

ShroffConnect Weekly Report

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Current news

World economy

- Asia Pacific deal making activity slipped in 2017 as outbound transactions nearly halved, led by China as Beijing increased scrutiny of cross border investments and clamped down on some of its most acquisitive - and indebted - conglomerates.
- Companies seeking to “bulk up” to offset the uncertainty caused by Britain’s looming EU exit helped to spur a near doubling of domestic mergers and acquisition activity this year, according to a survey data.
- Japan’s best run of growth in a decade looks set to stretch into 2018, with data on Thursday showing most factories and consumers stepping up a gear, giving policymakers more reasons to discuss an end to crisis-era stimulus.
- British businesses reported a pickup in growth in the three months to December but they expect a slowdown in early 2018 as high inflation takes its toll on households, the Confederation of British Industry said on Thursday.
- Singapore’s industrial production in November rose less than expected from a year earlier, underscoring expectations for a moderation in the city-state’s economic growth in the fourth quarter.

Indian economy

- The additional borrowing of Rs 50,000 crore by the Centre is a "negative surprise" that will sustain higher yields and delay lending rate cuts, key for economic growth recovery, says a report.
- The government has withdrawn its decision to raise LPG prices by Rs 4 per cylinder every month as the move was seen contrary to its Ujjwala scheme of providing free cooking gas connections to the poor.
- The government is likely to push ahead with banking sector reforms alongside infusion of fresh capital in state-owned lenders in the new year as it looks to lift banks out of NPA crisis and revive lending growth from a 25-year low.
- The government slashed interest rates on small savings schemes, including NSC and PPF, by 0.2 percentage point for the January-March period from the rates applicable in the previous quarter, a move that will prompt banks to lower deposit rates.
- Firming crude oil prices in the global market is likely to cast its shadow on retail inflation, which has begun to move northwards after hitting a low of 1.46 per cent in June, and may prompt the RBI to hold interest rates at least for some time in 2018.

MACRO ECONOMIC SNAPSHOT AS ON 30/12/2017

USA	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.30	2.20
Inflation Rate	Monthly	2.20	2.00
Unemployment Rate	Monthly	4.10	4.10
Benchmark Interest Rate	Weekly	1.50	1.25
Govt. bond 10 year Rate	Weekly	↓2.41	2.49

Euro Area	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.60	2.40
Inflation Rate	Monthly	1.50	1.40
Unemployment Rate	Monthly	8.80	8.90
Benchmark Interest Rate	Weekly	0.00	0.00
Govt. bond 10 year Rate	Weekly	↑-0.50	-0.51

China	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	6.80	6.90
Inflation Rate	Monthly	1.70	1.90
Unemployment Rate	Monthly	3.95	3.95
Benchmark Interest Rate	Weekly	4.35	4.35
Govt. bond 10 year Rate	Weekly	3.92	3.92

Japan	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.10	1.60
Inflation Rate	Monthly	↑0.60	0.20
Unemployment Rate	Monthly	↓2.70	2.80
Benchmark Interest Rate	Weekly	-0.10	-0.10
Govt. bond 10 year Rate	Weekly	0.05	0.05

UK	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.70	1.90
Inflation Rate	Monthly	↓3.00	3.10
Unemployment Rate	Monthly	4.30	4.30
Benchmark Interest Rate	Weekly	0.50	0.50
Govt. bond 10 year Rate	Weekly	↓1.19	1.24

India	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	6.30	5.70
Inflation Rate	Monthly	4.88	3.58
Unemployment Rate	Monthly	no data	
Benchmark Interest Rate	Weekly	6.00	6.00
Govt. bond 10 year Rate	Weekly	↑7.32	7.28

Brazil	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.40	0.40
Inflation Rate	Monthly	2.80	2.70
Unemployment Rate	Monthly	↓12.00	12.20
Benchmark Interest Rate	Weekly	7.00	7.50
Govt. bond 10 year Rate	Weekly	↓1.99	10.39

Russia	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.80	2.50
Inflation Rate	Monthly	2.50	2.50
Unemployment Rate	Monthly	5.10	5.10
Benchmark Interest Rate	Weekly	7.75	8.25
Govt. bond 10 year Rate	Weekly	↑7.58	7.57

WORLD MARKETS - A SNAPSHOT

	Name	Description	Week ended 30th Dec 2017	% Change
STOCKS	Australia	Aus Ordinaries	6167.30	0.00
	Brazil	Bovespa	76402.00	1.62
	China	Shanghai	3307.17	0.31
	France	CAC	5312.56	(0.97)
	Germany	DAX	12917.64	(1.19)
	Hong Kong	HANGSENG	29919.15	1.15
	India	Sensex	34056.83	0.34
	Japan	Nikkei	22764.94	(0.60)
	UK	FTSE	7687.80	1.25
	USA	DJIA	24719.22	(0.14)
COMMODITIES	Copper	\$/Pound	3.30	1.85
	Crude	\$/Barrel	60.42	3.34
	Gold	\$/Troy Ounce	1309.30	2.39
	Natural Gas	\$/MMBtu	2.95	10.49
	Silver	\$/Troy Ounce	17.15	4.32
	Aluminium	\$/Tonne	2268.00	3.47
	Lead	\$/Tonne	2487.50	0.10
	Nickel	\$/Tonne	12760.00	5.19
	Zinc	\$/Tonne	3319.00	1.64
CURRENCIES	USD/GBP		1.35	0.75
	USD/EUR		1.20	0.84
	USD/AUD		0.78	1.30
	JPY/USD		112.67	0.52
	INR/USD		63.83	0.28
	HKD/USD		7.81	0.13
	BRL/USD		3.31	0.90
	CNY/USD		6.51	0.91

WORLD MARKETS - TECHNICAL SNAPSHOT

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

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

INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 30th Dec 2017	% Change
STOCKS	Nifty	Large Cap	10530.70	0.36
	Sensex	Large Cap	34056.83	0.34
	BSE Midcap	Mid Cap	17822.40	1.41
	BSE Smallcap	Small Cap	19230.72	1.26
Some Major Shares	ACC	Rs/share	1758.40	2.13
	Bharti Airtel		529.65	0.21
	HDFC Ltd		1710.40	0.06
	Infosys		1042.50	0.30
	L&T		1258.25	(0.62)
	Reliance Inds		921.05	0.07
	Tata Motors		431.85	2.33
	Tata Steel		732.40	2.98
COMMODITIES	Aluminium	INR/Kg	143.30	2.65
	Copper	INR/Kg	466.00	1.30
	Crude	INR/Barrel	3850.00	3.02
	Gold	INR/10gms	29156.00	1.76
	Lead	INR/Kg	159.50	0.60
	Natural Gas	INR/1mmBtu	189.70	11.59
	Nickel	INR/Kg	783.40	1.74
	Silver	INR/Kg	39237.00	3.38
	Zinc	INR/Kg	211.50	0.98
CURRENCIES	INR/EUR		76.57	(0.88)
	INR/GBP		86.25	(0.85)
	INR/100 JPY		56.64	(0.23)
	INR/USD		63.83	0.28

INDIAN MARKETS - TECHNICAL SNAPSHOT

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

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