

# *ShroffConnect* Weekly Report

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# Current news

## World economy

- Economic data points to solid growth in the euro zone in the second quarter and indicates a rebound in global growth after a rough patch, the European Central Bank said in a regular economic bulletin.
- Risks to global growth appeared to have diminished, with markets so far taking policy tightening from the U.S. Federal Reserve in their stride, the European Central Bank said on Wednesday.
- The U.S. Treasury yield curve is flashing warning signs on the economy, pointing to a less optimistic prediction for longer-term economic growth at the same time as Federal Reserve officials are adopting a more aggressive tone on raising interest rates.
- Britain's departure from the European Union could strengthen the bloc's political integration and make Germany more attractive as a business location, German Deputy Finance Minister Thomas Steffen said on Thursday.
- Japanese firms say shrinking domestic demand is their biggest worry over the next three years while labour shortages are a close second, highlighting the difficulties of coping with a dwindling and rapidly ageing population.

## Indian economy

- The country's Forex reserves increased by \$799 million, mainly on account of rise in foreign currency assets (FCAs), to touch a record high of \$381.955 billion in the week to June 16, RBI said.
- The Reserve Bank is likely to keep key policy rates "unaltered" in the near term as prices of goods and services are expected to be volatile post GST and favourable inflation base effect wanes out, says a report.
- Exporters sought incentives such as credit at affordable rates from the government with a view to boost India's shipments, a top official said.
- Ahead of Prime Minister Narendra Modi's visit to the US, the Trump administration said it will spend USD 7.5 million to help advance India's power grid, as part of the two countries' commitments to ensuring access to affordable and reliable energy.
- India is ready to sign long-term gas purchase deals with Qatar provided that Doha agrees to acquire stakes in power plants which have been hit by gas shortages, oil minister Dharmendra Pradhan said on Tuesday.
- According to Bank of America Merrill Lynch, good rains support the case for a 25 bps RBI rate cut on August 2 and June CPI is expected to slip below 2 per cent with food prices still falling.

## MACRO ECONOMIC SNAPSHOT AS ON 24/06/2017

USA	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.00	2.00
Inflation Rate	Monthly	1.90	2.20
Unemployment Rate	Monthly	4.30	4.40
Benchmark Interest Rate	Weekly	1.25	1.00
Govt. bond 10 year Rate	Weekly	↓2.14	2.16

Euro Area	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.90	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	-0.46	-0.46

China	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	6.90	6.80
Inflation Rate	Monthly	1.50	1.20
Unemployment Rate	Monthly	3.97	4.02
Benchmark Interest Rate	Weekly	4.35	4.35
Govt. bond 10 year Rate	Weekly	↓3.59	3.60

Japan	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.30	1.60
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	0.06	0.06

UK	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.00	1.90
Inflation Rate	Monthly	2.90	2.70
Unemployment Rate	Monthly	4.60	4.60
Benchmark Interest Rate	Weekly	0.25	0.25
Govt. bond 10 year Rate	Weekly	↑1.03	1.02

India	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	6.10	7.00
Inflation Rate	Monthly	2.18	2.99
Unemployment Rate	Monthly	no data	
Benchmark Interest Rate	Weekly	6.25	6.25
Govt. bond 10 year Rate	Weekly	↓6.46	6.49

Brazil	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	-0.40	-2.50
Inflation Rate	Monthly	3.60	4.08
Unemployment Rate	Monthly	13.60	13.70
Benchmark Interest Rate	Weekly	10.25	11.25
Govt. bond 10 year Rate	Weekly	↑10.70	10.46

Russia	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	0.50	0.30
Inflation Rate	Monthly	4.10	4.10
Unemployment Rate	Monthly	↓5.20	5.30
Benchmark Interest Rate	Weekly	9.00	9.25
Govt. bond 10 year Rate	Weekly	↓7.69	7.83

## WORLD MARKETS - A SNAPSHOT

	Name	Description	Week ended 24th June 2017	% Change
STOCKS	Australia	Aus Ordinaries	5754.55	(0.92)
	Brazil	Bovespa	61087.14	(0.88)
	China	Shanghai	3157.87	1.11
	France	CAC	5266.12	0.05
	Germany	DAX	12733.41	(0.15)
	Hong Kong	HANGSENG	25670.05	0.17
	India	Sensex	31138.21	0.26
	Japan	Nikkei	20132.67	0.95
	UK	FTSE	7424.13	(0.53)
	USA	DJIA	21394.76	0.05
COMMODITIES	Copper	\$/Pound	2.62	2.34
	Crude	\$/Barrel	43.01	(3.87)
	Gold	\$/Troy Ounce	1256.40	(0.01)
	Natural Gas	\$/MMBtu	2.93	(3.62)
	Silver	\$/Troy Ounce	16.65	(0.06)
	Aluminium	\$/Tonne	1865.00	(0.11)
	Lead	\$/Tonne	2229.50	5.61
	Nickel	\$/Tonne	9080.00	1.57
	Zinc	\$/Tonne	2704.00	7.00
CURRENCIES	USD/GBP		1.27	(0.78)
	USD/EUR		1.11	(0.89)
	USD/AUD		0.75	(1.32)
	JPY/USD		111.26	(0.38)
	INR/USD		64.48	(0.05)
	HKD/USD		7.80	0.00
	BRL/USD		3.34	(1.52)
	CNY/USD		6.83	(0.29)

## WORLD MARKETS - TECHNICAL SNAPSHOT

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

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

## INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 24th June 2017	% Change
STOCKS	Nifty	Large Cap	9574.95	(0.14)
	Sensex	Large Cap	31138.21	0.26
	BSE Midcap	Mid Cap	14583.81	(1.51)
	BSE Smallcap	Small Cap	15381.90	(1.82)
Some Major Shares	ACC	Rs/share	1636.70	(0.12)
	Bharti Airtel		366.20	0.37
	HDFC Ltd		1651.35	0.64
	Infosys		943.25	0.32
	L&T		1722.70	(0.23)
	Reliance Inds		1435.85	3.39
	Tata Motors		443.15	(2.76)
	Tata Steel		507.25	1.06
COMMODITIES	Aluminium	INR/Kg	120.00	(0.21)
	Copper	INR/Kg	373.80	2.28
	Crude	INR/Barrel	2777.00	(3.54)
	Gold	INR/10gms	28734.00	0.15
	Lead	INR/Kg	142.85	5.54
	Natural Gas	INR/1mmBtu	189.00	(3.52)
	Nickel	INR/Kg	584.60	1.72
	Silver	INR/Kg	38488.00	0.02
	Zinc	INR/Kg	174.40	7.46
CURRENCIES	INR/EUR		72.19	(0.03)
	INR/GBP		81.98	0.43
	INR/100 JPY		57.94	0.31
	INR/USD		64.48	(0.05)

## INDIAN MARKETS - TECHNICAL SNAPSHOT

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

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

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