

Morning Notes

06-Jan-2016

MARKET OUTLOOK

Markets to make a mildly positive start after two days of decline: Today, the start is likely to be mildly in green and recovery can be seen in later trade. Traders will also be eyeing the Services PMI data for further cues. Meanwhile, ahead of Finance Minister Arun Jaitley's pre-Budget consultations with India Inc. Confederation of Indian Industry (CII) has said that government must focus on demand creation and that private sector is not investing because there is a lack of demand.

EQUITY MARKET WRAP UP

Global worries once again pull the markets lower; Sensex close below 25600 level: The Indian markets were unable to make any recovery after plunging in previous session and witnessed a volatile day of trade, finally closing in red with marginal losses, extending the declining trend for yet another session as overall market sentiment remained cautious due to continued worries about China's markets. Sentiments remained down-beat with retail inflation for farm labourers and rural workers in November rising to 4.92 percent and 5.02 percent, respectively, due to increase in prices of food items. Finally, the BSE Sensex declined by 43.01 points or 0.17% to 25580.34, while the CNX Nifty lost 6.65 points or 0.09% to 7,784.65. The BSE Sensex traded in a range of 25766.76 and 25513.75. There were 12 stocks advancing against 18 stocks declining on the index.

DEBT MARKET & FOREX

- Bond yields trade flat on Tuesday:** Bond yields traded flat on Tuesday as investors remained cautious ahead of India's government plans to sell 80 billion rupees of a new 10-year security as part of Friday's debt auction. Sentiments remained downbeat after the Nikkei India Manufacturing Purchasing Managers' Index (PMI) dipped to 49.1 in December from 50.3 in November. Yields on new 10 year Government Stock were trading flat from its previous close at 7.72% on Monday. The benchmark five-year interest rates were trading 1 basis point lower flat at 7.68% from its previous close at 7.69% on Monday.
- Rupee ends stronger against dollar on Tuesday:** Indian rupee ended stronger against dollar on Tuesday on fresh selling of the US currency by banks and exporters. However, fall in the equity market and dollar's strength against other currencies overseas capped the rupee's gain. Investors overlooked the data of the retail inflation for farm labourers and rural workers in November which rose to 4.92 percent and 5.02 percent, respectively, due to increase in prices of food items. Rupee ended at 66.59, 3 paise stronger from its previous close of 66.62 on Monday. The currency touched a high and low of 66.66 and 66.42 respectively.

ECONOMY & MARKET PULSE

- Fertilizer industry pitches for direct transfer of urea subsidy to farmers
- Retail inflation for farm, rural workers rises in November
- Govt working on food and fertiliser subsidy reforms: Shaktikanta Das
- Commerce Ministry wants to create funds to boost India's shrinking exports

Indices Performance

Index	5-Jan-16	Previous Close	% Change*
S&P BSE Sensex	25,580.34	25,623.35	-0.17%
CNX Nifty	7,784.65	7,791.30	-0.09%
CNX Midcap	13,546.20	13,429.40	0.87%
CNX 500	6,639.50	6,630.80	0.13%
S&P BSE Smallcap	11,900.79	11,807.82	0.79%

Global Markets

Index		Previous Close	% Change*
Dow Jones	17,158.66	17,148.94	0.06%
Nasdaq	4,891.43	4,903.09	-0.24%
S&P 500	2,016.71	2,012.66	0.20%
FTSE	6,137.24	6,093.40	0.72%
CAC	4,537.63	4,522.45	0.34%

Institutional Flows (Equity)

Description (Rs in Cr)	Purchases	Sales	Net
FII Flows	2,142.76	2,717.64	-574.88
DII Flows	1,631.28	1,618.09	13.19

Commodity Market

Commodities (INR)		Gains+Loss	% Change*
Gold (10gm)	25,388.00	-9.00	-0.04%
Silver (1Kg)	33,666.00	133.00	0.40%
Crude Oil (1 barrel)	2,407.00	-58.00	-2.35%
Aluminium (1 Kg)	98.30	-0.55	-0.56%
Copper (1Kg)	311.00	1.20	0.39%

Currency Market

Currency	5-Jan-16	Gains+Loss	% Change*
INR / 1 USD	66.5418	0.08	0.12%
INR / 1 GBP	97.9562	0.01	0.01%
INR / 1 EURO	72.0315	-0.36	-0.50%
INR / 100 JPY	55.7100	0.06	0.11%

NSE Top 5 Gainers

Company	5-Jan-16	Previous Close	% Change*
Gangotri Textile	2.00	1.55	29.03%
Surana Industries	10.80	9.00	20.00%
Raj Rayon Industries	0.60	0.50	20.00%
Surana Solar	33.30	27.75	20.00%
The United Nilgiri	516.40	430.35	20.00%

NSE Top 5 Losers

Company	5-Jan-16	Previous Close	% Change*
Agri-Tech (India)	5.90	7.70	-23.38%
Nicco Corpn	0.40	0.50	-20.00%
Pan India Corp.	0.25	0.30	-16.67%
Euro Multivision	1.95	2.20	-11.36%
Blue Chip India	0.40	0.45	-11.11%

BSE Top 5 Gainer

Company	5-Jan-16	Previous Close	% Change*
Surya Roshni	174.60	145.50	20.00%
Dolat Investment	4.32	3.60	20.00%
Jindal Hotel	45.00	37.50	20.00%
Surana Industries	10.80	9.00	20.00%
BLB	5.76	4.80	20.00%

BSE Top 5 Loser

Company	5-Jan-16	Previous Close	% Change*
Aanchal Ispat	7.10	8.34	-14.87%
Sawaca Business Mach	50.40	56.00	-10.00%
Pankaj Piyus Trade	277.90	308.70	-9.98%
Yogi Infra Projects	3.99	4.43	-9.93%
UV Boards	25.60	28.40	-9.86%

* % change is the over the previous days close.