOT

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

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

INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 24th Sep 2016	% Change
STOCKS	Nifty	Large Cap	8831.50	0.59
	Sensex	Large Cap	28668.22	0.24
	BSE Midcap	Mid Cap	13331.97	2.16
	BSE Smallcap	Small Cap	12958.90	1.52
Some Major Shares	ACC	Rs/share	1617.00	(0.57)
	Bharti Airtel		326.95	1.04
	HDFC Ltd		1425.10	1.99
	Infosys		1042.55	(1.66)
	L&T		1497.00	1.62
	Reliance Inds		1102.80	2.53
	Tata Motors		553.05	0.79
	Tata Steel		372.00	3.66
COMMODITIES	Aluminium	INR/Kg	108.70	3.38
	Copper	INR/Kg	327.80	1.16
	Crude	INR/Barrel	2978.00	3.22
	Gold	INR/10gms	31281.00	1.52
	Lead	INR/Kg	127.35	(1.85)
	Natural Gas	INR/1mmBtu	196.20	(0.91)
	Nickel	INR/Kg	706.30	8.39
	Silver	INR/Kg	46817.00	3.41
	Zinc	INR/Kg	151.45	2.06
CURRENCIES	INR/EUR		74.85	(0.04)
	INR/GBP		86.52	(0.72)
	INR/100 JPY		66.03	0.69
	INR/USD		66.70	(0.54)

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 ↑	IT Metal Power Realty Teck		
COMMODITIES	Zinc ↑		Gold Lead	Aluminium ↑ Natural Gas Nickel ↑ Silver	Copper Crude Oil	
CURRENCIES (against INR)			JPY USD	EUR	GBP	

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

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