

Morning Notes

04-Jan-2016

MARKET OUTLOOK

Markets to make soft start on weak global cues: Today, the start of the session is likely to be weak and the markets will be extending their decline tailing sluggish global cues. Sentiments will also be dampened on report that foreign funds stayed away from Indian equities in 2015 and invested just Rs 17,806 crore (\$3.2 billion) in stock markets last year as compared to Rs 1 lakh crore invested each into equities in the preceding three years.

EQUITY MARKET WRAP UP

New Year cheer leads Indian equities to a positive close on first trading day: The domestic benchmark equity indices managed to gather some impetus in final hours of the session to snap the first trading day of 2016 on an optimistic note, with moderate gains. Earlier, Indian benchmarks started the day on subdued note due to lack of participation coupled with disappointing macro data that prompted some investors to book profits at lower levels. Finally, the BSE Sensex gained 43.36 points or 0.17% to 26160.90, while the CNX Nifty ended up by 16.85 points or 0.21% to 7,963.20. The BSE Sensex traded in a range of 26147.63 and 25941.91. There were 19 stocks advancing against 11 stocks declining on the index.

DEBT MARKET & FOREX

- Bond yields trade flat on Friday:** Bond yields remained flat as investors remained cautious on report that India's core sector contracted 1.3% in November after expanding for six consecutive months, dragged down by a sharp decline in steel production due to weak demand and imports. The fall in core sector output may curb industrial growth, which reached a five-year high of 9.8% in October. Yields on new 10 year Government Stock were trading flat from its previous close at 7.75% on Thursday. The benchmark five-year interest rates were trading flat from its previous close at 7.73% on Thursday.
- Rupee ends flat against dollar on Friday:** Rupee ended flat against dollar on Friday owing to mild dollar demand from banks and importers. Sentiments of the domestic currency were hit by weak trade in local equity market which despite some choppiness managed a positive close, but rupee failed to take the advantage. Dollar's gain overnight against major world currencies also influenced the rupee movement. Rupee ended flat at its previous close of 66.14 on Thursday. The currency touched a high and low of 66.35 and 66.13 respectively.

ECONOMY & MARKET PULSE

- External debt of the country rise 1.7% at the end of September
- Qatar lowers gas price, waives India's Rs 12,000 crore liability
- Fiscal deficit stands at 87% of Budget estimate in April- Nov 2015
- Petrol, diesel prices slashed by 63 paise/ litre and Rs 1.06/ litre
- Core sector output contracts by 1.3% in November 2015
- Engineering Exports Promotion Council against MIP for steel import

Indices Performance

Index	1-Jan-16	Previous Close	% Change*
S&P BSE Sensex	26,160.90	26,117.54	0.17%
CNX Nifty	7,963.20	7,946.35	0.21%
CNX Midcap	13,540.45	13,396.70	1.07%
CNX 500	6,753.65	6,724.75	0.43%
S&P BSE Smallcap	11,940.75	11,836.71	0.88%

Global Markets

Index		Previous Close	% Change*
Dow Jones	17,425.03	17,603.87	-1.02%
Nasdaq	5,007.41	5,065.85	-1.15%
S&P 500	2,043.94	2,063.36	-0.94%
FTSE	6,242.32	6,274.10	-0.51%
CAC	4,637.06	4,677.14	-0.86%

Institutional Flows (Equity)

Description (Rs in Cr)	Purchases	Sales	Net
FII Flows	4,575.36	3,470.80	1,104.56
DII Flows	783.36	864.60	-81.24

Commodity Market

Commodities (INR)		Gains+Loss	% Change*
Gold (10gm)	24,962.00	31.00	0.12%
Silver (1Kg)	33,335.00	36.00	0.11%
Crude Oil (1 barrel)	2,480.00	-13.00	-0.52%
Aluminium (1 Kg)	100.35	0.20	0.20%
Copper (1Kg)	316.30	0.80	0.25%

Currency Market

Currency	1-Jan-16	Gains+Loss	% Change*
INR / 1 USD	66.1780	-0.15	-0.22%
INR / 1 GBP	97.6059	-0.74	-0.75%
INR / 1 EURO	71.8627	-0.64	-0.88%
INR / 100 JPY	55.0100	-0.08	-0.15%

NSE Top 5 Gainers

Company	1-Jan-16	Previous Close	% Change*
VKS Projects	0.20	0.15	33.33%
Pan India Corp.	0.25	0.20	25.00%
Sujana Metal	3.60	3.00	20.00%
TPL Plastech	230.40	192.00	20.00%
Indbank Merch. Bankg	10.50	8.75	20.00%

NSE Top 5 Losers

Company	1-Jan-16	Previous Close	% Change*
JCT Electronics	0.40	0.45	-11.11%
Nicco Corpn	0.45	0.50	-10.00%
Green Fire Agri Comm	2.30	2.55	-9.80%
Manaksia Industries	6.25	6.70	-6.72%
Samtel Color	0.80	0.85	-5.88%

BSE Top 5 Gainer

Company	1-Jan-16	Previous Close	% Change*
Sujana Metal	3.60	3.00	20.00%
UV Boards	23.70	19.75	20.00%
Vijay Textiles	17.64	14.70	20.00%
Sujana Towers	16.08	13.40	20.00%
Texmo Pipes & Prod.	16.32	13.60	20.00%

BSE Top 5 Loser

Company	1-Jan-16	Previous Close	% Change*
Stellar Capital	6.26	7.20	-13.06%
MFL India	0.72	0.82	-12.20%
R&B Denims	9.62	10.95	-12.15%
Sunstar Realty	33.15	37.00	-10.41%
PBM Polytex	105.10	116.85	-10.06%

* % change is the over the previous days close.