

Morning Notes

2-May-2016

MARKET OUTLOOK

Markets to make a strong start on the penultimate day of F&O expiry:

The Indian markets regaining momentum in the second half managed a modestly positive close in last session. Though, the trade remained choppy but traders were seen lapping up fundamentally strong stocks at attractive valuations. Today, the start of the penultimate day of the F&O series expiry is likely to be good on strong global cues. Traders will also be getting some encouragement with Australian Met Department's report that the weather system that wreaked havoc in India, Asia and Africa has just ended and will now give way to bountiful rain in the form of La Nina.

EQUITY MARKET WRAP UP

Benchmarks snap four-day losing streak; Sensex regains 25300 level:

After registering losses for four consecutive sessions, Indian benchmark indices managed a modestly positive close on Tuesday, as investors accumulated quality stocks at attractive levels. Though, the session largely remained characterized by choppiness as the aimless indices moved only sideways in a tight band amid lack of triggers. BSE Sensex gained 75.11 points or 0.30% to 25305.47, while the CNX Nifty rose 17.80 points or 0.23% to 7,748.85. The BSE Sensex touched a high and a low 25688.46 and 25351.62, respectively. The broader indices made a negative closing; the BSE Mid cap index ended down by 0.16%, while Small cap index declined by 0.65%.

DEBT MARKET & FOREX

- Bond yields trade flat on Tuesday:** Bond yields traded flat on positive bias on Tuesday after the central bank announced an open market purchase of notes this week ahead of a state debt auction where the quantum is lower than scheduled. Yields on new 10 year Government Stock were trading flat from its previous close at 7.46% on Monday. The benchmark five-year interest rates were trading 1 basis point lower at 7.42% its previous close at 7.43% on Monday.
- Rupee suffers sharp slump to end over two and half months low:** Extending the fall for the ninth day in a row, rupee fell sharply on Tuesday on account of sustained foreign fund outflows. Foreign institutional investors (FIIs) continued to liquidate their investment in debt markets and weighed on the rupee heavily. Rupee ended at 67.76, 27 paise weaker from its previous close at 67.49 on Monday. The currency touched a high and low of 67.75 and 67.64 respectively.

ECONOMY & MARKET PULSE

- Credit growth unlikely to revive materially in near term: SBI
- CBDT issues draft rules to compute FMV of foreign firms
- RBI to check customer liability in bank frauds
- India signs agreement with Iran to develop Chabahar port

Indices Performance

Index	24-May-16	Previous Close	% Change*
S&P BSE Sensex	25,305.47	25,230.36	0.30%
CNX Nifty	7,748.85	7,731.05	0.23%
CNX Midcap	12,865.90	12,933.80	-0.52%
CNX 500	6,498.60	6,495.25	0.05%
S&P BSE Smallcap	10,851.66	10,922.41	-0.65%

Global Markets

Index		Previous Close	% Change*
Dow Jones	17,706.05	17,492.93	1.22%
Nasdaq	4,861.06	4,765.78	2.00%
S&P 500	2,076.06	2,048.04	1.37%
FTSE	6,219.26	6,136.40	1.35%
CAC	4,431.52	4,325.10	2.46%

Institutional Flows (Equity)

Description (Rs in Cr)	Purchases	Sales	Net
FII Flows	3,095.24	3,131.20	-35.96
DII Flows	2,130.20	1,140.25	989.95

Commodity Market

Commodities (INR)		Gains+/-Loss	% Change*
Gold (10gm)	29,300.00	-384.00	-1.29%
Silver (1Kg)	39,337.00	-328.00	-0.83%
Crude Oil (1 barrel)	3,309.00	58.00	1.78%
Aluminium (1 Kg)	105.35	0.75	0.72%
Copper (1Kg)	311.45	2.10	0.68%

Currency Market

Currency	24-May-16	Gains+/-Loss	% Change*
INR / 1 USD	67.7060	-0.36	-0.53%
INR / 1 GBP	98.0654	-0.30	-0.31%
INR / 1 EURO	75.9323	-0.31	-0.41%
INR / 100 JPY	61.9700	-0.59	-0.96%

NSE Top 5 Gainers

Company	24-May-16	Previous Close	% Change*
Paras Petrofils	0.25	0.20	25.00%
Sundaram BrakeLining	294.00	245.00	20.00%
Sundaram Multi Pap	2.80	2.35	19.15%
LCC Infotech	0.35	0.30	16.67%
Kellton Tech Solut.	194.10	166.70	16.44%

NSE Top 5 Losers

Company	24-May-16	Previous Close	% Change*
VKS Projects	0.05	0.10	-50.00%
Rasoya Proteins	0.20	0.25	-20.00%
VRL Logistics	314.75	393.40	-19.99%
Nakoda	0.25	0.30	-16.67%
Greenearth Resources	0.30	0.35	-14.29%

BSE Top 5 Gainer

Company	24-May-16	Previous Close	% Change*
Tarini International	10.68	8.90	20.00%
Sundaram BrakeLining	288.10	240.10	19.99%
Sundaram Multi Pap	2.86	2.39	19.67%
Novartis	833.10	711.10	17.16%
Kellton Tech Solut.	194.45	167.15	16.33%

BSE Top 5 Loser

Company	24-May-16	Previous Close	% Change*
Dion Global Solution	69.85	87.30	-19.99%
VRL Logistics	315.10	393.85	-19.99%
Cals Refineries	0.06	0.07	-14.29%
Nu Tek India	0.56	0.64	-12.50%
Innovasynth Invest	6.50	7.39	-12.04%

* % change is the over the previous days close.