

Morning Notes

08-Jun-2016

MARKET OUTLOOK

Markets to get a soft-to-cautious start on mixed global cues:

The Indian markets picked up pace in second half of the last session and posted decent gains after RBI inspite of maintaining a status quo hinted accommodative policy stance. Today, the start is likely to be cautious tailing the mixed cues from the global markets. There will be concern in the market with crude oil trading above \$50 a barrel. Also, the World Bank has slashed global growth outlook for 2016 to 2.4 per cent from 2.9 per cent, citing sluggish low commodity prices, uncertain capital flow and lukewarm demand in advanced economies.

EQUITY MARKET WRAP UP

Boisterous benchmarks display spirited performance; Sensex ends over 27000 mark:

Indian stock markets witnessed mostly a stable day of trade on Tuesday, as investors remained optimistic after RBI Governor Raghuram Rajan's accommodative policy stance and US Federal Reserve Chair Janet Yellen's comments. Sentiments got some support with India Meteorological Department's (IMD) statement that the Southwest monsoon is 'very likely' to hit Kerala on June 9 following favourable conditions. BSE Sensex gained 232.22 points or 0.87% to 27009.67, while the CNX Nifty rose 65.40 points or 0.80% to 8,266.45. The BSE Sensex touched a high and a low 27082.63 and 26829.53, respectively. The broader indices made a positive closing; the BSE Mid cap index ended up by 0.29%, while Small cap index up by 0.96%.

DEBT MARKET & FOREX

Bond yields trade higher on Tuesday: Bond yields traded higher on Tuesday after Reserve Bank of India (RBI) governor Raghuram Rajan in its bi-monthly policy meeting kept interest rate unchanged. The RBI has kept the repo rate unchanged at 6.5%, on back of higher food inflation and amid expectations of a rate action by the US Federal Reserve. Yields on new 10 year Government Stock were trading 1 basis point higher at 7.48% from its previous close at 7.47% on Monday. The benchmark five-year interest rates were trading 1 basis point higher at 7.43% from its previous close at 7.42% on Monday.

Rupee appreciates for fourth consecutive session on Tuesday: Rising for the fourth straight day, Indian rupee ended stronger against dollar due to sustained selling of American currency by banks and exporters. Further, smart rally in domestic equity market also supported sentiment. Besides, investors got support with the assurance of Reserve Bank of India (RBI) that it would provide dollar and rupee liquidity if needed to prevent any disruption in the markets on the redemption of foreign currency non-resident (FCNR) deposits. Rupee ended at 66.78, 22 paise stronger from its previous close at 67.00 on Monday. The currency touched a high and low of 66.93 and 66.72 respectively.

ECONOMY & MARKET PULSE

- PSBs performance not as bad as being projected: Jaitley
- RBI maintains status quo, keeps the policy rates unchanged
- Oil Ministry kicks off first roadshow for auction of 46 oil & gas fields
- India's steel imports plunge by 41% in May

Indices Performance

Index	7-Jun-16	Previous Close	% Change*
S&P BSE Sensex	27,009.67	26,777.45	0.87%
CNX Nifty	8,266.45	8,201.05	0.80%
CNX Midcap	13,333.20	13,254.90	0.59%
CNX 500	6,884.15	6,832.30	0.76%
S&P BSE Smallcap	11,280.67	11,172.92	0.96%

Global Markets

Index		Previous Close	% Change*
Dow Jones	17,938.28	17,920.33	0.10%
Nasdaq	4,961.75	4,968.71	-0.14%
S&P 500	2,112.13	2,109.41	0.13%
FTSE	6,284.53	6,273.40	0.18%
CAC	4,475.86	4,423.38	1.19%

Institutional Flows (Equity)

Description (Rs in Cr)	Purchases	Sales	Net
FII Flows	5,078.16	5,012.95	65.21
DII Flows	1,657.55	1,611.22	46.33

Commodity Market

Commodities (INR)		Gains+/Loss	% Change*
Gold (10gm)	29,366.00	-84.00	-0.29%
Silver (1Kg)	39,010.00	-132.00	-0.34%
Crude Oil (1 barrel)	3,345.00	40.00	1.21%
Aluminium (1 Kg)	104.25	0.35	0.34%
Copper (1Kg)	303.35	-10.25	-3.27%

Currency Market

Currency	7-Jun-16	Gains+/Loss	% Change*
INR / 1 USD	66.8305	0.13	0.20%
INR / 1 GBP	96.9376	-0.77	-0.80%
INR / 1 EURO	75.9194	0.02	0.03%
INR / 100 JPY	62.1000	0.50	0.80%

NSE Top 5 Gainers

Company	7-Jun-16	Previous Close	% Change*
Farmax India	0.15	0.10	50.00%
Hind Syntex	20.50	15.35	33.55%
KSS	0.20	0.15	33.33%
Anandam Rubber Co	23.45	18.65	25.74%
California Software	8.50	6.85	24.09%

NSE Top 5 Losers

Company	7-Jun-16	Previous Close	% Change*
MPS Infotecnics	0.05	0.10	-50.00%
LCC Infotech	0.25	0.40	-37.50%
Nakoda	0.25	0.30	-16.67%
Greenearth Resources	0.30	0.35	-14.29%
Rei Agro	0.35	0.40	-12.50%

BSE Top 5 Gainer

Company	7-Jun-16	Previous Close	% Change*
Shreyas Shipping	386.40	322.00	20.00%
Alphageo India	660.10	550.10	20.00%
STL Global	4.68	3.90	20.00%
Phillips CarbonBlack	137.75	114.80	19.99%
Neo Corp Intl.	10.15	8.46	19.98%

BSE Top 5 Loser

Company	7-Jun-16	Previous Close	% Change*
Sowbhagya Exports	4.80	6.00	-20.00%
Future MarketNetwork	18.05	20.75	-13.01%
Galada Power & Tele.	14.41	16.50	-12.67%
Blueblood Ventures	44.00	50.00	-12.00%
SKIL Infrastructure	20.45	22.95	-10.89%

* % change is the over the previous days close.