

## Morning Notes

02-Mar-2016

## MARKET OUTLOOK

**Markets to extend the gains with a strong start:** The Indian markets in a huge post budget rally posted their biggest one day gain in last five years. Today, the start is likely to be sanguine and there could be another strong opening with benchmarks extending their gains on jubilant global cues. Meanwhile, Revenue Secretary Hashmukh Adhia has said that the Budget has attempted to make domestic industry competitive, fuel demand and create jobs.

## EQUITY MARKET WRAP UP

**Boisterous benchmarks stage a remarkable rally; surge over 3%:** Indian equity indices showcased a stunning performance and went on to outclass indices around the world by vivaciously rallying over three percentage points in the session and settling above the psychological 7,200 (Nifty) and 23,700 (Sensex) levels. Investors continued to build hefty positions across the board as sentiments got a boost after Finance Minister Arun Jaitley retained FY17 fiscal deficit target at 3.5 per cent of GDP despite increasing expenditure for rural and infrastructure spending. The BSE Sensex surged by 777.35 points or 3.38% to 23779.35, while the CNX Nifty rose 235.25 points or 3.37% to 7,222.30. The BSE Sensex touched a high and a low 23821.49 and 23133.18, respectively. The broader indices made a positive closing; the BSE Mid cap index ended up by 3.04%, while Small cap index gained 3.23%.

## DEBT MARKET &amp; FOREX

- Bond yields trade flat on Tuesday:** Bond yields remained steady on Tuesday as investors turned cautious after the seasonally adjusted Nikkei India Manufacturing Purchasing Managers' Index (PMI) held steady 51.1 in February, same as January's reading. The yields on new 10 year Government Stock were trading steady from its previous close at 7.62% on Monday. The benchmark five-year interest rates were trading 1 basis point lower at 7.72% from its previous close at 7.73% on Monday.
- Rupee ends stronger for third straight session on Tuesday:** Extending its gains for the third-straight-day, Indian rupee ended stronger against dollar due to selling of American currency by banks and exporters. Besides, smart rally in the local equity markets and dollar's weakness against some currencies overseas also added to the positive milieu. The rupee ended at 67.87, 54 paise stronger from its previous close of 68.41 on Monday. The currency touched a high and low of 68.36 and 67.86 respectively.

## ECONOMY &amp; MARKET PULSE

- RBI Act to be amended for setting up the Monetary Policy Committee
- India's Manufacturing PMI remains stable in February
- Arun Jaitley allocates Rs 55,000 crore to the road sector for 2016-17
- Growth in eight core sectors surge to 2.9 per cent in January
- Petrol price cut by Rs 3.02 per litre, diesel hiked by Rs 1.47 per litre
- FDI norms gets relaxed in insurance, pension, ARCs and stock exchanges

## Indices Performance

Index	1-Mar-16	Previous Close	% Change*
S&P BSE Sensex	23,779.35	23,002.00	3.38%
CNX Nifty	7,222.30	6,987.05	3.37%
CNX Midcap	11,855.95	11,558.70	2.57%
CNX 500	6,020.05	5,829.95	3.26%
S&P BSE Smallcap	9,856.56	9,548.33	3.23%

## Global Markets

Index		Previous Close	% Change*
Dow Jones	16,865.08	16,516.50	2.11%
Nasdaq	4,689.60	4,557.95	2.89%
S&P 500	1,932.23	1,932.23	0.00%
FTSE	6,152.88	6,097.10	0.91%
CAC	4,406.84	4,353.55	1.22%

## Institutional Flows (Equity)

Description (Rs in Cr)	Purchases	Sales	Net
FII Flows	8,434.36	10,140.62	-1,706.26
DII Flows	2,203.55	3,038.14	-834.59

## Commodity Market

Commodities (INR)		Gains+/Loss	% Change*
Gold (10gm)	29,226.00	-287.00	-0.97%
Silver (1Kg)	35,621.00	-460.00	-1.27%
Crude Oil (1 barrel)	2,343.00	22.00	0.95%
Aluminium (1 Kg)	107.35	-0.85	-0.79%
Copper (1Kg)	324.25	-0.85	-0.26%

## Currency Market

Currency	1-Mar-16	Gains+/Loss	% Change*
INR / 1 USD	68.1580	-0.46	-0.67%
INR / 1 GBP	95.0395	-0.16	-0.17%
INR / 1 EURO	74.2172	-0.86	-1.15%
INR / 100 JPY	60.5000	-0.28	-0.46%

## NSE Top 5 Gainers

Company	1-Mar-16	Previous Close	% Change*
VKS Projects	0.10	0.05	100.00%
Paras Petrofils	0.20	0.15	33.33%
Farmax India	0.20	0.15	33.33%
Rasoya Proteins	0.25	0.20	25.00%
Nucleus Software Exp	181.80	151.50	20.00%

## NSE Top 5 Losers

Company	1-Mar-16	Previous Close	% Change*
KSS	0.20	0.25	-20.00%
LCC Infotech	0.25	0.30	-16.67%
Almondz Global Sec	9.05	10.10	-10.40%
Rei Agro	0.50	0.55	-9.09%
Vaswani Industries	5.70	6.20	-8.06%

## BSE Top 5 Gainer

Company	1-Mar-16	Previous Close	% Change*
Birla Cotsyn (India)	0.05	0.04	25.00%
Nucleus Software Exp	181.20	151.00	20.00%
Igarashi Motors	450.60	375.50	20.00%
Aarey Drugs & Pharma	25.80	21.50	20.00%
IZMO	46.85	39.05	19.97%

## BSE Top 5 Loser

Company	1-Mar-16	Previous Close	% Change*
Info-Drive Software	0.41	0.49	-16.33%
Rathi Graphic Tech	7.76	9.24	-16.02%
Winsome Textile	32.25	36.40	-11.40%
India Infraspace	62.35	70.00	-10.93%
Prakash Steelage	79.10	88.10	-10.22%

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