

## Morning Notes

12-May-2016

## MARKET OUTLOOK

**Markets to remain subdued on weak global cues:** The Indian markets once again showed a volatile trade and despite coming off the early slump, ended lower by over half a percent in last session. Today, the start is likely to remain somber as the global cues too are subdued. There will be buzz in the markets with Rajya Sabha clearing the bankruptcy bill, after it was passed by Lok Sabha last week. The bill is expected to further enhance the ease of doing business in the country.

## EQUITY MARKET WRAP UP

**Benchmarks snap two-day winning streak; Nifty ends below 7850 level:** Indian benchmark indices snapped two days winning streak and ended lower on Wednesday, on concerns that the government may amend tax treaties with countries, including Singapore, after it agreed to tax capital gains on foreign investments from Mauritius. The tax, which will be effective April 2017, would be at 50 per cent of the domestic rate for two years, and at the full rate thereafter, the government had said on Tuesday. BSE Sensex declined by 175.51 points or 0.68% to 25597.02, while the CNX Nifty dropped 38.95 points or 0.49% to 7,848.85. The BSE Sensex touched a high and a low 25762.49 and 25409.24, respectively. The broader indices made a mixed closing, the BSE Mid cap index ended up by 0.17%, while Small cap index was lower by 0.03%.

## DEBT MARKET &amp; FOREX

- **Bond yields trade flat on Wednesday:** Bond yields traded flat on Wednesday amid lack of fresh clues. Investors remained cautious ahead of the release of the April CPI and March IIP data on Thursday. Yields on new 10 year Government Stock were trading flat from its previous close at 7.42% on Tuesday. The benchmark five-year interest rates were trading flat from its previous close at 7.42% on Tuesday.
- **Rupee snaps two-day losing streak; ends stronger on Wednesday:** Indian rupee snapped its two-day's depreciating streak and ended stronger against dollar on Wednesday ahead of the Consumer Price Index (CPI) inflation and index of industrial production (IIP) data due to be scheduled on Thursday. Rupee ended at 66.56, 11 paise stronger from its previous close at 66.67 on Tuesday. The currency touched a high and low of 66.84 and 66.56 respectively.

## ECONOMY &amp; MARKET PULSE

- India gets the right to tax capital gains on investments channeled through Mauritius
- India's agricultural exports fall by 10% in 2015-16
- Government saves over Rs 27000 crore via DBT and Aadhaar
- India needs growth rate of 9 percent to eliminate poverty: Pranab Mukherjee
- Govt initiates probe on dumping of Chinese radial tyres

## Indices Performance

| Index            | 10-May-16 | Previous Close | % Change* |
|------------------|-----------|----------------|-----------|
| S&P BSE Sensex   | 25,772.53 | 25,688.86      | 0.33%     |
| CNX Nifty        | 7,887.80  | 7,866.05       | 0.28%     |
| CNX Midcap       | 13,108.65 | 13,144.95      | -0.28%    |
| CNX 500          | 6,617.25  | 6,603.25       | 0.21%     |
| S&P BSE Smallcap | 11,042.02 | 11,030.13      | 0.11%     |

## Global Markets

| Index     |           | Previous Close | % Change* |
|-----------|-----------|----------------|-----------|
| Dow Jones | 17,928.35 | 17,705.91      | 1.26%     |
| Nasdaq    | 4,809.88  | 4,750.21       | 1.26%     |
| S&P 500   | 2,084.39  | 2,058.69       | 1.25%     |
| FTSE      | 6,156.65  | 6,114.80       | 0.68%     |
| CAC       | 4,338.21  | 4,322.81       | 0.36%     |

## Institutional Flows (Equity)

| Description (Rs in Cr) | Purchases | Sales    | Net    |
|------------------------|-----------|----------|--------|
| FII Flows              | 3,927.19  | 3,631.91 | 295.28 |
| DII Flows              | 1,647.05  | 1,578.85 | 68.20  |

## Commodity Market

| Commodities (INR)    |           | Gains+Loss | % Change* |
|----------------------|-----------|------------|-----------|
| Gold (10gm)          | 29,783.00 | -22.00     | -0.07%    |
| Silver (1Kg)         | 40,839.00 | 90.00      | 0.22%     |
| Crude Oil (1 barrel) | 2,968.00  | 57.00      | 1.96%     |
| Aluminium (1 Kg)     | 103.70    | -0.25      | -0.24%    |
| Copper (1Kg)         | 311.90    | -1.25      | -0.40%    |

## Currency Market

| Currency      | 10-May-16 | Gains+Loss | % Change* |
|---------------|-----------|------------|-----------|
| INR / 1 USD   | 66.7224   | -0.28      | -0.43%    |
| INR / 1 GBP   | 96.1069   | -0.34      | -0.35%    |
| INR / 1 EURO  | 75.9568   | -0.15      | -0.20%    |
| INR / 100 JPY | 61.3500   | 0.38       | 0.62%     |

## NSE Top 5 Gainers

| Company             | 10-May-16 | Previous Close | % Change* |
|---------------------|-----------|----------------|-----------|
| Paras Petrofils     | 0.20      | 0.15           | 33.33%    |
| Rasoya Proteins     | 0.25      | 0.20           | 25.00%    |
| KSS                 | 0.25      | 0.20           | 25.00%    |
| California Software | 10.50     | 8.50           | 23.53%    |
| Store One Retail    | 88.55     | 73.80          | 19.99%    |

## NSE Top 5 Losers

| Company             | 10-May-16 | Previous Close | % Change* |
|---------------------|-----------|----------------|-----------|
| MPS Infotecnics     | 0.05      | 0.10           | -50.00%   |
| Lakshmi Energy&Food | 19.40     | 24.25          | -20.00%   |
| Pan India Corp.     | 0.25      | 0.30           | -16.67%   |
| Nakoda              | 0.25      | 0.30           | -16.67%   |
| Noesis Industries   | 0.25      | 0.30           | -16.67%   |

## BSE Top 5 Gainer

| Company           | 10-May-16 | Previous Close | % Change* |
|-------------------|-----------|----------------|-----------|
| Donear Inds       | 30.60     | 25.50          | 20.00%    |
| BL Kashyap & Sons | 20.16     | 16.80          | 20.00%    |
| Loyal Equipments  | 15.42     | 12.85          | 20.00%    |
| Store One Retail  | 88.35     | 73.65          | 19.96%    |
| Ghushine Fintrade | 9.32      | 7.77           | 19.95%    |

## BSE Top 5 Loser

| Company             | 10-May-16 | Previous Close | % Change* |
|---------------------|-----------|----------------|-----------|
| Lakshmi Energy&Food | 19.15     | 23.90          | -19.87%   |
| Cerebra Integ. Tech | 15.05     | 17.45          | -13.75%   |
| RCL Retail          | 14.00     | 15.70          | -10.83%   |
| Vaswani Industries  | 7.38      | 8.20           | -10.00%   |
| Rama Paper Mills    | 14.85     | 16.50          | -10.00%   |

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