

## TODAYS MARKET OUTLOOK

### Markets to extend gains with a positive start

The Indian markets rallied in last session on expectations that the biggest tax reform in independent India will support higher government revenue generation, after the goods and services tax (GST) kicked in on July 1.

Today, the start is likely to be in green and the markets may extend the gains, despite sluggish global cues. Also, Chief Economic Adviser to Finance Ministry Arvind Subramanian has asked to wait till fiscal end before assessing GST impact.

Traders paid no heed to the report stating that manufacturing activity in India fell to a four-month low in June amid softer rise in factory new orders.

The seasonally adjusted Nikkei India Manufacturing Purchasing Managers' Index (PMI)-a composite single-figure indicator of manufacturing performance-slipped to 50.9 in the month of June as against 51.6 in the month of May.

Finally, the BSE Sensex gained 300.01 points or 0.97% to 31221.62, while the CNX Nifty was up by 94.10 points or 0.99% to 9,615.00.

### ECONOMY & MARKET PULSE

- India's manufacturing PMI falls to 4-month low of 50.9 in June
- Cabinet likely to approve Rs 16,709 crore hydro power policy in July
- GST implementation will be positive for India's ratings; will boost GDP growth: Moody's
- GST to make India Inc more competitive, incentivise exports: CII
- Core sector growth slows to 3.6% in May

### Indices Performance

| Index            | 03-Jul-17 | Previous Close | % Change* |
|------------------|-----------|----------------|-----------|
| S&P BSE Sensex   | 31,221.62 | 30,921.61      | 0.97%     |
| CNX Nifty        | 9,615.00  | 9,520.90       | 0.99%     |
| CNX Midcap       | 17,903.95 | 17,729.75      | 0.98%     |
| CNX 500          | 8,416.40  | 8,331.60       | 1.02%     |
| S&P BSE Smallcap | 15,572.66 | 15,410.52      | 1.05%     |

### Global Markets

| Index     |           | Previous Close | % Change* |
|-----------|-----------|----------------|-----------|
| Dow Jones | 21,349.63 | 21,349.63      | 0.00%     |
| Nasdaq    | 6,140.42  | 6,140.42       | 0.00%     |
| S&P 500   | 2,431.39  | 2,429.20       | 0.09%     |
| FTSE      | 7,312.72  | 7,312.72       | 0.00%     |
| CAC       | 5,120.68  | 5,120.68       | 0.00%     |

### Institutional Flows (Equity)

| Description (Rs in Cr) | Purchases | Sales    | Net      |
|------------------------|-----------|----------|----------|
| FII Flows              | 5,833.55  | 4,378.89 | 1,454.66 |
| DII Flows              | 3,169.01  | 2,214.67 | 954.34   |

### Commodity Market

| Commodities (INR)    |           | Gains+/Loss | % Change* |
|----------------------|-----------|-------------|-----------|
| Gold (10gm)          | 28,086.00 | 4.00        | -1.24%    |
| Silver (1Kg)         | 37,250.00 | 311.00      | -2.85%    |
| Crude Oil (1 barrel) | 3,043.00  | 3.00        | 2.53%     |
| Aluminium (1 Kg)     | 124.90    | 1.05        | 0.85%     |
| Copper (1Kg)         | 387.75    | 3.00        | -0.26%    |

### Currency Market

| Currency      | 03-Jul-17 | Gains+/Loss | % Change* |
|---------------|-----------|-------------|-----------|
| INR / 1 USD   | 64.7525   | -0.01       | -0.02%    |
| INR / 1 GBP   | 84.1718   | 0.08        | 0.10%     |
| INR / 1 EURO  | 73.8567   | 0.15        | 0.20%     |
| INR / 100 JPY | 57.5400   | 0.24        | 0.42%     |