

Morning Notes

03-May-2016

MARKET OUTLOOK

Markets to get a cautious start, may see some upmove in latter part of the trade: The Indian markets after losing their momentum in the very early trade, remained in a range and witnessed cut of over half a percent in last session. Today, the start is likely to remain cautious tailing the mixed global cues. However, some recovery can be expected in the latter part of trade, with India's infrastructure sectors clocking their highest growth in 16 months in March 2016, with the index for core industries climbing 6.4 per cent, against 5.7 per cent in February.

EQUITY MARKET WRAP UP

Benchmarks end a lackluster session with marginal cut; broader markets outclass: Indian benchmark indices started the new month on a disappointing note, as they showcased an unenthusiastic performance on Monday and settled with moderate cuts of over half a percent amid weak cues from Japan and after disappointing earnings from major corporates. BSE Sensex declined by 169.65 points or 0.66% to 25436.97, while the CNX Nifty dropped 43.90 points or 0.56% to 7,805.90. The BSE Sensex touched a high and a low 25565.44 and 25341.14, respectively. The broader indices made a positive closing, outperforming the benchmarks; the BSE Mid cap index ended up by 1.10%, while Small cap index was higher by 0.39%.

DEBT MARKET & FOREX

- **Bond yields trade flat on Monday:** Bond yields remained steady on Monday amid lack of fresh triggers. Investors are likely sell bonds to benefit after a rise in prices last week and a higher-than-estimated cutoff price at an auction. Meanwhile, the growth in India's manufacturing sector slowly sharply in April as demand weakened, reinforcing views that the central bank will have to cut interest rates again in coming months. Yields on new 10 year Government Stock were trading flat from its previous close at 7.43% on Friday. The benchmark five-year interest rates were trading flat from its previous close at 7.46% on Friday.
- **Rupee ends weaker on dollar demand:** Indian rupee ended weaker against dollar on Monday on increased demand for the American currency from importers and banks, amid mixed cues from Asian currency market. Besides, losses in local equities and firm dollar against some currencies overseas also added to the pessimistic environment. Rupee ended at 66.44, 11 paise weaker from its previous close of 66.33, on Friday. The currency touched a high and low of 66.45 and 66.31 respectively.

ECONOMY & MARKET PULSE

- Economic downturn one of the reason for rise in NPA of PSBs: RBI Governor
- India's Manufacturing PMI falls to 50.5 in April
- India ready to clear \$6.5 billion of debt for Iranian oil
- India not aimless on trade negotiations: Nirmala Sitharaman
- OMCs hike price of petrol by Rs 1.06/litre, diesel by Rs 2.94/litre

Indices Performance

| Index | 2-May-16 | Previous Close | % Change* |
|------------------|-----------|----------------|-----------|
| S&P BSE Sensex | 25,436.97 | 25,606.62 | -0.66% |
| CNX Nifty | 7,805.90 | 7,849.80 | -0.56% |
| CNX Midcap | 13,271.30 | 13,195.30 | 0.58% |
| CNX 500 | 6,580.15 | 6,588.55 | -0.13% |
| S&P BSE Smallcap | 11,063.86 | 11,020.59 | 0.39% |

Global Markets

| Index | | Previous Close | % Change* |
|-----------|-----------|----------------|-----------|
| Dow Jones | 17,891.16 | 17,773.64 | 0.66% |
| Nasdaq | 4,817.59 | 4,775.36 | 0.88% |
| S&P 500 | 2,081.43 | 2,065.30 | 0.78% |
| FTSE | 6,241.89 | 6,322.40 | -1.27% |
| CAC | 4,442.75 | 4,428.96 | 0.31% |

Institutional Flows (Equity)

| Description (Rs in Cr) | Purchases | Sales | Net |
|------------------------|-----------|----------|---------|
| FII Flows | 4,422.84 | 4,438.93 | -16.09 |
| DII Flows | 944.81 | 1,054.37 | -109.56 |

Commodity Market

| Commodities (INR) | | Gains+/-Loss | % Change* |
|----------------------|-----------|--------------|-----------|
| Gold (10gm) | 30,294.00 | 28.00 | 0.09% |
| Silver (1Kg) | 41,217.00 | -349.00 | -0.84% |
| Crude Oil (1 barrel) | 2,987.00 | -48.00 | -1.58% |
| Aluminium (1 Kg) | 111.15 | -0.40 | -0.36% |
| Copper (1Kg) | 335.95 | -2.65 | -0.78% |

Currency Market

| Currency | 2-May-16 | Gains+/-Loss | % Change* |
|---------------|----------|--------------|-----------|
| INR / 1 USD | 66.3435 | 0.17 | 0.26% |
| INR / 1 GBP | 97.0207 | 0.38 | 0.39% |
| INR / 1 EURO | 76.0562 | -0.33 | -0.43% |
| INR / 100 JPY | 62.3100 | -0.35 | -0.56% |

NSE Top 5 Gainers

| Company | 2-May-16 | Previous Close | % Change* |
|----------------------|----------|----------------|-----------|
| VKS Projects | 0.10 | 0.05 | 100.00% |
| LCC Infotech | 0.25 | 0.20 | 25.00% |
| Resurgere Mines&Mine | 1.20 | 1.00 | 20.00% |
| Eon Electronic | 81.35 | 67.80 | 19.99% |
| Gyscoal Alloys | 53.80 | 44.85 | 19.96% |

NSE Top 5 Losers

| Company | 2-May-16 | Previous Close | % Change* |
|----------------------|----------|----------------|-----------|
| Paras Petrofils | 0.15 | 0.20 | -25.00% |
| Rasoya Proteins | 0.20 | 0.25 | -20.00% |
| Pan India Corp. | 0.25 | 0.30 | -16.67% |
| FCS Software Soltns. | 0.30 | 0.35 | -14.29% |
| SRS | 12.30 | 14.20 | -13.38% |

BSE Top 5 Gainer

| Company | 2-May-16 | Previous Close | % Change* |
|----------------------|----------|----------------|-----------|
| Uniphos Enterprises | 43.20 | 36.00 | 20.00% |
| BL Kashyap & Sons | 16.63 | 13.86 | 19.99% |
| Eon Electronic | 81.45 | 67.90 | 19.96% |
| Vikram Thermo(India) | 82.35 | 68.65 | 19.96% |
| Gyscoal Alloys | 53.90 | 44.95 | 19.91% |

BSE Top 5 Loser

| Company | 2-May-16 | Previous Close | % Change* |
|----------------------|----------|----------------|-----------|
| SRS Finance | 21.30 | 24.90 | -14.46% |
| SRS | 12.24 | 14.12 | -13.31% |
| Landmarc LeisureCorp | 0.49 | 0.56 | -12.50% |
| Tinplate Company | 66.90 | 76.05 | -12.03% |
| BLB | 2.95 | 3.28 | -10.06% |

* % change is the over the previous days close.