

## Morning Notes

07-Dec-2015

## MARKET OUTLOOK

**Markets to get a positive but cautious start:** Today, the start of the new week is likely to be positive but cautious, though there will be some support with report of Chief Economic Advisor (CEA) Arvind Subramanian-led panel recommending standard GST rate of 18 percent and lower rate of 12 percent on specified goods. Industry bodies FICCI and Assocham have welcomed the recommendations put forth by the Arvind Subramanian panel and said rollout of the tax reform will add 2 percent to India's growth and usher in efficiency and transparency in the indirect tax regime.

## EQUITY MARKET WRAP UP

**Benchmarks end lower on ECB move;** Nifty breaches 7,800 mark Friday turned out to be a disappointing session for the Indian equity indices which got pounded by around a percentage point tracking a global sell-off after the European Central Bank's (ECB) stimulus package fell well short of markets' high expectations. BSE Sensex plunged by 248.51 points or 0.96% to 25638.11, while the CNX Nifty declined by 82.25 points or 1.05% to 7781.90. The BSE Sensex touched a high and a low 25810.06 and 25623.71, respectively. The BSE Mid cap index was down by 1.05 %, while Small cap index was down by 0.64 %.

## DEBT MARKET &amp; FOREX

- Bond yields edge higher on Friday:** Bond yields edged higher tracking weakness in the rupee, which hit a more than two-year low against the greenback on strong demand for the American currency from banks and importers amid sustained capital outflows. Investors around the world turned increasingly jittery after the much awaited European Central Bank (ECB) stimulus failed to meet the street expectations. yields on new 10 year Government Stock were trading 3 basis points higher at 7.74% from its previous close at 7.71% on Thursday. The benchmark five-year interest rates were trading 3 basis points higher at 7.76% from its previous close at 7.73% on Thursday.
- Rupee weakens against dollar in early deals on Friday:** Indian rupee weakened against dollar in early deals on Friday on strong demand for the American currency from banks and importers amid sustained capital outflows. Besides, gains in the dollar against major global currencies and a lower opening in the domestic equity markets, also weighed on the rupee. The partially convertible currency is currently trading at 66.84, weaker by 18 paise from its previous close of 66.66 on Thursday. The currency touched a high and low of 66.99 and 66.80 respectively.

## ECONOMY &amp; MARKET PULSE

- India facing structural challenges to attain export targets: Crisil
- Government may ban commercial vehicles more than 15 years old
- Problems related to ease of doing business can affect US investments
- ADB pegs India's economic growth at 7.4 per cent for the current fiscal

## Indices Performance

Index	4-Dec-15	Previous Close	% Change*
S&P BSE Sensex	25,638.11	25,886.62	-0.96%
CNX Nifty	7,781.90	7,864.15	-1.05%
CNX Midcap	13,190.90	13,287.40	-0.73%
CNX 500	6,584.90	6,649.50	-0.97%
S&P BSE Smallcap	11,557.52	11,632.43	-0.64%

## Global Markets

Index		Previous Close	% Change*
Dow Jones	17,847.63	17,477.67	2.12%
Nasdaq	5,142.27	5,037.53	2.08%
S&P 500	2,091.69	2,049.62	2.05%
FTSE	6,238.29	6,275.00	-0.59%
CAC	4,714.79	4,730.21	-0.33%

## Institutional Flows (Equity)

Description (Rs in Cr)	Purchases	Sales	Net
FII Flows	3,199.46	3,734.10	-534.64
DII Flows	2,344.24	1,275.23	1,069.01

## Commodity Market

Commodities (INR)		Gains+/-Loss	% Change*
Gold (10gm)	25,715.00	452.00	1.79%
Silver (1Kg)	35,198.00	942.00	2.75%
Crude Oil (1 barrel)	2,684.00	-107.00	-3.83%
Aluminium (1 Kg)	101.45	1.95	1.96%
Copper (1Kg)	312.25	2.50	0.81%

## Currency Market

Currency	4-Dec-15	Gains+/-Loss	% Change*
INR / 1 USD	66.8365	0.09	0.14%
INR / 1 GBP	101.0434	1.43	1.44%
INR / 1 EURO	73.0456	2.38	3.36%
INR / 100 JPY	54.5100	0.43	0.80%

## NSE Top 5 Gainers

Company	4-Dec-15	Previous Close	% Change*
Valecha Engg.	56.50	47.10	19.96%
Jindal Cotex	7.85	6.55	19.85%
3I Infotech	5.15	4.30	19.77%
PBA Infrastructure	15.45	12.90	19.77%
Mukta Arts	55.50	46.40	19.61%

## NSE Top 5 Losers

Company	4-Dec-15	Previous Close	% Change*
Pan India Corp.	0.20	0.25	-20.00%
Nakoda	0.20	0.25	-20.00%
Blue Chip India	0.25	0.30	-16.67%
GMR Infrastructure	15.45	18.10	-14.64%
KSS	0.30	0.35	-14.29%

## BSE Top 5 Gainer

Company	4-Dec-15	Previous Close	% Change*
Punjab Communication	82.80	69.00	20.00%
Valecha Engg.	56.70	47.25	20.00%
Walchand People	105.70	88.10	19.98%
PBA Infrastructure	15.58	12.99	19.94%
Arihant Capital Mkt.	29.80	24.85	19.92%

## BSE Top 5 Loser

Company	4-Dec-15	Previous Close	% Change*
Udaipur Cement Works	11.24	14.01	-19.77%
Sirohia & Sons	12.05	15.00	-19.67%
Sunstar Realty	32.75	38.50	-14.94%
GMR Infrastructure	15.45	18.10	-14.64%
Winsome Diamonds	0.56	0.65	-13.85%

\* % change is the over the previous days close.