

ShroffConnect Weekly Report

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Current news

World economy

- President Nicolas Maduro said on Friday Venezuela would issue higher denomination bills "very soon" as soaring inflation and a crumbling currency leave the crisis-stricken country's largest note worth just 2 U.S. cents on the black market.
- The U.S. unemployment rate fell to a nine-year low of 4.6 percent in November, as employers added another 178,000 jobs, making it almost certain that the Federal Reserve will raise interest rates later this month.
- Gold premiums in China held near three-year highs this week amid limited supply of the precious metal with traders saying Beijing was restricting imports, while prices in India swung to a discount as a severe cash crunch dampened appetite.
- U.S. factory activity accelerated to a five-month high in November amid a pickup in new orders and production, suggesting that the manufacturing sector was regaining its footing after a prolonged slump.
- British manufacturing growth cooled unexpectedly in November as factories grappled with soaring costs caused by sterling's slump after June's Brexit vote, even before this week's jump in oil prices.

Indian economy

- The Reserve Bank of India (RBI) is expected to cut interest rates next week and economists are set to chop growth and inflation forecasts after Prime Minister Narendra Modi's currency crackdown rattled the economy and severely hurt consumption.
- The Reserve Bank of India (RBI) will allow banks to use all their cash to meet the central bank's new cash reserve ratio requirements, not just a certain amount of the money, in a technical but important move that could provide relief to the country's banks.
- Indian factory activity decelerated sharply last month after Prime Minister's currency crackdown led to a rationing of cash and cooled domestic consumption, new orders and production.
- India's infrastructure output grew 6.6 percent year-on-year in October, its fastest pace in six months, mainly aided by a sharp jump in refinery production, government data showed on Wednesday.
- India's overseas purchases of gold could halve this month after jumping to the highest level in 11 months in November because retail demand has faltered due to the government's move to scrap high-value currency notes.

MACRO ECONOMIC SNAPSHOT AS ON 03/12/2016

USA	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.60	1.30
Inflation Rate	Monthly	1.60	1.50
Unemployment Rate	Monthly	↓4.60	4.90
Benchmark Interest Rate	Weekly	0.50	0.50
Govt. bond 10 year Rate	Weekly	↑2.35	2.32

Euro Area	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.60	1.60
Inflation Rate	Monthly	↑0.60	0.50
Unemployment Rate	Monthly	↓9.80	9.90
Benchmark Interest Rate	Weekly	0.00	0.00
Govt. bond 10 year Rate	Weekly	↓-0.40	-0.38

China	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	6.70	6.70
Inflation Rate	Monthly	2.10	1.90
Unemployment Rate	Monthly	4.04	4.05
Benchmark Interest Rate	Weekly	4.35	4.35
Govt. bond 10 year Rate	Weekly	↑ 3.05	2.87

Japan	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	0.90	0.60
Inflation Rate	Monthly	0.10	-0.50
Unemployment Rate	Monthly	3.00	3.00
Benchmark Interest Rate	Weekly	-0.10	-0.10
Govt. bond 10 year Rate	Weekly	↑0.04	0.02

UK	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.30	2.10
Inflation Rate	Monthly	0.90	1.00
Unemployment Rate	Monthly	4.80	4.90
Benchmark Interest Rate	Weekly	0.25	0.25
Govt. bond 10 year Rate	Weekly	↓1.38	1.42

India	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	↑7.30	7.10
Inflation Rate	Monthly	4.20	4.39
Unemployment Rate	Monthly	no data	
Benchmark Interest Rate	Weekly	6.25	6.25
Govt. bond 10 year Rate	Weekly	↑6.24	6.23

Brazil	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	↑-2.90	-3.60
Inflation Rate	Monthly	7.87	8.48
Unemployment Rate	Monthly	11.80	11.80
Benchmark Interest Rate	Weekly	↓13.75	14.00
Govt. bond 10 year Rate	Weekly	↑12.35	12.14

Russia	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	-0.40	-0.60
Inflation Rate	Monthly	6.10	6.40
Unemployment Rate	Monthly	5.40	5.20
Benchmark Interest Rate	Weekly	10.00	10.00
Govt. bond 10 year Rate	Weekly	↓8.77	8.87

WORLD MARKETS - A SNAPSHOT

	Name	Description	Week ended 3rd Dec 2016	% Change
STOCKS	Australia	Aus Ordinaries	5502.63	(1.22)
	Brazil	Bovespa	60316.13	(2.02)
	China	Shanghai	3243.84	(0.55)
	France	CAC	4528.82	(0.47)
	Germany	DAX	10513.35	(1.74)
	Hong Kong	HANGSENG	22564.82	(0.70)
	India	Sensex	26230.66	(0.33)
	Japan	Nikkei	18426.08	0.24
	UK	FTSE	6730.72	(1.61)
	USA	DJIA	19170.42	0.10
COMMODITIES	Copper	\$/Pound	2.63	(1.50)
	Crude	\$/Barrel	51.68	12.20
	Gold	\$/Troy Ounce	1177.8	(0.05)
	Natural Gas	\$/MMBtu	3.44	7.50
	Silver	\$/Troy Ounce	16.83	2.19
	Aluminium	\$/Tonne	1718	(2.72)
	Lead	\$/Tonne	2266	(6.75)
	Nickel	\$/Tonne	11480	(1.80)
	Zinc	\$/Tonne	2660	(7.64)
CURRENCIES	USD/GBP		1.27	1.60
	USD/EUR		1.07	0.94
	USD/AUD		0.75	1.35
	JPY/USD		113.54	0.42
	INR/USD		68.02	(0.72)
	HKD/USD		7.76	0.00
	BRL/USD		3.47	1.46
	CNY/USD		6.88	(0.58)

WORLD MARKETS - TECHNICAL SNAPSHOT

		Very Bullish	Bullish	Neutral	Bearish	Very Bearish
STOCKS						
	Japan					
	USA					
	Australia					
	France					
COMMODITIES	UK					
CURRENCIES (against USD)						

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

INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 3rd Dec 2016	% Change
STOCKS	Nifty	Large Cap	8086.80	(0.34)
	Sensex	Large Cap	26230.66	(0.33)
	BSE Midcap	Mid Cap	12199.18	0.13
	BSE Smallcap	Small Cap	12083.20	0.46
Some Major Shares	ACC	Rs/share	1325.70	1.24
	Bharti Airtel		318.60	5.85
	HDFC Ltd		1236.80	(0.58)
	Infosys		964.50	(1.33)
	L&T		1361.85	(0.65)
	Reliance Inds		994.75	0.11
	Tata Motors		432.90	(4.30)
	Tata Steel		406.40	(0.57)
COMMODITIES	Aluminium	INR/Kg	116.85	(3.11)
	Copper	INR/Kg	396.70	(1.75)
	Crude	INR/Barrel	3500.00	9.44
	Gold	INR/10gms	28427.00	(0.60)
	Lead	INR/Kg	153.50	(7.03)
	Natural Gas	INR/1mmBtu	233.70	10.65
	Nickel	INR/Kg	781.50	(2.24)
	Silver	INR/Kg	40327.00	(0.42)
	Zinc	INR/Kg	180.30	(8.50)
CURRENCIES	INR/EUR		72.58	0.10
	INR/GBP		86.51	1.23
	INR/100 JPY		59.87	(1.16)
	INR/USD		68.02	(0.72)

INDIAN MARKETS - TECHNICAL SNAPSHOT

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

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

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