

06-Jun-2016

Morning Notes

MARKET OUTLOOK

Markets to get a mildly positive start of the crucial week: The Indian markets paring all their early gains and showing a volatile trend ended flat in last session. Today, the start of the crucial week is likely to be modestly in green, but cautiousness may persist with the Reserve Bank of India slated to release its bimonthly money policy review on Tuesday. Meanwhile, traders will be getting some support with the weak US jobs data, which has lowered the chances of immediate rate hike by the US Fed. Marketmen will also be rejoicing the Met department's latest report, stating that the conditions continue to remain favourable for the onset of the southwest monsoon over Kerala over the next 2--3 days.

EQUITY MARKET WRAP UP

Barometer indices end on a flat note, unable to maintain early lead: Indian benchmark indices that started the session on firm note failed to maintain their momentum by the end of the session and ended on flat note, as market participants remained wary ahead of US jobs data that could provide some hints about the timing of the Federal Reserve's likely move on interest rate hike. BSE Sensex ended lower by 0.11 points to 26843.03, while the CNX Nifty gained 1.85 points or 0.02% to 8,220.80. The BSE Sensex touched a high and a low 27008.14 and 26792.07, respectively. The broader indices made a negative closing; the BSE Mid cap index ended down by 0.11%, while Small cap index declined by 0.42%.

DEBT MARKET & FOREX

- **Bond yields remain steady ahead of US jobs report:** Bond yields were trading steady at its previous close of 7.48%, as investors remained cautious ahead of the key US jobs data, which will offer an indication of whether the Federal Reserve will pull the trigger in June. Fed chair Janet Yellen said last week that the ongoing improvement in the US economy would warrant another interest rate increase in the coming months, though stopping short of giving an explicit hint that the central bank would act at its 14-15 June meeting. yields on new 10 year Government Stock were trading steady at its previous close of 7.48%. The benchmark five-year interest rates were trading flat from its previous close at 7.44% on Thursday.
- **Rupee consolidates ahead of US nonfarm payroll data:** Indian rupee entered the consolidation mood on Friday, as traders turned cautious ahead of the key US jobs data due later in the day, which will offer an indication of whether the Federal Reserve will pull the trigger in June. rupee ended at 67.26, 3 paise stronger from its previous close at 67.29 on Thursday. The currency touched a high and low of 67.37 and 67.15 respectively.

ECONOMY & MARKET PULSE

- Country to receive above-normal monsoon rains this year: IMD
- Nikkei India Services PMI decline for second month in a row, at 51.0 in May
- India will attempt to keep the proposed GST rate as moderate as possible: FM
- RBI allows NBFCs to give takeout refinancing to infra projects

Indices Performance

Index	3-Jun-16	Previous Close	% Change*
S&P BSE Sensex	26,843.03	26,843.14	0.00%
CNX Nifty	8,220.80	8,218.95	0.02%
CNX Midcap	13,256.90	13,331.10	-0.56%
CNX 500	6,844.75	6,849.20	-0.06%
S&P BSE Smallcap	11,148.71	11,195.66	-0.42%

Global Markets

Index		Previous Close	% Change*
Dow Jones	17,807.06	17,838.56	-0.18%
Nasdaq	4,942.34	4,971.36	-0.58%
S&P 500	2,099.13	2,105.26	-0.29%
FTSE	6,209.63	6,185.60	0.39%
CAC	4,421.78	4,466.00	-0.99%

Institutional Flows (Equity)

Description (Rs in Cr)	Purchases	Sales	Net
FII Flows	4,524.50	3,921.58	602.92
DII Flows	1,439.25	1,832.46	-393.21

Commodity Market

Commodities (INR)		Gains+/Loss	% Change*
Gold (10gm)	29,387.00	524.00	1.82%
Silver (1Kg)	39,079.00	551.00	1.43%
Crude Oil (1 barrel)	3,253.00	-61.00	-1.84%
Aluminium (1 Kg)	103.35	-0.35	-0.34%
Copper (1Kg)	313.60	4.60	1.49%

Currency Market

Currency	3-Jun-16	Gains+/Loss	% Change*
INR / 1 USD	67.2415	0.01	0.02%
INR / 1 GBP	96.9017	0.14	0.15%
INR / 1 EURO	74.9944	0.31	0.41%
INR / 100 JPY	61.8300	-0.25	-0.41%

NSE Top 5 Gainers

Company	3-Jun-16	Previous Close	% Change*
Pan India Corp.	0.25	0.20	25.00%
Dharan Sugars & Chem	47.20	39.70	18.89%
Thiru Arooran Sugars	70.55	59.75	18.08%
STL Global	3.50	3.00	16.67%
RaiSaheb RMohota Spg	107.55	92.40	16.40%

NSE Top 5 Losers

Company	3-Jun-16	Previous Close	% Change*
Birla Cotsyn (India)	0.05	0.10	-50.00%
MPS Infotecnics	0.10	0.15	-33.33%
Rasoya Proteins	0.15	0.20	-25.00%
REI Six Ten Retail	0.25	0.30	-16.67%
ATN International	0.35	0.40	-12.50%

BSE Top 5 Gainer

Company	3-Jun-16	Previous Close	% Change*
Bilpower	1.03	0.86	19.77%
Jyoti Resins&Adhesiv	129.65	108.90	19.05%
Dharan Sugars & Chem	46.95	39.60	18.56%
Bharati Defence	26.35	22.55	16.85%
Cals Refineries	0.07	0.06	16.67%

BSE Top 5 Loser

Company	3-Jun-16	Previous Close	% Change*
Neo Corp Intl.	9.19	11.48	-19.95%
Aanchal Ispat	4.75	5.55	-14.41%
Pact Industries	28.25	32.20	-12.27%
Rushil Decor	370.65	415.10	-10.71%
Jagsonpal Pharma	38.75	43.40	-10.71%

* % change is the over the previous days close.