

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

Web: www.shroffsecurities.com

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Current news

World economy

- U.S. consumer spending rose modestly in May and inflation cooled, pointing to a slow-but-steady economic expansion that could still lead the Federal Reserve to raise interest rates by the end of the year.
- British consumers have suffered the longest decline in their spending power since the 1970s, raising questions about whether the Bank of England really is likely to raise interest rates any time soon.
- Activity in China's manufacturing sector in June quickened from the previous month, an official survey showed, in a reassuring sign the world's second-biggest economy kept up a reasonable pace of growth after a solid first quarter.
- German and Spanish consumer prices rose more than expected in June, giving the European Central Bank fresh food for thought as euro zone inflation moves closer to its target and markets price in a tightening shift in monetary policy.
- Global debt levels have climbed \$500 billion in the past year to a record \$217 trillion, a new study shows, just as major central banks prepare to end years of super-cheap credit policies.

Indian economy

- India early on Saturday introduced its biggest tax reform in the 70 years since independence from British colonial rule. The Goods and Services Tax (GST) replaces more than a dozen federal and state levies and unifying a \$2 trillion economy and 1.3 billion people into one of the world's biggest common markets.
- The growth of eight core sectors slowed to 3.6 per cent in May due to fall in output of coal and fertilisers. The growth rate of eight infrastructure sectors -- coal, crude oil, natural gas, refinery products, fertilisers, steel, cement and electricity -- was 5.2 per cent in May last year.
- As India is moving towards meeting its commitments under the Paris agreement on climate change, its renewable energy market is likely to witness a strong growth over many years, says Moody's Investors Service.
- Led by western and southern states of India, bank credit has seen a manifold jump in the past 25 years as total outstanding credit soared to Rs 68,78,500 crore from Rs 1,04,300 crore during the 1990-2015 period, says the latest state-wise credit data released by the RBI.

MACRO ECONOMIC SNAPSHOT AS ON 01/07/2017

USA	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.10	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	↑2.32	2.14

Euro Area	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.90	1.80
Inflation Rate	Monthly	↓1.30	1.40
Unemployment Rate	Monthly	9.30	9.40
Benchmark Interest Rate	Weekly	0.00	0.00
Govt. bond 10 year Rate	Weekly	↑-0.39	-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	↑3.60	3.59

Japan	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.30	1.60
Inflation Rate	Monthly	0.40	0.40
Unemployment Rate	Monthly	↑3.10	2.80
Benchmark Interest Rate	Weekly	-0.10	-0.10
Govt. bond 10 year Rate	Weekly	↑0.08	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	↑1.26	1.03

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	↑6.51	6.46

Brazil	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	-0.40	-2.50
Inflation Rate	Monthly	3.60	4.08
Unemployment Rate	Monthly	↓13.30	13.60
Benchmark Interest Rate	Weekly	10.25	11.25
Govt. bond 10 year Rate	Weekly	↓10.54	10.70

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	7.69

WORLD MARKETS - A SNAPSHOT

	Name	Description	Week ended 1st July 2017	% Change
STOCKS	Australia	Aus Ordinaries	5764.04	0.16
	Brazil	Bovespa	62899.97	2.97
	China	Shanghai	3192.43	1.09
	France	CAC	5120.68	(2.76)
	Germany	DAX	12325.12	(3.21)
	Hong Kong	HANGSENG	25764.58	0.37
	India	Sensex	30921.61	(0.70)
	Japan	Nikkei	20033.43	(0.49)
	UK	FTSE	7312.72	(1.50)
	USA	DJIA	21349.63	(0.21)
COMMODITIES	Copper	\$/Pound	2.71	3.44
	Crude	\$/Barrel	46.04	7.04
	Gold	\$/Troy Ounce	1242.30	(1.12)
	Natural Gas	\$/MMBtu	3.04	3.75
	Silver	\$/Troy Ounce	16.63	(0.12)
	Aluminium	\$/Tonne	1919.00	2.90
	Lead	\$/Tonne	2292.00	2.80
	Nickel	\$/Tonne	9390.00	3.41
	Zinc	\$/Tonne	2758.00	2.00
CURRENCIES	USD/GBP		1.30	2.36
	USD/EUR		1.14	2.70
	USD/AUD		0.77	2.67
	JPY/USD		112.35	(0.98)
	INR/USD		64.61	(0.20)
	HKD/USD		7.81	(0.13)
	BRL/USD		3.31	0.90
	CNY/USD		6.78	0.73

WORLD MARKETS - TECHNICAL SNAPSHOT

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

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

INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 1st July 2017	% Change
STOCKS	Nifty	Large Cap	9520.90	(0.56)
	Sensex	Large Cap	30921.61	(0.70)
	BSE Midcap	Mid Cap	14644.48	0.42
	BSE Smallcap	Small Cap	15410.52	0.19
Some Major Shares	ACC	Rs/share	1568.05	(4.19)
	Bharti Airtel		379.70	3.69
	HDFC Ltd		1614.95	(2.20)
	Infosys		935.55	(0.82)
	L&T		1687.60	(2.04)
	Reliance Inds		1380.00	(3.89)
	Tata Motors		432.55	(2.39)
COMMODITIES	Tata Steel		545.75	7.59
	Aluminium	INR/Kg	123.55	2.96
	Copper	INR/Kg	385.20	3.05
	Crude	INR/Barrel	2968.00	6.88
	Gold	INR/10gms	28439.00	(1.03)
	Lead	INR/Kg	147.20	3.05
	Natural Gas	INR/1mmBtu	193.80	2.54
	Nickel	INR/Kg	600.60	2.74
	Silver	INR/Kg	38344.00	(0.37)
CURRENCIES	Zinc	INR/Kg	178.25	2.21
	INR/EUR		73.81	(2.24)
	INR/GBP		84.16	(2.66)
	INR/100 JPY		57.48	0.79
	INR/USD		64.61	(0.20)

INDIAN MARKETS - TECHNICAL SNAPSHOT

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

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

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