

## Morning Notes

08-Jan-2016

## MARKET OUTLOOK

**Markets to see some recovery after four days of pounding:**

Today, the start is likely to be cautious but recovery can be expected along with other global peers. On domestic front the government has said that it agreed to accept demands set by the Congress party to back a landmark tax reform, raising hopes a political standoff that blocked the measure throughout last year might be resolved.

## EQUITY MARKET WRAP UP

**Global tremors continue to assault local benchmarks:** It turned to be yet another tumultuous day of trade for the Indian stock markets which got thrashed for the fourth straight session to end with a cut of over two percent. Markets saw relentless selling pressure across the counters after further depreciation of the Chinese yuan rekindled fears of a growth slowdown in the world's second largest economy while slump in crude oil prices also dampened sentiment. BSE Sensex declined by 554.50 points or 2.18% to 24851.83, while the CNX Nifty lost 172.70 points or 2.23% to 7,568.30. The BSE Sensex traded in a range of 25230.35 and 24825.70. All the 30 stocks on the Sensex were on declined side. The broader indices made a negative closing; the BSE Mid cap index ended down by 2.61%, while Small cap index ended down by 2.87%.

## DEBT MARKET &amp; FOREX

- **Bond yields remain steady on Thursday:** Bond yields remained flat on Thursday as investors turned cautious after China devalued its currency. Besides, World Bank in its latest report has said that the world economy as a whole would grow at 2.9% it estimated, a modest upturn from the 2.4% growth estimated for 2015, also weigh on sentiment. Yields on new 10 year Government Stock were trading flat from its previous close at 7.73% on Wednesday. The benchmark five-year interest rates were trading 1 basis point lower at 7.66% from its previous close at 7.67% on Wednesday.
- **Rupee extends weakness for the second day as China devalues Yuan:** Indian rupee extending weakness for the second day declined on Thursday, after the Chinese central bank, PBoC, devalued yuan by 0.51 per cent and set it midpoint to its weakest level since March 2011, sending Asian currencies tumbling. Besides, sustained foreign fund outflows amid increased demand for the US currency from importers and sharp decline in the local equity markets, also weighed on the rupee sentiments. Rupee ended at 66.93, 10 paise weaker from its previous close of 66.83 on Wednesday. The currency touched a high and low of 66.97 and 66.67 respectively.

## ECONOMY &amp; MARKET PULSE

- Government collects Rs 2,428 crore tax from over 600 entities
- Govt approves 'Stand Up India' scheme, credit guarantee fund for Mudra loans
- PM sets up eight groups of secretaries to drive economic growth
- Commerce Minister to meet states, industry on Jan 8 in view of declining exports

## Indices Performance

Index	7-Jan-16	Previous Close	% Change*
S&P BSE Sensex	24,851.83	25,406.33	-2.18%
CNX Nifty	7,568.30	7,741.00	-2.23%
CNX Midcap	13,130.30	13,513.20	-2.83%
CNX 500	6,446.85	6,607.65	-2.43%
S&P BSE Smallcap	11,509.68	11,850.34	-2.87%

## Global Markets

Index		Previous Close	% Change*
Dow Jones	16,514.10	16,906.51	-2.32%
Nasdaq	4,689.43	4,835.76	-3.03%
S&P 500	1,943.09	1,990.26	-2.37%
FTSE	5,954.08	6,073.40	-1.96%
CAC	4,403.58	4,480.47	-1.72%

## Institutional Flows (Equity)

Description (Rs in Cr)	Purchases	Sales	Net
FII Flows	4,454.10	4,567.79	-113.69
DII Flows	2,237.52	2,046.66	190.86

## Commodity Market

Commodities (INR)		Gains+Loss	% Change*
Gold (10gm)	26,100.00	359.00	1.39%
Silver (1Kg)	34,531.00	757.00	2.24%
Crude Oil (1 barrel)	2,254.00	-37.00	-1.62%
Aluminium (1 Kg)	98.50	-0.75	-0.76%
Copper (1Kg)	300.80	-10.30	-3.31%

## Currency Market

Currency	7-Jan-16	Gains+Loss	% Change*
INR / 1 USD	66.9115	0.20	0.29%
INR / 1 GBP	97.8514	0.08	0.08%
INR / 1 EURO	72.3782	0.68	0.95%
INR / 100 JPY	56.7800	0.59	1.05%

## NSE Top 5 Gainers

Company	7-Jan-16	Previous Close	% Change*
Paras Petrofils	0.30	0.25	20.00%
Nu Tek India	0.95	0.80	18.75%
Euro Multivision	2.30	1.95	17.95%
Lakshmi Energy&Food	20.85	17.70	17.80%
Pan India Corp.	0.35	0.30	16.67%

## NSE Top 5 Losers

Company	7-Jan-16	Previous Close	% Change*
Gangotri Textile	1.60	2.00	-20.00%
Ess Dee Aluminium	205.75	256.10	-19.66%
Rasoya Proteins	0.25	0.30	-16.67%
Himadri Chemical	13.30	15.90	-16.35%
Visagar Polytex	62.25	71.40	-12.82%

## BSE Top 5 Gainer

Company	7-Jan-16	Previous Close	% Change*
Spice Island Apparel	48.30	40.25	20.00%
Rishabhdev Technocab	1.51	1.26	19.84%
Nu Tek India	1.03	0.86	19.77%
Rathi Steel & Power	7.18	6.02	19.27%
GK Consultants	133.20	112.95	17.93%

## BSE Top 5 Loser

Company	7-Jan-16	Previous Close	% Change*
Veerhealth Care	3.08	3.84	-19.79%
Ess Dee Aluminium	205.80	255.80	-19.55%
Himadri Chemical	13.20	15.90	-16.98%
Parnax Lab	50.50	59.50	-15.13%
Scanpoint Geomatics	30.35	35.50	-14.51%

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