

# *ShroffConnect* Weekly Report

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# Current news

## World economy

- The European Central Bank left ultra-loose monetary policy unchanged on Thursday but kept the door open to more stimulus in December, firmly shooting down any talk of tapering its 1.7 trillion euro asset-buying programme.
- U.S. home resales surged in September after two straight months of declines as first-time buyers stepped into the market, pointing to underlying momentum in the economy.
- The U.S. economy showed some signs of rising wage pressures in September and early October but overall compensation growth remained modest, the Federal Reserve said on Wednesday, a further sign of the cloudy outlook facing Fed policymakers as they mull a rise in interest rates.
- China's economy expanded at a steady 6.7 percent in the third quarter and looks set to hit Beijing's full-year target, fueled by stronger government spending, record bank lending and a red-hot property market that are adding to its growing pile of debt.
- A modest recovery in oil prices falls short of filling budgetary gaps in crude-exporting Gulf countries, the International Monetary Fund said, stressing the need to cut spending.

## Indian economy

- The proposed 4-tier GST structure may hit the common man as it is likely to result in higher taxes on various items including kitchen staples such as edible oils, spices and chicken.
- Wealthy investors continued to have faith in portfolio managers or advisory services as the assets under management of such entities surged to over Rs 11.5 lakh crore in the Indian capital market at September-end.
- India's overseas purchases of gold likely hit a nine-month high in October, as a flip in domestic prices to a premium prompted banks and refiners to resume imports ahead of the festival season.
- Acknowledging that India's manufacturing sector is in "trouble", Union Minister Anant Geete exhorted companies to counter the challenge posed by the growing Chinese clout by selling products at globally competitive prices.
- The government is working on a new steel policy in a bid to steer the over USD 100 billion industry out of the rut and ensure that the growth is evenly spread across all the related sectors.
- Government debt securities attracted bids worth Rs 9,458 crore from Foreign Portfolio Investors (FPIs) as against Rs 9,333 crore on offer in an online auction.

## MACRO ECONOMIC SNAPSHOT AS ON 22/10/2016

USA	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.30	1.60
Inflation Rate	Monthly	↑1.50	1.10
Unemployment Rate	Monthly	5.00	4.90
Benchmark Interest Rate	Weekly	0.50	0.50
Govt. bond 10 year Rate	Weekly	↑1.75	1.74

Euro Area	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.60	1.70
Inflation Rate	Monthly	0.40	0.20
Unemployment Rate	Monthly	10.10	10.10
Benchmark Interest Rate	Weekly	0.00	0.00
Govt. bond 10 year Rate	Weekly	-0.40	-0.40

China	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	6.70	6.70
Inflation Rate	Monthly	1.90	1.30
Unemployment Rate	Monthly	4.05	4.04
Benchmark Interest Rate	Weekly	4.35	4.35
Govt. bond 10 year Rate	Weekly	↓ 2.65	2.73

Japan	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	0.80	0.20
Inflation Rate	Monthly	-0.50	-0.40
Unemployment Rate	Monthly	3.10	3.00
Benchmark Interest Rate	Weekly	-0.10	-0.10
Govt. bond 10 year Rate	Weekly	-0.06	-0.06

UK	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.10	2.00
Inflation Rate	Monthly	↑1.00	0.60
Unemployment Rate	Monthly	4.90	4.90
Benchmark Interest Rate	Weekly	0.25	0.25
Govt. bond 10 year Rate	Weekly	↑ 1.09	1.02

India	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	7.10	7.90
Inflation Rate	Monthly	4.31	5.05
Unemployment Rate	Monthly	no data	
Benchmark Interest Rate	Weekly	6.25	6.50
Govt. bond 10 year Rate	Weekly	↑6.75	6.73

Brazil	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	-3.80	-5.40
Inflation Rate	Monthly	8.48	8.97
Unemployment Rate	Monthly	11.80	11.60
Benchmark Interest Rate	Weekly	↓14.00	14.25
Govt. bond 10 year Rate	Weekly	↓11.09	11.43

Russia	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	-0.60	-1.20
Inflation Rate	Monthly	6.40	6.90
Unemployment Rate	Monthly	5.20	5.20
Benchmark Interest Rate	Weekly	10.00	10.50
Govt. bond 10 year Rate	Weekly	↑8.42	8.38

## WORLD MARKETS - A SNAPSHOT

	Name	Description	Week ended 22nd Oct 2016	% Change
STOCKS	Australia	Aus Ordinaries	5513.85	(0.08)
	Brazil	Bovespa	64108.08	3.79
	China	Shanghai	3090.94	0.89
	France	CAC	4536.07	1.46
	Germany	DAX	10710.73	1.23
	Hong Kong	HANGSENG	23374.40	0.61
	India	Sensex	28077.18	1.46
	Japan	Nikkei	17184.59	1.95
	UK	FTSE	7020.47	0.10
	USA	DJIA	18145.71	0.04
COMMODITIES	Copper	\$/Pound	2.09	(0.95)
	Crude	\$/Barrel	50.85	0.99
	Gold	\$/Troy Ounce	1267.70	0.97
	Natural Gas	\$/MMBtu	2.99	(9.12)
	Silver	\$/Troy Ounce	17.49	0.29
	Aluminium	\$/Tonne	1626.50	(2.78)
	Lead	\$/Tonne	2003.00	(0.30)
	Nickel	\$/Tonne	9975.00	(4.82)
	Zinc	\$/Tonne	2257.00	(0.20)
CURRENCIES	USD/GBP		1.22	0.83
	USD/EUR		1.08	(0.92)
	USD/AUD		0.76	0.00
	JPY/USD		103.80	(0.31)
	INR/USD		66.90	0.36
	HKD/USD		7.76	0.13
	BRL/USD		3.15	(1.56)
	CNY/USD		6.76	0.60

## WORLD MARKETS - TECHNICAL SNAPSHOT

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

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

## INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 22nd Oct 2016	% Change
STOCKS	Nifty	Large Cap	8693.05	1.28
	Sensex	Large Cap	28077.18	1.46
	BSE Midcap	Mid Cap	13602.38	1.36
	BSE Smallcap	Small Cap	13432.21	1.94
Some Major Shares	ACC	Rs/share	1566.15	(4.52)
	Bharti Airtel		309.75	1.42
	HDFC Ltd		1336.55	1.56
	Infosys		1038.30	1.09
	L&T		1510.85	2.44
	Reliance Inds		1064.20	(1.25)
	Tata Motors		544.50	(2.09)
	Tata Steel		427.20	3.61
COMMODITIES	Aluminium	INR/Kg	108.65	(2.25)
	Copper	INR/Kg	310.95	(0.67)
	Crude	INR/Barrel	3402.00	1.89
	Gold	INR/10gms	29946.00	0.98
	Lead	INR/Kg	133.35	0.30
	Natural Gas	INR/1mmBtu	201.50	(7.70)
	Nickel	INR/Kg	666.60	(4.48)
	Silver	INR/Kg	41958.00	0.33
	Zinc	INR/Kg	150.75	0.17
CURRENCIES	INR/EUR		72.86	(0.44)
	INR/GBP		81.83	0.70
	INR/100 JPY		64.47	0.69
	INR/USD		66.90	0.36

## INDIAN MARKETS - TECHNICAL SNAPSHOT

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

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

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