

ShroffConnect Weekly Report

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Current news

World economy

- U.S. manufacturing production recorded its biggest increase in more than three years in April, bolstering the view that economic growth picked up early in the second quarter despite a surprise decline in homebuilding.
- Singapore's economy likely performed better than initially expected in the first quarter thanks to a surge in factory output, although the outlook is clouded by slowing exports to China, according to survey.
- Germany's foreign minister voiced support for the North American Free Trade Agreement (NAFTA) during a visit to Mexico on Friday, giving a diplomatic boost to the country ahead of its renegotiation of the accord with the Trump administration.
- European Central Bank policymakers are preparing to dial back their extraordinary stimulus measures if the economy continues to improve, but that course of action is not yet certain, comments by three ECB rate setters and accounts of the latest meeting showed on Thursday.
- Gold rose to a two-week high on Wednesday as political turmoil in the United States reduced expectations of aggressive interest rate rises this year, pushed down U.S. bond yields and drove the dollar to its lowest in six months.

Indian economy

- The all-powerful GST Council on Friday finalised tax rates for services under the Goods and Service Tax (GST) regime which is scheduled to be rolled out from July 1.
- Thermal power tariffs are likely to come down due to lower tax rate on coal under the Good and Service Tax regime.
- After a six-year wait, private investment growth rates seems to have bottomed out in 2016 but the pace of its revival is expected to be gradual over the next few years, says a report.
- India approved a new coal linkage policy to ensure all power projects get adequate supply through a bid process or power purchase agreements, to help debt-laden generators which have had to import coal despite adequate domestic stockpiles.
- After touching a record high, the country's forex reserves declined marginally by USD 443.6 million to USD 375.27 billion in the week to May 12, due to fall in foreign currency assets, the Reserve Bank said.
- India's cabinet approved plans to build 10 nuclear reactors with a combined capacity of 7,000 megawatts (MW), more than the country's entire current capacity, to try fast-track its domestic nuclear power programme.

MACRO ECONOMIC SNAPSHOT AS ON 20/05/2017

USA	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.00	1.70
Inflation Rate	Monthly	2.20	2.40
Unemployment Rate	Monthly	4.40	4.50
Benchmark Interest Rate	Weekly	1.00	1.00
Govt. bond 10 year Rate	Weekly	↓2.25	2.32

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	↑-0.42	-0.47

China	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	6.90	6.80
Inflation Rate	Monthly	1.20	0.90
Unemployment Rate	Monthly	3.97	4.02
Benchmark Interest Rate	Weekly	4.35	4.35
Govt. bond 10 year Rate	Weekly	↓3.63	3.64

Japan	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.60	1.70
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	0.04	0.04

UK	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.10	1.90
Inflation Rate	Monthly	↑2.70	2.30
Unemployment Rate	Monthly	↓4.60	4.70
Benchmark Interest Rate	Weekly	0.25	0.25
Govt. bond 10 year Rate	Weekly	1.09	1.09

India	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	7.00	7.40
Inflation Rate	Monthly	2.99	3.81
Unemployment Rate	Monthly	no data	
Benchmark Interest Rate	Weekly	6.25	6.25
Govt. bond 10 year Rate	Weekly	↓6.71	6.91

Brazil	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	-2.50	-2.90
Inflation Rate	Monthly	4.08	4.57
Unemployment Rate	Monthly	13.70	13.20
Benchmark Interest Rate	Weekly	11.25	12.25
Govt. bond 10 year Rate	Weekly	↑11.49	10.07

Russia	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	↑0.50	0.30
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	↓7.50	7.59

WORLD MARKETS - A SNAPSHOT

	Name	Description	Week ended 20th May 2017	% Change
STOCKS	Australia	Aus Ordinaries	5768.95	(1.74)
	Brazil	Bovespa	62639.31	(8.18)
	China	Shanghai	3090.63	0.23
	France	CAC	5324.4	(1.50)
	Germany	DAX	12638.69	(1.03)
	Hong Kong	HANGSENG	25174.87	0.07
	India	Sensex	30464.92	0.92
	Japan	Nikkei	19590.76	(1.47)
	UK	FTSE	7470.71	0.48
	USA	DJIA	20804.84	(0.44)
COMMODITIES	Copper	\$/Pound	2.58	2.38
	Crude	\$/Barrel	50.33	5.20
	Gold	\$/Troy Ounce	1253.6	2.11
	Natural Gas	\$/MMBtu	3.26	(4.68)
	Silver	\$/Troy Ounce	16.8	2.44
	Aluminium	\$/Tonne	1943.5	2.78
	Lead	\$/Tonne	2094	(1.51)
	Nickel	\$/Tonne	9360	0.48
	Zinc	\$/Tonne	2616	2.43
CURRENCIES	USD/GBP		1.3	0.78
	USD/EUR		1.12	2.75
	USD/AUD		0.74	0.00
	JPY/USD		111.16	1.91
	INR/USD		64.52	(0.44)
	HKD/USD		7.78	0.13
	BRL/USD		3.25	(4.17)
	CNY/USD		6.88	0.29

WORLD MARKETS - TECHNICAL SNAPSHOT

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

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

INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 20th May 2017	% Change
STOCKS	Nifty	Large Cap	9427.9	0.29
	Sensex	Large Cap	30464.92	0.92
	BSE Midcap	Mid Cap	14644	(1.42)
	BSE Smallcap	Small Cap	15227.07	(1.94)
Some Major Shares	ACC	Rs/share	1675.4	(0.26)
	Bharti Airtel		372.75	2.10
	HDFC Ltd		1520.6	(1.88)
	Infosys		957.95	(0.65)
	L&T		1724.55	(0.92)
	Reliance Inds		1318.85	(2.34)
	Tata Motors		443.35	2.90
	Tata Steel		489.5	12.09
COMMODITIES	Aluminium	INR/Kg	125.35	3.42
	Copper	INR/Kg	369.55	2.71
	Crude	INR/Barrel	3271	6.69
	Gold	INR/10gms	28635	2.25
	Lead	INR/Kg	135.7	(0.44)
	Natural Gas	INR/1mmBtu	210.6	(4.14)
	Nickel	INR/Kg	602.5	0.55
	Silver	INR/Kg	39111	2.51
	Zinc	INR/Kg	169.8	3.79
CURRENCIES	INR/EUR		72.37	(3.09)
	INR/GBP		84.1	(1.57)
	INR/100 JPY		58.06	(2.45)
	INR/USD		64.52	(0.44)

INDIAN MARKETS - TECHNICAL SNAPSHOT

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

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

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