

Morning Notes

18-May-2016

MARKET OUTLOOK

Markets to make a somber start on weak global cues: The Indian markets despite some choppiness in the final hours managed to end the last session with decent gains. Today, the start is likely to be a bit somber on weak global cues and the markets may lose some strength in early trade, on concern of a Fed rate hike after some officials suggested that two rate hikes may be warranted this year. There will be buzz in the markets with the government forming a five-member committee under former revenue secretary N K Singh to review the working of the 12-year old FRBM Act and examine the feasibility of a fiscal deficit range instead of a fixed target.

EQUITY MARKET WRAP UP

Benchmarks trim gains in late trade; Sensex ends above 25700 mark: Indian benchmarks despite getting a promising start and surging to over one percent in second half of the session failed to maintain the lead and ended with gain of just over quarter a percent. Sentiments were sanguine from the start of trade with Finance Minister Arun Jaitley exuding confidence in getting the GST Bill passed in the upcoming monsoon session. BSE Sensex surged 103.34 points or 0.40% to 25756.57, while the CNX Nifty rose 30 points or 0.38% to 7,890.75. The BSE Sensex touched a high and a low 25927.31 and 25733.76, respectively. The broader indices made a positive closing; the BSE Mid cap index ended up by 0.13%, while Small cap index gained 0.19%.

DEBT MARKET & FOREX

- Bond yields trade flat on Tuesday:** Bond yields traded flat on Tuesday amid lack of fresh triggers. Meanwhile demand was muted after an auction of unutilised limit for foreign investors in sovereign papers remained partially subscribed. Yields on new 10 year Government Stock were trading flat from its previous close at 7.45% on Monday. The benchmark five-year interest rates were trading flat from its previous close at 7.41% on Monday.
- Rupee surrenders early gains; concludes weak on Tuesday:** Indian rupee surrendered its early gains and ended weaker against dollar on Tuesday on mild demand for American currency from the banks and importers. The domestic currency has extended its weakness for the fourth straight session. Investors even ignored the Finance Minister Arun Jaitley's statement that he is confident in getting the GST Bill passed in the upcoming monsoon session. Rupee ended at 66.87, 7 paise weaker from its previous close at 66.80 on Monday. The currency touched a high and low of 66.88 and 66.67 respectively.

ECONOMY & MARKET PULSE

- RBI considering FPIs investment in unlisted debt securities and securitised debt instruments
- Telcos urge Trai to lift ban on discriminatory pricing of data services
- India's economy likely to grow close to 8% in FY17: Shaktikanta Das
- OMCs hike price of petrol by 83 paise/litre, diesel by Rs 1.26/litre
- Jaitley optimistic on passage of GST Bill in monsoon session

Indices Performance

Index	17-May-16	Previous Close	% Change*
S&P BSE Sensex	25,773.61	25,653.23	0.47%
CNX Nifty	7,890.75	7,860.75	0.38%
CNX Midcap	13,151.30	13,140.70	0.08%
CNX 500	6,629.70	6,608.25	0.32%
S&P BSE Smallcap	11,144.56	11,123.58	0.19%

Global Markets

Index		Previous Close	% Change*
Dow Jones	17,529.98	17,710.71	-1.02%
Nasdaq	4,715.73	4,775.46	-1.25%
S&P 500	2,047.21	2,066.66	-0.94%
FTSE	6,167.77	6,151.40	0.27%
CAC	4,297.57	4,312.28	-0.34%

Institutional Flows (Equity)

Description (Rs in Cr)	Purchases	Sales	Net
FII Flows	3,869.79	3,966.30	-96.51
DII Flows	1,923.12	1,538.45	384.67

Commodity Market

Commodities (INR)		Gains+/-Loss	% Change*
Gold (10gm)	30,049.00	72.00	0.24%
Silver (1Kg)	41,180.00	193.00	0.47%
Crude Oil (1 barrel)	3,208.00	29.00	0.91%
Aluminium (1 Kg)	103.15	-0.35	-0.34%
Copper (1Kg)	311.30	-0.35	-0.11%

Currency Market

Currency	17-May-16	Gains+/-Loss	% Change*
INR / 1 USD	66.7233	0.10	0.15%
INR / 1 GBP	96.5953	-0.63	-0.66%
INR / 1 EURO	75.4907	0.10	0.14%
INR / 100 JPY	61.0700	0.38	0.62%

NSE Top 5 Gainers

Company	17-May-16	Previous Close	% Change*
LCC Infotech	0.20	0.15	33.33%
Noesis Industries	0.25	0.20	25.00%
Tata Metaliks	140.20	116.85	19.98%
Everonn Education	21.70	18.15	19.56%
Advani Hotel&Resorts	59.75	50.00	19.50%

NSE Top 5 Losers

Company	17-May-16	Previous Close	% Change*
VKS Projects	0.05	0.10	-50.00%
Farmax India	0.10	0.15	-33.33%
KSS	0.20	0.25	-20.00%
JCT Electronics	0.25	0.30	-16.67%
Nakoda	0.25	0.30	-16.67%

BSE Top 5 Gainer

Company	17-May-16	Previous Close	% Change*
Reliance Chemotex	56.70	47.25	20.00%
Tata Metaliks	140.40	117.00	20.00%
Advani Hotel&Resorts	57.65	48.05	19.98%
Manaksia Coated	5.41	4.51	19.96%
Majestic Auto	108.95	91.00	19.73%

BSE Top 5 Loser

Company	17-May-16	Previous Close	% Change*
Navigant Corp.Adv	5.80	7.25	-20.00%
STL Global	3.81	4.39	-13.21%
Lesha Industries	2.85	3.20	-10.94%
C&C Constructions	9.00	10.09	-10.80%
Scanpoint Geomatics	27.85	31.15	-10.59%

* % change is the over the previous days close.