

# *ShroffConnect* Weekly Report

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# Current news

## World economy

- U.S. employers likely maintained a solid pace of hiring in December while raising wages, putting the economy on a path to stronger growth and further interest rate increases from the Federal Reserve this year.
- Euro zone government bond yields were set to end the first trading week of the year with their biggest weekly rise in at least a month, a sign that a pick-up in inflation is starting to unnerve bond investors.
- British consumer borrowing increased by the biggest amount in more than 11 years in November, boosting the unexpectedly robust post-Brexit vote economy in what could prove to be a big spending spree ahead of an expected rise in prices.
- Growth in China's services sector accelerated to a 17-month high in December, a private survey showed, adding to views that the world's second-largest is entering the new year with stronger momentum.
- Germany's services remained in good health in December although growth slowed slightly, a survey showed on Wednesday, another sign that the private sector will have contributed to an expansion in the fourth quarter of 2016.

## Indian economy

- India expects growth of around 7 percent in the first half of the next fiscal year, two officials said, painting a rosier picture for the economy than many economists after Prime Minister Narendra Modi's shock move to abolish large banknotes.
- Investors continued to pull out money from gold exchange-traded funds (ETFs) in 2016 and withdrew Rs 942 crore, making it the fourth consecutive year of outflow from such products.
- The purchasing sentiment of Indians during December fell steeply by 0.42 points due to demonetisation with the Buying Propensity Index (BPI) standing at 0.26 points, a nine-month low, according to TRA Research.
- Reserve Bank is unlikely to cut repo rate in the February review meeting due to the prevailing global uncertainties and its stance may continue to be accommodative next year as inflation is expected to remain benign, according to a report.
- Net profit of listed private sector companies recorded a robust growth of 16 percent in the second quarter of the fiscal compared to 11.2 percent in the previous quarter, the Reserve Bank said today.

## MACRO ECONOMIC SNAPSHOT AS ON 07/01/2017

USA	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.70	1.30
Inflation Rate	Monthly	1.70	1.60
Unemployment Rate	Monthly	↑4.70	4.60
Benchmark Interest Rate	Weekly	0.75	0.50
Govt. bond 10 year Rate	Weekly	↓2.42	2.44

Euro Area	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.70	1.70
Inflation Rate	Monthly	↑1.10	0.60
Unemployment Rate	Monthly	9.80	9.90
Benchmark Interest Rate	Weekly	0.00	0.00
Govt. bond 10 year Rate	Weekly	↑-0.47	-0.48

China	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	6.70	6.70
Inflation Rate	Monthly	2.30	2.10
Unemployment Rate	Monthly	4.04	4.05
Benchmark Interest Rate	Weekly	4.35	4.35
Govt. bond 10 year Rate	Weekly	↑3.25	3.01

Japan	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.10	0.90
Inflation Rate	Monthly	0.50	0.10
Unemployment Rate	Monthly	3.10	3.00
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	1.20	0.90
Unemployment Rate	Monthly	4.80	4.80
Benchmark Interest Rate	Weekly	0.25	0.25
Govt. bond 10 year Rate	Weekly	↑1.38	1.24

India	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	7.30	7.10
Inflation Rate	Monthly	3.63	4.20
Unemployment Rate	Monthly	no data	
Benchmark Interest Rate	Weekly	6.25	6.25
Govt. bond 10 year Rate	Weekly	↓6.39	6.52

Brazil	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	-2.90	-3.60
Inflation Rate	Monthly	6.99	7.87
Unemployment Rate	Monthly	11.90	11.80
Benchmark Interest Rate	Weekly	13.75	14.00
Govt. bond 10 year Rate	Weekly	↓11.37	11.40

Russia	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	-0.40	-0.60
Inflation Rate	Monthly	5.40	5.80
Unemployment Rate	Monthly	5.40	5.40
Benchmark Interest Rate	Weekly	10.00	10.00
Govt. bond 10 year Rate	Weekly	8.38	8.38

## WORLD MARKETS - A SNAPSHOT

	Name	Description	Week ended 7th Jan 2017	% Change
STOCKS	Australia	Aus Ordinaries	5808.98	1.57
	Brazil	Bovespa	61665.37	2.39
	China	Shanghai	3154.32	1.63
	France	CAC	4909.84	0.98
	Germany	DAX	11599.01	1.03
	Hong Kong	HANGSENG	22503.01	2.28
	India	Sensex	26759.23	0.50
	Japan	Nikkei	19454.33	1.78
	UK	FTSE	7210.05	0.94
	USA	DJIA	19963.80	1.02
COMMODITIES	Copper	\$/Pound	2.54	1.20
	Crude	\$/Barrel	53.70	(0.04)
	Gold	\$/Troy Ounce	1172.90	1.84
	Natural Gas	\$/MMBtu	3.26	(12.37)
	Silver	\$/Troy Ounce	16.51	3.25
	Aluminium	\$/Tonne	1718.00	1.78
	Lead	\$/Tonne	2069.50	2.73
	Nickel	\$/Tonne	10295.00	2.39
	Zinc	\$/Tonne	2625.00	2.22
CURRENCIES	USD/GBP		1.22	(0.81)
	USD/EUR		1.05	0.00
	USD/AUD		0.73	1.39
	JPY/USD		117.00	0.11
	INR/USD		68.08	0.21
	HKD/USD		7.75	0.00
	BRL/USD		3.22	(0.92)
	CNY/USD		6.92	(0.29)

## WORLD MARKETS - TECHNICAL SNAPSHOT

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

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

## INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 7th Jan 2017	% Change
STOCKS	Nifty	Large Cap	8243.80	0.71
	Sensex	Large Cap	26759.23	0.50
	BSE Midcap	Mid Cap	12321.72	2.41
	BSE Smallcap	Small Cap	12440.33	3.27
Some Major Shares	ACC	Rs/share	1333.90	0.21
	Bharti Airtel		319.75	4.61
	HDFC Ltd		1222.35	(3.19)
	Infosys		972.25	(3.79)
	L&T		1390.95	3.10
	Reliance Inds		1074.95	(0.69)
	Tata Motors		497.75	5.46
	Tata Steel		419.55	7.23
COMMODITIES	Aluminium	INR/Kg	116.65	0.21
	Copper	INR/Kg	383.55	1.79
	Crude	INR/Barrel	3682.00	0.88
	Gold	INR/10gms	27887.00	1.61
	Lead	INR/Kg	140.60	4.30
	Natural Gas	INR/1mmBtu	224.30	(10.99)
	Nickel	INR/Kg	700.50	3.00
	Silver	INR/Kg	40342.00	3.31
	Zinc	INR/Kg	178.05	2.24
CURRENCIES	INR/EUR		71.73	0.42
	INR/GBP		83.63	(0.23)
	INR/100 JPY		58.18	0.12
	INR/USD		68.08	0.21

## INDIAN MARKETS - TECHNICAL SNAPSHOT



### INDICES

Mid Cap  
Nifty ↑  
Sensex ↑  
Small Cap

### SECTORS

Oil & Gas

Auto  
Bankex  
Cons Durable ↑  
FMCG

Cap Goods  
Healthcare  
IT  
Metal  
Power  
Realty ↑  
Teck

### COMMODITIES

Zinc ↑

Aluminium  
Copper

Crude Oil  
Lead  
Natural Gas ↓  
Nickel ↑

Gold  
Silver ↑

### CURRENCIES (against INR)

USD ↑

EUR  
GBP ↓  
JPY

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

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