

Morning Notes

17-May-2016

MARKET OUTLOOK

Markets to extend the gains with a positive start: The Indian markets bounced back from the intraday low to post gains of over half a percent in last session, supported by some value buying at lower levels. Today, the start is likely to be in green and the markets will be extending the last session gains on positive global cues. Traders will also be getting some encouragement with Finance Minister Arun Jaitley exuding confidence in getting the GST Bill passed in the upcoming monsoon session.

EQUITY MARKET WRAP UP

Benchmarks post smart recovery; Nifty ends above 7850 marks: Indian stock markets ended the first day of the week on an optimistic note as gains in a few blue chips such as Dr. Reddy's Laboratories and ITC offset a slump in state-run lenders such as Bank of Baroda. Sentiments got boost after data showed India's wholesale prices unexpectedly rose for the first time in 18 months in April, ending a period of deflation. India's annual wholesale price inflation (WPI) moved up into the positive zone at 0.34% for April, from (-) 0.85% in March and (-) 2.43% during the corresponding month of the previous year. BSE Sensex surged 163.66 points or 0.64% to 25653.23, while the CNX Nifty rose 45.85 points or 0.59% to 7,860.75. The BSE Sensex touched a high and a low 25688.46 and 25351.62, respectively. The broader indices made a positive closing; the BSE Mid cap index ended up by 0.30%, while Small cap index gained 0.09%.

DEBT MARKET & FOREX

- **Bond yields trade flat on Monday:** Bond yields remained flat on Monday as investors turned cautious after the nation's weather department said the onset of monsoon could be delayed amid a faster-than-expected pace of retail inflation last month, limiting room for the central bank to cut interest rates further. Yields on new 10 year Government Stock were trading flat from its previous close at 7.45% on Friday. The benchmark five-year interest rates were trading 1 basis point higher at 7.42% from its previous close at 7.41% on Friday.
- **Rupee ends weaker after slump in India's export:** Extending its weakness for the third straight session, Indian rupee depreciated against dollar on Monday on continued dollar demand from importers. Besides, gains in American currency overseas also put pressure on the rupee. rupee ended at 66.80, 3 paise weaker from its previous close at 66.77 on Friday. The currency touched a high and low of 66.90 and 66.72 respectively.

ECONOMY & MARKET PULSE

- FICCI's survey hints at a slower manufacturing growth in first quarter
- WPI snaps 17-month deflationary trend, stands at 0.34% in April
- Investors must pay taxes on money earned in India: Arun Jaitley
- Banks' gross NPAs may rise to 6.9% under severe stress scenario: Finance Ministry
- Exports extend the decline for 17th month in a row, down 6.74% in April

Indices Performance

| Index | 16-May-16 | Previous Close | % Change* |
|------------------|-----------|----------------|-----------|
| S&P BSE Sensex | 25,653.23 | 25,489.57 | 0.64% |
| CNX Nifty | 7,860.75 | 7,814.90 | 0.59% |
| CNX Midcap | 13,140.70 | 13,130.80 | 0.08% |
| CNX 500 | 6,608.25 | 6,582.30 | 0.39% |
| S&P BSE Smallcap | 11,123.58 | 11,113.30 | 0.09% |

Global Markets

| Index | | Previous Close | % Change* |
|-----------|-----------|----------------|-----------|
| Dow Jones | 17,710.71 | 17,535.32 | 1.00% |
| Nasdaq | 4,775.46 | 4,717.68 | 1.22% |
| S&P 500 | 2,066.66 | 2,046.61 | 0.98% |
| FTSE | 6,151.40 | 6,138.50 | 0.21% |
| CAC | 4,312.28 | 4,319.99 | -0.18% |

Institutional Flows (Equity)

| Description (Rs in Cr) | Purchases | Sales | Net |
|------------------------|-----------|----------|----------|
| FII Flows | 5,595.93 | 3,994.42 | 1,601.51 |
| DII Flows | 1,480.40 | 1,608.31 | -127.91 |

Commodity Market

| Commodities (INR) | | Gains+/Loss | % Change* |
|----------------------|-----------|-------------|-----------|
| Gold (10gm) | 29,977.00 | -57.00 | -0.19% |
| Silver (1Kg) | 40,987.00 | 13.00 | 0.03% |
| Crude Oil (1 barrel) | 3,179.00 | 82.00 | 2.65% |
| Aluminium (1 Kg) | 103.50 | 0.55 | 0.53% |
| Copper (1Kg) | 311.65 | 1.80 | 0.58% |

Currency Market

| Currency | 16-May-16 | Gains+/Loss | % Change* |
|---------------|-----------|-------------|-----------|
| INR / 1 USD | 66.8216 | -0.06 | -0.09% |
| INR / 1 GBP | 95.9625 | 0.19 | 0.20% |
| INR / 1 EURO | 75.5953 | 0.12 | 0.16% |
| INR / 100 JPY | 61.4500 | 0.02 | 0.03% |

NSE Top 5 Gainers

| Company | 16-May-16 | Previous Close | % Change* |
|----------------------|-----------|----------------|-----------|
| Nakoda | 0.30 | 0.25 | 20.00% |
| Maithan Alloys | 248.25 | 206.90 | 19.99% |
| Mangalam Timber Prod | 30.35 | 25.30 | 19.96% |
| Crest Ventures | 64.35 | 53.65 | 19.94% |
| V2 Retail | 63.05 | 53.40 | 18.07% |

NSE Top 5 Losers

| Company | 16-May-16 | Previous Close | % Change* |
|----------------------|-----------|----------------|-----------|
| MPS Infotecnics | 0.05 | 0.10 | -50.00% |
| LCC Infotech | 0.15 | 0.20 | -25.00% |
| Paras Petrofils | 0.20 | 0.25 | -20.00% |
| FCS Software Soltns. | 0.30 | 0.35 | -14.29% |
| REI Six Ten Retail | 0.40 | 0.45 | -11.11% |

BSE Top 5 Gainer

| Company | 16-May-16 | Previous Close | % Change* |
|----------------------|-----------|----------------|-----------|
| JCT | 4.38 | 3.65 | 20.00% |
| Maithan Alloys | 250.90 | 209.10 | 19.99% |
| Crest Ventures | 63.35 | 52.80 | 19.98% |
| Mangalam Timber Prod | 30.65 | 25.55 | 19.96% |
| R&B Denims | 15.28 | 12.74 | 19.94% |

BSE Top 5 Loser

| Company | 16-May-16 | Previous Close | % Change* |
|-------------------|-----------|----------------|-----------|
| Cals Refineries | 0.06 | 0.07 | -14.29% |
| Vandana Knitwear | 0.36 | 0.42 | -14.29% |
| iStreet Network | 21.10 | 24.50 | -13.88% |
| Suryachakra Power | 2.26 | 2.57 | -12.06% |
| Nu Tek India | 0.58 | 0.65 | -10.77% |

* % change is the over the previous days close.