

07-Jun-2016

Morning Notes

MARKET OUTLOOK

Markets to start in green ahead of the RBI's policy announcement: The Indian markets turned cautious in the final hours of the trade in last session and ended lower by about a quarter percent. Today, the start is likely to be in green but there will be cautiousness on the street, as the Reserve Bank of India (RBI) will be announcing its second bi-monthly monetary policy later in the day. While, expectations of a rate cuts are low, traders would focus on the governor's commentary on the policy stance.

EQUITY MARKET WRAP UP

Benchmarks end a lackluster session marginally in red: Indian stock markets prolonged the lull for the second consecutive day and finished the session mildly in red, as market participant adopted cautious approach ahead of the central bank's decision on policy rates and with a number of global risk events scheduled for later this month, including a US Federal Reserve meeting and the "Brexit" referendum. BSE Sensex ended lower by 65.58 points or 0.24% to 26777.45, while the CNX Nifty dropped 19.75 points or 0.24% to 8,201.05. The BSE Sensex touched a high and a low 26901.42 and 26729.54, respectively. The broader indices made a mixed closing; the BSE Mid cap index ended down by 0.09%, while Small cap index gained 0.22%.

DEBT MARKET & FOREX

- Bond yields trade lower on Monday:** Bond yields traded lower on Monday after weaker-than-expected job gains in the world's largest economy reduced bets on the immediate interest rates hike in U.S. Friday's data in US showed nonfarm payrolls increased by only 38,000 jobs last month - the fewest in more than 5-1/2-years - confounding forecasts for a rise of 164,000 jobs. Yields on new 10 year Government Stock were trading 1 basis point lower at 7.47% from its previous close at 7.48% on Friday. The benchmark five-year interest rates were trading 2 basis points lower at 7.42% from its previous close at 7.44% on Friday.
- Rupee ends stronger ahead of the RBI's bi-monthly policy on Tuesday:** Indian rupee strengthened substantially against dollar on Monday due to increased selling of dollar by banks and exporters, amid mix cues from Asian currency markets. The domestic currency was looking strong from the very beginning, but somewhere the gain was capped on account of weakness in the local equity markets. Rupee ended at 67.00, 26 paise stronger from its previous close at 67.26 on Friday. The currency touched a high and low of 67.02 and 66.86 respectively.

ECONOMY & MARKET PULSE

- Govt needs to speed up implementation of GST and other investment issues: CII survey
- Higher oil prices may create adversity: Arun Jaitley
- Anti-dumping duty imposed on import of chemical from US and China
- Govt trying to improve the health of the PSU banks: Arun Jaitley
- Govt soon to come out with the revised IIP, WPI indices

Indices Performance

Index	6-Jun-16	Previous Close	% Change*
S&P BSE Sensex	26,777.45	26,843.03	-0.24%
CNX Nifty	8,201.05	8,220.80	-0.24%
CNX Midcap	13,254.90	13,256.90	-0.02%
CNX 500	6,832.30	6,844.75	-0.18%
S&P BSE Smallcap	11,172.92	11,148.71	0.22%

Global Markets

Index		Previous Close	% Change*
Dow Jones	17,920.33	17,807.06	0.64%
Nasdaq	4,968.71	4,942.52	0.53%
S&P 500	2,109.41	2,099.13	0.49%
FTSE	6,273.40	6,209.60	1.03%
CAC	4,423.38	4,421.78	0.04%

Institutional Flows (Equity)

Description (Rs in Cr)	Purchases	Sales	Net
FII Flows	5,604.19	3,992.39	1,611.80
DII Flows	1,288.99	1,519.62	-230.63

Commodity Market

Commodities (INR)		Gains+/Loss	% Change*
Gold (10gm)	29,450.00	63.00	0.21%
Silver (1Kg)	39,142.00	63.00	0.16%
Crude Oil (1 barrel)	3,305.00	52.00	1.60%
Aluminium (1 Kg)	103.90	0.55	0.53%
Copper (1Kg)	313.60	0.00	0.00%

Currency Market

Currency	6-Jun-16	Gains+/Loss	% Change*
INR / 1 USD	66.9614	0.28	0.42%
INR / 1 GBP	96.1700	0.73	0.76%
INR / 1 EURO	75.9409	-0.95	-1.26%
INR / 100 JPY	62.6000	-0.77	-1.25%

NSE Top 5 Gainers

Company	6-Jun-16	Previous Close	% Change*
Birla Cotsyn (India)	0.10	0.05	100.00%
Rasoya Proteins	0.20	0.15	33.33%
STL Global	4.20	3.50	20.00%
Alkali Metals	57.20	47.70	19.92%
Dharan Sugars & Chem	56.50	47.20	19.70%

NSE Top 5 Losers

Company	6-Jun-16	Previous Close	% Change*
Farmax India	0.10	0.15	-33.33%
KSS	0.15	0.20	-25.00%
Pan India Corp.	0.20	0.25	-20.00%
Paras Petrofils	0.20	0.25	-20.00%
FCS Software Soltns.	0.25	0.30	-16.67%

BSE Top 5 Gainer

Company	6-Jun-16	Previous Close	% Change*
STL Global	3.90	3.25	20.00%
Alkali Metals	56.75	47.30	19.98%
Nagarjuna Oil	5.06	4.22	19.91%
Dharan Sugars & Chem	56.30	46.95	19.91%
Thiru Arooran Sugars	85.25	71.30	19.57%

BSE Top 5 Loser

Company	6-Jun-16	Previous Close	% Change*
Sowbhagya Exports	6.00	7.50	-20.00%
Cals Refineries	0.06	0.07	-14.29%
Polylink Polymers	9.71	11.18	-13.15%
RaiSaheb RMohota Spg	93.30	106.65	-12.52%
Standard Batteries	9.20	10.50	-12.38%

* % change is the over the previous days close.