

Morning Notes

22-July-2016

MARKET OUTLOOK

Markets to make a soft start tailing weak global cues: The Indian markets completely lost the momentum in second half of the last session and suffered cuts of over half a percent. Today, the start is likely to remain soft on sluggish global cues. Though, there will be some support with a private poll stating that India's economy will hum along at a solid pace for the remainder of this fiscal year provided structural reforms are passed, while above-target inflation means the Reserve Bank of India will only cut rates once more this year.

EQUITY MARKET WRAP UP

Benchmarks end a disappointing day with over half a percent cut: Indian stock indices showed a disappointing performance on Thursday's trading session after a resilient show in previous trade. Sentiments remained under pressure with the Moody's Investors Service's report indicating the growth in debt levels over the decade-mainly driven by private debts, making emerging market economies vulnerable to external shocks. According to Moody's report, the average external debt to gross domestic product ratio for Asia as a whole has increased from 31 per cent in 2008 to 47 per cent in 2015. BSE Sensex ended lower by 205.37 points or 0.74% to 27710.52, while the CNX Nifty dropped 55.75 points or 0.65% to 8,510.10. The BSE Sensex touched a high and a low 27988.76 and 27687.54, respectively. The broader indices made a negative closing; the BSE Mid cap index ended down by 0.19%, while Small cap index was down by 0.14%.

DEBT MARKET & FOREX

- Bond yields trade flat on Thursday:** Bond yields traded flat on Thursday amid lack of fresh triggers. Investors deferred purchases ahead of a fresh supply of notes tomorrow. Yields on new 10 year Government Stock were trading flat from its previous close at 7.27% on Wednesday. The benchmark five-year interest rates were trading flat from its previous close at 7.11% on Wednesday.
- Rupee ends unchanged on Thursday:** Indian rupee ended flat on Thursday due to mild dollar demand from banks and importers. Investors remained cautious with the Finance Minister Arun Jaitley's statement that India has underlined the need for a judicious mix of fiscal, monetary and structural policies by major economies to deal with the heightened uncertainty on account of Brexit. Rupee ended unchanged from its previous close of 67.18 on Wednesday. The currency touched a high and low of 67.27 and 67.15 respectively.

ECONOMY & MARKET PULSE

- Govt decides not to raise FDI cap in print media sector
- restaurant sector expected to grow at CAGR of 10% by FY21: NRAI report
- India may require 1,850 planes in 20 years: Boeing
- FDI surges by 46% after launch of 'Make in India'
- Govt raises concern over poor implementation of Welfare Cess Act
- Govt starts process to set up committee for implementing WTO's trade pact

Indices Performance

Index	21-Jul-16	Previous Close	% Change*
S&P BSE Sensex	27,710.52	27,915.89	-0.74%
CNX Nifty	8,510.10	8,565.85	-0.65%
CNX Midcap	14,298.30	14,369.60	-0.50%
CNX 500	7,186.70	7,221.30	-0.48%
S&P BSE Smallcap	12,010.36	12,027.46	-0.14%

Global Markets

Index		Previous Close	% Change*
Dow Jones	18,517.23	18,595.03	-0.42%
Nasdaq	5,073.90	5,089.93	-0.31%
S&P 500	2,165.17	2,173.02	-0.36%
FTSE	6,699.89	6,463.60	3.66%
CAC	4,376.25	4,379.76	-0.08%

Institutional Flows (Equity)

Description (Rs in Cr)	Purchases	Sales	Net
FII Flows	4,866.82	4,383.70	483.12
DII Flows	1,865.28	2,237.68	-372.40

Commodity Market

Commodities (INR)		Gains+Loss	% Change*
Gold (10gm)	31,005.00	268.00	0.87%
Silver (1Kg)	46,621.00	549.00	1.19%
Crude Oil (1 barrel)	3,038.00	-63.00	-2.03%
Aluminium (1 Kg)	106.85	-1.50	-1.38%
Copper (1Kg)	337.50	1.10	0.33%

Currency Market

Currency	21-Jul-16	Gains+Loss	% Change*
INR / 1 USD	67.2035	-0.03	-0.05%
INR / 1 GBP	88.9774	-0.94	-1.06%
INR / 1 EURO	74.1523	-0.16	-0.22%
INR / 100 JPY	62.7300	0.50	0.79%

NSE Top 5 Gainers

Company	21-Jul-16	Previous Close	% Change*
Farmax India	0.15	0.10	50.00%
VKS Projects	0.15	0.10	50.00%
Paras Petrofils	0.25	0.20	25.00%
Pan India Corp.	0.30	0.25	20.00%
Metalyt Forgings	58.80	49.05	19.88%

NSE Top 5 Losers

Company	21-Jul-16	Previous Close	% Change*
MPS Infotecnics	0.10	0.15	-33.33%
MVL	0.35	0.40	-12.50%
Kabra Extrus.technik	109.85	122.95	-10.65%
Kabra Extrus.technik	34.65	38.25	-9.41%
Lakshmi Energy&Food	82.15	90.45	-9.18%

BSE Top 5 Gainer

Company	21-Jul-16	Previous Close	% Change*
NTC Industries	48.00	40.00	20.00%
RDB Rasayans	25.50	21.25	20.00%
Anubhav Industrial	18.60	15.50	20.00%
Neha International	8.71	7.26	19.97%
Metalyt Forgings	58.95	49.15	19.94%

BSE Top 5 Loser

Company	21-Jul-16	Previous Close	% Change*
Sanjivani Paranteral	21.30	25.15	-15.31%
North Eastern Carry.	44.00	49.50	-11.11%
Nishtha Fin.&Invest	10.10	11.36	-11.09%
Kabra Extrus.technik	109.85	122.90	-10.62%
SPML Infra	81.85	90.90	-9.96%

* % change is the over the previous days close.