

ShroffConnect Weekly Report

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Current news

World economy

- British manufacturing lost some of its recent strong momentum last month as factories were held back by overall weakness in the economy in the run-up to Brexit, a survey showed.
- German manufacturing activity posted more blistering growth in January despite slowing to a three-month low, suggesting the sector will contribute to an economic expansion in the first quarter.
- Global investors trimmed equity holdings by 1.2 percentage points in January, concerned that markets have grown complacent after a thundering bull run and seeing risks of an inflation wake-up call.
- Growth in China's manufacturing sector slowed more than expected in January to an 8-month low in the face of a cooling property market and tighter pollution rules that have curtailed factory output.
- The euro zone economy expanded at its fastest rate in a decade in 2017, preliminary data showed on Tuesday, and sentiment remained high at the start of 2018 despite a slight dip from a 17-year peak, signalling a strong start to the year.

Indian economy

- Demand for physical gold improved this week in India as jewellers resumed purchases after the government kept import taxes on the precious metal unchanged, while buying remained subdued in most other centres in Asia.
- Eyeing an election next year, India's government announced massive spending for rural areas and projected economic growth above 8 percent in an annual budget on Thursday that won broad approval from economists, though bond and share markets fell.
- India reported a fiscal deficit of 6.21 trillion rupees (\$97.27 billion) for April-December or 113.6 percent of the budgeted target for the current fiscal year that ends in March.
- The country's foreign exchange reserves rose sharply by USD 3 billion to touch a new life-time high of USD 417.789 billion in the week to January 26, aided by a rise in foreign currency assets, the Reserve Bank said.
- Finance Minister Arun Jaitley in the budget announced a capital expenditure allocation of Rs 1.48 lakh crore for the Railways, the highest ever for the national transporter with a 13 percent increase over last year, in an effort to put its flagging revenues back on track.

MACRO ECONOMIC SNAPSHOT AS ON 03/02/2018

USA	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.50	2.30
Inflation Rate	Monthly	2.10	2.20
Unemployment Rate	Monthly	4.10	4.10
Benchmark Interest Rate	Weekly	1.50	1.25
Govt. bond 10 year Rate	Weekly	↑2.85	2.68

Euro Area	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	↑2.70	2.60
Inflation Rate	Monthly	↓1.30	1.40
Unemployment Rate	Monthly	8.70	8.70
Benchmark Interest Rate	Weekly	0.00	0.00
Govt. bond 10 year Rate	Weekly	↑-0.41	-0.48

China	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	6.80	6.80
Inflation Rate	Monthly	1.80	1.70
Unemployment Rate	Monthly	3.90	3.95
Benchmark Interest Rate	Weekly	4.35	4.35
Govt. bond 10 year Rate	Weekly	↓3.95	3.98

Japan	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	2.10	1.60
Inflation Rate	Monthly	1.00	0.60
Unemployment Rate	Monthly	↑2.80	2.70
Benchmark Interest Rate	Weekly	-0.10	-0.10
Govt. bond 10 year Rate	Weekly	↑0.09	0.08

UK	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.50	1.70
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	↑1.58	1.44

India	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	6.30	5.70
Inflation Rate	Monthly	5.21	4.88
Unemployment Rate	Monthly	no data	
Benchmark Interest Rate	Weekly	6.00	6.00
Govt. bond 10 year Rate	Weekly	↑7.57	7.31

Brazil	Period	Current	Previous
GDP Annual Growth Rate	Quarterly	1.40	0.40
Inflation Rate	Monthly	2.95	2.80
Unemployment Rate	Monthly	↓11.80	12.00
Benchmark Interest Rate	Weekly	7.00	7.50
Govt. bond 10 year Rate	Weekly	↑9.83	9.71

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	7.75
Govt. bond 10 year Rate	Weekly	↓7.20	7.42

WORLD MARKETS - A SNAPSHOT

	Name	Description	Week ended 3rd Feb 2018	% Change
STOCKS	Australia	Aus Ordinaries	6229.80	1.06
	Brazil	Bovespa	84041.00	(1.74)
	China	Shanghai	3462.08	(2.70)
	France	CAC	5364.98	(2.97)
	Germany	DAX	12785.16	(4.16)
	Hong Kong	HANGSENG	32601.78	(1.67)
	India	Sensex	35066.75	(2.73)
	Japan	Nikkei	23274.53	(1.51)
	UK	FTSE	7443.43	(2.90)
	USA	DJIA	25520.96	(4.12)
COMMODITIES	Copper	\$/Pound	3.19	(0.31)
	Crude	\$/Barrel	65.45	(1.04)
	Gold	\$/Troy Ounce	1337.30	(1.09)
	Natural Gas	\$/MMBtu	2.85	(10.09)
	Silver	\$/Troy Ounce	16.71	(4.19)
	Aluminium	\$/Tonne	2210.00	(2.08)
	Lead	\$/Tonne	2681.00	3.39
	Nickel	\$/Tonne	13435.00	(1.58)
	Zinc	\$/Tonne	3502.00	0.69
CURRENCIES	USD/GBP		1.41	(0.70)
	USD/EUR		1.25	0.81
	USD/AUD		0.79	(2.47)
	JPY/USD		110.09	(1.28)
	INR/USD		64.12	(0.85)
	HKD/USD		7.82	0.00
	BRL/USD		3.22	(2.22)
	CNY/USD		6.30	0.32

WORLD MARKETS - TECHNICAL SNAPSHOT

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

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

INDIAN MARKETS - A SNAPSHOT

	Name	Description	Week ended 3rd Feb 2018	% Change
STOCKS	Nifty	Large Cap	10760.60	(2.79)
	Sensex	Large Cap	35066.75	(2.73)
	BSE Midcap	Mid Cap	16574.70	(7.10)
	BSE Smallcap	Small Cap	17847.53	(7.73)
Some Major Shares	ACC	Rs/share	1679.80	(2.70)
	Bharti Airtel		422.35	(6.70)
	HDFC Ltd		1903.85	(0.23)
	Infosys		1143.25	(2.74)
	L&T		1415.45	(0.07)
	Reliance Inds		904.35	(6.37)
	Tata Motors		383.75	(4.13)
	Tata Steel		670.45	(12.83)
COMMODITIES	Aluminium	INR/Kg	141.70	0.07
	Copper	INR/Kg	452.75	0.20
	Crude	INR/Barrel	4186.00	(0.10)
	Gold	INR/10gms	30367.00	0.02
	Lead	INR/Kg	171.90	4.66
	Natural Gas	INR/1mmBtu	184.90	(15.53)
	Nickel	INR/Kg	866.80	(0.16)
	Silver	INR/Kg	38651.00	(3.28)
	Zinc	INR/Kg	226.40	2.17
CURRENCIES	INR/EUR		79.89	(1.18)
	INR/GBP		90.54	(0.51)
	INR/100 JPY		58.23	0.43
	INR/USD		64.12	(0.85)

INDIAN MARKETS - TECHNICAL SNAPSHOT



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

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

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