

ShroffConnect Weekly Report

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Current news

World economy

- Japan's economy still needs support from ultra-loose monetary policy despite budding signs of recovery, a senior IMF official said, stressing that it was premature for the central bank to consider withdrawing stimulus any time soon.
- U.S. job growth rebounded sharply in April and the unemployment rate dropped to 4.4 percent, near a 10-year low, pointing to a tightening labour market that likely seals the case for an interest rate increase next month despite moderate wage growth.
- Euro zone manufacturers began the second quarter at a blistering pace, increasing activity at the fastest rate for six years as demand remained strong despite rising prices.
- Factories across much of Asia got off to a solid start in the second quarter, buoyed by strong global demand, particularly for hi-tech gadgets which are leading a sizzling rally in electronics.
- Gold prices tumbled to six-week lows on Thursday, under pressure from a strengthening dollar on expectations of further U.S. rate rises this year and receding political uncertainty in Europe.

Indian economy

- India on Friday tweaked its laws to help tackle a record \$150 billion in troubled bank debts, giving the Reserve Bank of India (RBI) greater power to identify and enforce resolution on specific soured loans.
- Growth in India's dominant services industry came close to stalling in April as new orders slowed to a trickle, forcing companies to spend more on aggressive advertising campaigns as they fought for business, a survey showed.
- Indian manufacturing activity expanded for a fourth consecutive month in April, helped by stronger growth in new orders although rises in output and employment slowed, a business survey showed on Tuesday.
- The government on Friday gave wide-ranging legislative powers to the Reserve Bank to issue directions to lenders to initiate insolvency proceedings for the recovery of bad loans.
- A UN commission has said that India's growth rate is expected to reach 7.5 % in 2018, but warned that if the US policies take a very severe protectionist turn and the trend spreads, growth could be affected by as much as 1.2 % in the coming years.

MACRO ECONOMIC SNAPSHOT AS ON 06/05/2017

USA	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.00	1.70
Inflation Rate	Monthly	2.40	2.70
Unemployment Rate	Monthly	↓4.40	4.50
Benchmark Interest Rate	Weekly	1.00	1.00
Govt. bond 10 year Rate	Weekly	↑2.36	2.28

Euro Area	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.70	1.80
Inflation Rate	Monthly	1.90	1.50
Unemployment Rate	Monthly	9.50	9.50
Benchmark Interest Rate	Weekly	0.00	0.00
Govt. bond 10 year Rate	Weekly	↑-0.44	-0.45

China	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	6.90	6.80
Inflation Rate	Monthly	0.90	0.80
Unemployment Rate	Monthly	3.97	4.02
Benchmark Interest Rate	Weekly	4.35	4.35
Govt. bond 10 year Rate	Weekly	↑3.61	3.49

Japan	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.60	1.10
Inflation Rate	Monthly	0.20	0.30
Unemployment Rate	Monthly	2.80	2.80
Benchmark Interest Rate	Weekly	-0.10	-0.10
Govt. bond 10 year Rate	Weekly	↑0.03	0.02

UK	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.10	1.90
Inflation Rate	Monthly	2.30	2.30
Unemployment Rate	Monthly	4.70	4.70
Benchmark Interest Rate	Weekly	0.25	0.25
Govt. bond 10 year Rate	Weekly	↑1.12	1.08

India	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	7.00	7.40
Inflation Rate	Monthly	3.81	3.65
Unemployment Rate	Monthly	no data	
Benchmark Interest Rate	Weekly	6.25	6.25
Govt. bond 10 year Rate	Weekly	↓6.94	6.96

Brazil	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	-2.50	-2.90
Inflation Rate	Monthly	4.57	4.76
Unemployment Rate	Monthly	13.70	13.20
Benchmark Interest Rate	Weekly	11.25	12.25
Govt. bond 10 year Rate	Weekly	↓10.19	10.30

Russia	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	0.30	-0.40
Inflation Rate	Monthly	↓4.10	4.30
Unemployment Rate	Monthly	5.40	5.60
Benchmark Interest Rate	Weekly	9.25	9.75
Govt. bond 10 year Rate	Weekly	↑7.73	7.61

WORLD MARKETS - A SNAPSHOT

	Name	Description	Week ended 6th May 2017	% Change
STOCKS	Australia	Aus Ordinaries	5863.81	(1.41)
	Brazil	Bovespa	65709.73	0.47
	China	Shanghai	3103.04	(1.64)
	France	CAC	5432.40	3.13
	Germany	DAX	12716.89	2.24
	Hong Kong	HANGSENG	24476.35	(0.56)
	India	Sensex	29858.80	(0.20)
	Japan	Nikkei	19445.70	1.30
	UK	FTSE	7297.43	1.30
	USA	DJIA	21006.94	0.32
COMMODITIES	Copper	\$/Pound	2.53	(3.07)
	Crude	\$/Barrel	46.22	(6.30)
	Gold	\$/Troy Ounce	1226.90	(3.26)
	Natural Gas	\$/MMBtu	3.27	(0.30)
	Silver	\$/Troy Ounce	16.27	(5.74)
	Aluminium	\$/Tonne	1903.00	(0.44)
	Lead	\$/Tonne	2181.00	(3.02)
	Nickel	\$/Tonne	9140.00	(3.28)
	Zinc	\$/Tonne	2582.00	(1.56)
CURRENCIES	USD/GBP		1.30	0.78
	USD/EUR		1.10	0.92
	USD/AUD		0.74	(1.33)
	JPY/USD		112.71	(1.06)
	INR/USD		64.30	(0.05)
	HKD/USD		7.78	0.00
	BRL/USD		3.18	0.00
	CNY/USD		6.90	(0.15)

WORLD MARKETS - TECHNICAL SNAPSHOT

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

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

INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 6th May 2017	% Change
STOCKS	Nifty	Large Cap	9285.30	(0.20)
	Sensex	Large Cap	29858.80	(0.20)
	BSE Midcap	Mid Cap	14718.48	(0.54)
	BSE Smallcap	Small Cap	15355.84	(0.11)
Some Major Shares	ACC	Rs/share	1660.15	2.07
	Bharti Airtel		344.75	(3.02)
	HDFC Ltd		1546.85	0.63
	Infosys		931.50	1.37
	L&T		1724.40	(1.45)
	Reliance Inds		1328.25	(4.80)
	Tata Motors		419.60	(8.56)
	Tata Steel		433.60	(3.48)
COMMODITIES	Aluminium	INR/Kg	122.05	(1.49)
	Copper	INR/Kg	361.45	(1.67)
	Crude	INR/Barrel	2969.00	(6.46)
	Gold	INR/10gms	28072.00	(2.77)
	Lead	INR/Kg	140.45	(4.03)
	Natural Gas	INR/1mmBtu	210.20	(0.90)
	Nickel	INR/Kg	589.70	(3.15)
	Silver	INR/Kg	38305.00	(3.03)
	Zinc	INR/Kg	166.70	(1.62)
CURRENCIES	INR/EUR		70.70	(0.97)
	INR/GBP		83.46	(0.31)
	INR/100 JPY		57.03	1.01
	INR/USD		64.30	(0.05)

INDIAN MARKETS - TECHNICAL SNAPSHOT

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

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

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