

Morning Notes

31-May-2016

MARKET OUTLOOK

Markets to make a positive start on supportive global cues:

The Indian markets despite some cautiousness and a range bound trade managed to move modestly higher in last session, extending the gaining streak for yet another day. Today, the start is likely to be in green tailing the supportive regional cues, however all eyes will be on gross domestic product (GDP) data for the fourth quarter (January-March) of 2015-16 slated to be released after the market hours. CSO had forecast that the Indian economy will grow at 7.6% in the year ended 31 March.

EQUITY MARKET WRAP UP

Benchmarks extend winning streak for the fifth straight session: Monday's trading session was clearly of consolidation and the Indian benchmark indices appeared a bit fatigued and remained in directionless trajectory throughout the day. Nevertheless, the benchmarks managed to extend the winning momentum for the fifth consecutive day of trade. Investors got some confidence with the report that India is one of the best-placed among emerging market economies as domestic factors have started to turn 'incrementally positive' indicating a nascent recovery. BSE Sensex gained 72 points or 0.27% to 26725.60, while the CNX Nifty rose 21.85 points or 0.27% to 8,178.50. The BSE Sensex touched a high and a low 26794.96 and 26623.33, respectively. The broader indices made a positive closing; the BSE Mid cap index ended up by 0.35%, while Small cap index gained 0.42%

DEBT MARKET & FOREX

- **Bond yields edge lower after RBI announces OMO:** Bond yields edged lower as investors turned optimistic after the Reserve Bank of India (RBI) announced a surprise open market purchase of notes for this week. In order to infuse liquidity, RBI will buy government bonds worth Rs 15,000 crore through open market operations (OMO). However, concerns of an imminent Federal Reserve rate hike could cap gains. Yields on new 10 year Government Stock were trading 1 basis point lower at 7.46% from its previous close at 7.47% on Friday. The benchmark five-year interest rates were trading 1 basis point lower at 7.42% from its previous close at 7.43% on Friday.
- **Rupee snaps its gaining streak on month end dollar demand:** Indian rupee snapped its gaining streak on Monday and pared some of the gains gathered in previous week, following month-end dollar demand from importers and banks. Rupee ended at 67.17, 14 paise weaker from its previous close at 67.03 on Friday. The currency touched a high and low of 67.37 and 67.18 respectively.

ECONOMY & MARKET PULSE

- India Ratings expect GDP growth to be 7.5 percent for the fiscal
- ASSOCHAM urges not to drag RBI governor into needless controversies
- India imported 13.3 million tonnes of steel last year: WSA
- Japanese investors keen to invest in India's infra sector: Arun Jaitley

Indices Performance

Index	30-May-16	Previous Close	% Change*
S&P BSE Sensex	26,725.60	26,653.60	0.27%
CNX Nifty	8,178.50	8,156.65	0.27%
CNX Midcap	13,335.35	13,270.05	0.49%
CNX 500	6,820.30	6,797.00	0.34%
S&P BSE Smallcap	11,157.59	11,110.96	0.42%

Global Markets

Index		Previous Close	% Change*
Dow Jones	17,873.22	17,828.29	0.25%
Nasdaq	4,933.50	4,901.77	0.65%
S&P 500	2,099.06	2,090.10	0.43%
FTSE	6,270.79	6,265.70	0.08%
CAC	4,529.40	4,514.74	0.32%

Institutional Flows (Equity)

Description (Rs in Cr)	Purchases	Sales	Net
FII Flows	4,629.74	3,971.70	658.04
DII Flows	1,318.83	1,529.92	-211.09

Commodity Market

Commodities (INR)		Gains+/Loss	% Change*
Gold (10gm)	28,603.00	0.00	0.00%
Silver (1Kg)	38,577.00	-289.00	-0.74%
Crude Oil (1 barrel)	3,386.00	76.00	2.30%
Aluminium (1 Kg)	104.60	0.15	0.14%
Copper (1Kg)	312.50	-1.80	-0.57%

Currency Market

Currency	30-May-16	Gains+/Loss	% Change*
INR / 1 USD	67.3398	-0.28	-0.42%
INR / 1 GBP	98.4373	-0.04	-0.05%
INR / 1 EURO	74.8415	0.25	0.33%
INR / 100 JPY	60.4900	0.63	1.03%

NSE Top 5 Gainers

Company	30-May-16	Previous Close	% Change*
MPS Infotecnics	0.10	0.05	100.00%
Paras Petrofils	0.25	0.20	25.00%
Nakoda	0.30	0.25	20.00%
Panacea Biotech	103.20	86.40	19.44%
Dynamatic Tech	2,681.85	2,261.50	18.59%

NSE Top 5 Losers

Company	30-May-16	Previous Close	% Change*
VKS Projects	0.05	0.10	-50.00%
Pan India Corp.	0.20	0.25	-20.00%
Signet Industries	21.60	26.95	-19.85%
Vikas EcoTech	13.95	17.40	-19.83%
Zicom Electn.Sec Sys	49.90	58.10	-14.11%

BSE Top 5 Gainer

Company	30-May-16	Previous Close	% Change*
Claris Lifesciences	201.90	168.25	20.00%
Mahabir Metallex	34.80	29.00	20.00%
Filtra Consultants	17.16	14.30	20.00%
Virinchi	53.45	44.55	19.98%
DHP India	115.40	96.20	19.96%

BSE Top 5 Loser

Company	30-May-16	Previous Close	% Change*
Signet Industries	21.40	26.75	-20.00%
Vikas EcoTech	13.85	17.30	-19.94%
Pradeep Metals	43.45	53.55	-18.86%
Rodium Realty	144.00	175.00	-17.71%
Info-Drive Software	0.28	0.34	-17.65%

* % change is the over the previous days close.