

Morning Notes

14-Jun-2016

MARKET OUTLOOK

Markets to extend the weakness with a soft start: The Indian markets lost considerably in the last session, extending their declining streak amid weak global cues and ahead of this week's Fed and BOJ meetings and the upcoming Brexit referendum later this month. Today, the start is likely to remain sluggish on weak global cues, traders will also be reacting negatively to the report of rise in retail inflation, which accelerated to a near two-year high of 5.76 percent in May, dampening hopes of a rate cut by the RBI.

EQUITY MARKET WRAP UP

Markets extend southward journey for third straight session: Indian benchmarks started the new week on a disappointing note, as sharp decline in the rupee, slide in crude oil prices and weakness among global peers led to sell off across the board by investors. BSE Sensex ended lower by 238.98 points or 0.90% to 26396.77, while the CNX Nifty dropped 59.45 points or 0.73% to 8,110.60. The BSE Sensex touched a high and a low 26468.27 and 26262.27, respectively. The broader indices made a negative closing; the BSE Mid cap index ended down by 0.50%, while Small cap index was lower by 0.45%.

DEBT MARKET & FOREX

- **Bond yields remain flat on Monday:** Bond yields traded flat on Monday as investors slowed purchases and kept their eyes on key macroeconomic data i.e. consumer price index (CPI) and inflation based on the wholesale price index (WPI) for May to be released today and tomorrow, respectively. yields on new 10 year Government Stock were trading flat from its previous close at 7.49% on Friday. The benchmark five-year interest rates were trading 1 basis point higher at 7.41% from its previous close at 7.40% on Friday.
- **Rupee depreciates substantially; past psychological 67/\$ level:** Extending its weakness for the third straight session, Indian rupee depreciated substantially against dollar on Monday on strong demand for the American unit from importers and banks. The rupee again crossed the 67-mark against the US dollar, tracking the losses in global equity markets. Losses in local equity market too pressurized rupee. Rupee ended at 67.14, 39 paise weaker from its previous close at 66.75 on Friday. The currency touched a high and low of 67.18 and 66.98 respectively.

ECONOMY & MARKET PULSE

- Finance ministers of states to meet this week to discuss model GST law
- Coal imports decline by 19.2% to 16.38 MT in May
- Govt in process to draft new bankruptcy law for financial companies: Jayant Sinha
- Niti Aayog panel to submit its report on easing business regulatory framework next month
- IIP growth slips to negative zone, shrinks by 0.8% in April

Indices Performance

Index	10-Jun-16	Previous Close	% Change*
S&P BSE Sensex	26,635.75	26,763.46	-0.48%
CNX Nifty	8,170.05	8,203.60	-0.41%
CNX Midcap	13,329.95	13,380.60	-0.38%
CNX 500	6,832.05	6,857.75	-0.37%
S&P BSE Smallcap	11,362.72	11,385.07	-0.20%

Global Markets

Index		Previous Close	% Change*
Dow Jones	17,865.34	17,985.19	-0.67%
Nasdaq	4,894.55	4,958.62	-1.29%
S&P 500	2,096.07	2,115.48	-0.92%
FTSE	6,115.76	6,231.90	-1.86%
CAC	4,306.72	4,405.61	-2.24%

Institutional Flows (Equity)

Description (Rs in Cr)	Purchases	Sales	Net
FII Flows	3,579.76	3,316.37	263.39
DII Flows	1,399.39	1,565.01	-165.62

Commodity Market

Commodities (INR)		Gains+Loss	% Change*
Gold (10gm)	30,084.00	147.00	0.49%
Silver (1Kg)	41,068.00	159.00	0.39%
Crude Oil (1 barrel)	3,298.00	-75.00	-2.22%
Aluminium (1 Kg)	105.10	-0.10	-0.10%
Copper (1Kg)	301.35	-0.35	-0.12%

Currency Market

Currency	10-Jun-16	Gains+Loss	% Change*
INR / 1 USD	66.7948	-0.17	-0.25%
INR / 1 GBP	96.5719	0.15	0.15%
INR / 1 EURO	75.4714	0.42	0.55%
INR / 100 JPY	62.4000	0.01	0.02%

NSE Top 5 Gainers

Company	10-Jun-16	Previous Close	% Change*
MPS Infotecnics	0.10	0.05	100.00%
VKS Projects	0.15	0.10	50.00%
Paras Petrofils	0.20	0.15	33.33%
Rasoya Proteins	0.20	0.15	33.33%
Upper Ganges Sugar	262.25	218.55	20.00%

NSE Top 5 Losers

Company	10-Jun-16	Previous Close	% Change*
KSS	0.15	0.20	-25.00%
Nicco Corpn	0.30	0.35	-14.29%
Raj Rayon Industries	0.35	0.40	-12.50%
Rei Agro	0.35	0.40	-12.50%
OCL Iron and Steel	11.35	12.60	-9.92%

BSE Top 5 Gainer

Company	10-Jun-16	Previous Close	% Change*
Upper Ganges Sugar	261.00	217.50	20.00%
Visa Steel	16.38	13.65	20.00%
Electrotherm India	75.70	63.10	19.97%
Garden Silk Mills	30.35	25.30	19.96%
Flex Foods	85.65	71.40	19.96%

BSE Top 5 Loser

Company	10-Jun-16	Previous Close	% Change*
Rathi Graphic Tech	9.02	10.17	-11.31%
Modex Internatl. Sec	55.00	61.50	-10.57%
Vama Industries	25.25	28.20	-10.46%
Fiberweb India	64.35	71.50	-10.00%
MPS Infotecnics	0.09	0.10	-10.00%

* % change is the over the previous days close.