

## Morning Notes

16-May-2016

## MARKET OUTLOOK

**Markets to make a cautious start on sluggish global cues:** The Indian markets suffered severe loss in last session and benchmarks lost over a percent, reacting to the weak macro data and sluggish global cues. Today, the start is likely to be soft-to-cautious on mostly listless trade in other regional markets. Traders will also be reacting to IMD's latest forecast of a likely late arrival of monsoon on the Kerala coast. Also, there will be some concern in the market with a industry body FICCI's survey that growth of India's manufacturing sector may decelerate during June quarter due to factors like bleak export outlook, poor demand and high cost of borrowing.

## EQUITY MARKET WRAP UP

**Weak macro data takes its toll, markets slumps over a percent:** Indian markets suffered severe drubbing on Friday, weighed down by weak set of macro data and sluggish global surroundings. The benchmarks which had shown a terrific performance just a day ago remained under pressure from the very beginning amid weak global cues. Indian markets suffered severe drubbing on Friday, weighed down by weak set of macro data and sluggish global surroundings. The benchmarks which had shown a terrific performance just a day ago remained under pressure from the very beginning amid weak global cues.

## DEBT MARKET &amp; FOREX

- Bond yields trade higher on Friday:** Bond yields traded higher on Friday after India's retail inflation grew at a faster-than-expected pace last month, limiting room for the central bank to cut interest rates further. Retail inflation, as measured by the consumer price index (CPI) for April accelerated to 5.39% as compared to 4.83% in March. Yields on new 10 year Government Stock were trading 3 basis points higher at 7.45% from its previous close at 7.42% on Thursday. The benchmark five-year interest rates were trading 2 basis points higher at 7.42% from its previous close at 7.40% on Thursday.
- Rupee extends weakness against dollar on Friday:** Indian rupee extending its weakness for the second day, depreciated against dollar on the last trading session of the week after the weak macroeconomic data. IIP growth plunged to 0.1% in March due to poor performance of manufacturing and mining sectors coupled with a sharp decline in the output of capital goods, while retail inflation soared to 5.39% in April on higher food prices, reversing a downward trend seen in recent months. Besides, increased demand for the American currency from importers and losses in the local equity market too dampened the rupee sentiment. Rupee ended at 66.77, 15 paise weaker from its previous close at 66.62 on Thursday. The currency touched a high and low of 66.82 and 66.71 respectively.

## ECONOMY &amp; MARKET PULSE

- RBI issues new guidelines on ownership in private sector banks
- Govt set to replace Nehru's five-year plans with 15-year vision documents
- Indian economy to grow 7.3% in 2016: UN report
- IIP growth for March slows to 0.1%
- Retail inflation accelerates to 5.39% in April

## Indices Performance

Index	13-May-16	Previous Close	% Change*
S&P BSE Sensex	25,489.57	25,790.22	-1.17%
CNX Nifty	7,814.90	7,900.40	-1.08%
CNX Midcap	13,130.80	13,181.90	-0.39%
CNX 500	6,582.30	6,640.90	-0.88%
S&P BSE Smallcap	11,113.30	11,140.70	-0.25%

## Global Markets

Index		Previous Close	% Change*
Dow Jones	17,535.32	17,720.50	-1.05%
Nasdaq	4,717.68	4,737.33	-0.41%
S&P 500	2,046.61	2,064.11	-0.85%
FTSE	6,138.50	6,104.20	0.56%
CAC	4,319.99	4,293.27	0.62%

## Institutional Flows (Equity)

Description (Rs in Cr)	Purchases	Sales	Net
FII Flows	3,481.67	3,430.42	51.25
DII Flows	2,213.76	1,546.73	667.03

## Commodity Market

Commodities (INR)		Gains+/-Loss	% Change*
Gold (10gm)	30,034.00	133.00	0.44%
Silver (1Kg)	40,974.00	171.00	0.42%
Crude Oil (1 barrel)	3,097.00	1.00	0.03%
Aluminium (1 Kg)	102.95	-0.25	-0.24%
Copper (1Kg)	309.85	1.40	0.45%

## Currency Market

Currency	13-May-16	Gains+/-Loss	% Change*
INR / 1 USD	66.7609	-0.16	-0.25%
INR / 1 GBP	96.1557	0.00	0.00%
INR / 1 EURO	75.7202	0.34	0.45%
INR / 100 JPY	61.4700	-0.31	-0.51%

## NSE Top 5 Gainers

Company	13-May-16	Previous Close	% Change*
Farmax India	0.15	0.10	50.00%
Paras Petrofils	0.25	0.20	25.00%
Arvind Infra	99.75	83.15	19.96%
Manappuram Finance	50.25	41.90	19.93%
Mangalam Timber Prod	25.30	21.10	19.91%

## NSE Top 5 Losers

Company	13-May-16	Previous Close	% Change*
Birla Cotsyn (India)	0.05	0.10	-50.00%
VKS Projects	0.10	0.15	-33.33%
Pan India Corp.	0.25	0.30	-16.67%
Kokuyo Camlin	79.05	91.65	-13.75%
Hind Syntex	18.15	20.45	-11.25%

## BSE Top 5 Gainer

Company	13-May-16	Previous Close	% Change*
Crest Ventures	52.80	44.00	20.00%
Arrow Textiles Ltd	43.25	36.05	19.97%
Tyche Inds	58.90	49.10	19.96%
Arvind Infra	100.10	83.45	19.95%
Mangalam Timber Prod	25.55	21.30	19.95%

## BSE Top 5 Loser

Company	13-May-16	Previous Close	% Change*
Kokuyo Camlin	79.10	92.05	-14.07%
Signet Industries	37.45	42.55	-11.99%
Kriti Industries (I)	26.95	30.35	-11.20%
Bharat Bijlee	957.25	1,067.75	-10.35%
Tricom India	1.62	1.80	-10.00%

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