

# *ShroffConnect* Weekly Report

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**Aditya Shroff**

Stock Broking Services

**Shroff Securities Pvt. Ltd.**

Portfolio Management Services

Kolkata: 033 40662165/22627829

Bangalore: 080 25588305/25588306

Email: [contact@shroffsecurities.com](mailto:contact@shroffsecurities.com)

Web: [www.shroffsecurities.com](http://www.shroffsecurities.com)

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# Current news

## World economy

- The Chinese yuan and Indian rupee are expected to shed some of this year's gains and weaken slightly against the dollar over the coming 12 months if the U.S. Federal Reserve raises interest rates further as expected, a Reuters poll showed.
- Factories across much of Asia ran into a soft patch in May as export demand slowed but those in Europe enjoyed buoyant growth amid signs of steady improvement in the global economy.
- U.S. factory activity ticked up in May after slowing for two straight months and private employers stepped up hiring, suggesting the economy is regaining speed after struggling at the start of the year.
- Euro zone inflation eased by more than expected in May, reflecting dips in Germany and Spain among others and supporting European Central Bank policymakers wanting only slow adjustments to rates and monetary stimulus.
- China's industrial engine cranked up again in May, reassuring investors worried about slowing growth in the world's second-biggest economy as it grappled with debt risks and tried to shake off a stinging ratings downgrade from Moody's Investors Service.

## Indian economy

- India's economy is expected to recover in the current quarter as the pain stemming from Prime Minister Narendra Modi's cash clampdown late last year has ended, a top policy adviser of the government said on Friday.
- Indian factory growth cooled in May as new orders expanded at a more modest pace, but manufacturers were able to raise prices slightly, according to a survey.
- The Reserve Bank of India is likely to keep interest rates unchanged at a review on June 7, but with inflation well below target its policy statement is likely to sound less hawkish than when the monetary policy committee last met, a poll showed.
- After years of decline, Indian exports to China rose sharply in the first four months of this year registering a 20 percent increase to USD 5.57 billion, though the trade deficit continued to persist.
- India's diesel demand is expected to rise to record levels again this year as a slew of infrastructure projects boosts use of the transport and industrial fuel, although a government-induced cash shortage will hold growth to its slowest in three years.

## MACRO ECONOMIC SNAPSHOT AS ON 03/06/2017

USA	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.00	2.00
Inflation Rate	Monthly	2.20	2.40
Unemployment Rate	Monthly	↓4.30	4.40
Benchmark Interest Rate	Weekly	1.00	1.00
Govt. bond 10 year Rate	Weekly	↓2.16	2.25

Euro Area	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.70	1.80
Inflation Rate	Monthly	↓1.40	1.90
Unemployment Rate	Monthly	↓9.30	9.40
Benchmark Interest Rate	Weekly	0.00	0.00
Govt. bond 10 year Rate	Weekly	↓-0.45	-0.44

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	↓3.66	3.67

Japan	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.60	1.70
Inflation Rate	Monthly	0.40	0.20
Unemployment Rate	Monthly	2.80	2.80
Benchmark Interest Rate	Weekly	-0.10	-0.10
Govt. bond 10 year Rate	Weekly	↑0.05	0.04

UK	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.00	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	↑1.04	1.01

India	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	↓6.10	7.00
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	↓6.63	6.65

Brazil	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	↑-0.40	-2.50
Inflation Rate	Monthly	4.08	4.57
Unemployment Rate	Monthly	↓13.60	13.70
Benchmark Interest Rate	Weekly	11.25	12.25
Govt. bond 10 year Rate	Weekly	↓10.84	10.90

Russia	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	0.50	0.30
Inflation Rate	Monthly	4.10	4.30
Unemployment Rate	Monthly	5.30	5.40
Benchmark Interest Rate	Weekly	9.25	9.75
Govt. bond 10 year Rate	Weekly	↓7.57	7.62

## WORLD MARKETS - A SNAPSHOT

	Name	Description	Week ended 3rd June 2017	% Change
STOCKS	Australia	Aus Ordinaries	5821.11	0.50
	Brazil	Bovespa	62510.70	(2.46)
	China	Shanghai	3105.54	(0.15)
	France	CAC	5343.41	0.13
	Germany	DAX	12822.94	1.75
	Hong Kong	HANGSENG	25924.05	1.11
	India	Sensex	31273.29	0.79
	Japan	Nikkei	20177.28	2.49
	UK	FTSE	7547.63	0.00
	USA	DJIA	21206.29	0.60
COMMODITIES	Copper	\$/Pound	2.57	0.39
	Crude	\$/Barrel	47.66	(4.30)
	Gold	\$/Troy Ounce	1280.20	0.95
	Natural Gas	\$/MMBtu	3.00	(7.12)
	Silver	\$/Troy Ounce	17.52	1.15
	Aluminium	\$/Tonne	1931.00	(1.03)
	Lead	\$/Tonne	2108.00	(0.66)
	Nickel	\$/Tonne	8915.00	(1.82)
	Zinc	\$/Tonne	2529.00	(4.20)
CURRENCIES	USD/GBP		1.29	0.78
	USD/EUR		1.13	0.89
	USD/AUD		0.74	0.00
	JPY/USD		110.40	0.82
	INR/USD		64.40	0.20
	HKD/USD		7.79	0.00
	BRL/USD		3.25	0.31
	CNY/USD		6.81	0.58

## WORLD MARKETS - TECHNICAL SNAPSHOT

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

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

## INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 3rd June 2017	% Change
STOCKS	Nifty	Large Cap	9653.50	0.61
	Sensex	Large Cap	31273.29	0.79
	BSE Midcap	Mid Cap	14801.48	1.94
	BSE Smallcap	Small Cap	15311.17	1.49
Some Major Shares	ACC	Rs/share	1643.00	0.65
	Bharti Airtel		373.25	(0.09)
	HDFC Ltd		1604.65	3.67
	Infosys		969.45	(2.64)
	L&T		1784.00	0.20
	Reliance Inds		1324.75	(0.94)
	Tata Motors		478.75	(0.49)
	Tata Steel		491.95	(3.87)
COMMODITIES	Aluminium	INR/Kg	123.85	(1.63)
	Copper	INR/Kg	367.05	(0.10)
	Crude	INR/Barrel	3081.00	(4.11)
	Gold	INR/10gms	28871.00	(0.06)
	Lead	INR/Kg	135.70	(0.26)
	Natural Gas	INR/1mmBtu	193.70	(9.57)
	Nickel	INR/Kg	574.10	(1.83)
	Silver	INR/Kg	40274.00	0.46
	Zinc	INR/Kg	162.90	(4.32)
CURRENCIES	INR/EUR		72.64	(0.69)
	INR/GBP		82.96	(0.50)
	INR/100 JPY		58.32	(0.69)
	INR/USD		64.40	0.20

# INDIAN MARKETS - TECHNICAL SNAPSHOT



INDICES	Mid Cap Nifty Sensex Small Cap				
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SECTORS	Auto Bankex Cap Goods Cons Durable FMCG Realty	Oil & Gas ↓ Teck	Healthcare ↑ IT ↓ Metal Power		
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COMMODITIES		Aluminium	Copper Gold ↓ Lead Zinc	Crude Oil Natural Gas ↓ Silver	Nickel
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CURRENCIES (against INR)			EUR GBP ↑ JPY ↑ USD		
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↑ = moved up from last week, ↓ = moved dn from last week

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