

Morning Notes

22-Jun-2016

MARKET OUTLOOK

Markets to get a cautious start on mixed global cues: The Indian markets turned cautious in last session and ended with modest cuts after a choppy trade; though onset of monsoon in major parts and forecasts of heavy rainfall in remaining parts of the country in the next few days helped limit the losses. Today, the start is likely to be a bit cautious on mixed global cues and concern of the Britain's exit from the European Union. Meanwhile, industry body Assocham has said that government must put in place a contingency plan to fight off the volatility arising out of the referendum on 'Brexit' slated for Thursday as it is bound to unnerve the global financial markets.

EQUITY MARKET WRAP UP

Benchmarks end a lackluster session with modest cut; broader markets outclass: The key indices oscillated in an extremely tight range through the session as market participants remained on the sidelines lacking conviction amid the persistent worries ahead of Thursday's British vote, as well as Federal Reserve chief Janet Yellen's two-day testimony before Congress starting later on Tuesday. BSE Sensex ended lower by 54.14 points or 0.20% to 26812.78, while the CNX Nifty dropped 18.60 points or 0.23% to 8,219.90. The BSE Sensex touched a high and a low 26925.64 and 26754.60, respectively. The broader indices made a positive closing; the BSE Mid cap index ended up by 0.12%, while Small cap index was higher by 0.36%.

DEBT MARKET & FOREX

- Bond yields trade lower on Tuesday:** Bond yields trade lower on Tuesday after the Central Bank held an open market purchase of sovereign papers on Monday. The Reserve Bank has conducted purchase of Government securities under Open Market Operations for an aggregate amount of Rs 100 billion on June 20, 2016. Yields on new 10 year Government Stock were trading 1 basis point lower at 7.48% from its previous close at 7.49% on Monday. The benchmark five-year interest rates were trading 1 basis point lower at 7.43% from its previous close at 7.44% on Monday
- Rupee ends weak for second straight session:** Indian rupee weaker against dollar on Tuesday due to sustained demand for the American currency from importers amid foreign fund outflows. This is the second session of weakness after Reserve Bank of India (RBI) Governor Raghuram Rajan on Saturday said that he did not want a new term as a governor. Besides, weak domestic markets weighed on the rupee. Rupee ended 67.49, 18 paise weaker from its previous close at 67.31 on Monday. The currency touched a high and low of 67.55 and 67.36 respectively.

ECONOMY & MARKET PULSE

- Govt gives nod for 100% FDI In civil aviation, defence, food and pharma sectors
- Govt starts mapping region-specific exports for greater market share in global trade
- CBDT to focus on region-specific strategies in its Central Action Plan for FY 2016-17
- Activate 'stalled engines' to sustain 7.6% growth: World Bank
- Labour Ministry puts forward four key laws for Cabinet's approval

Indices Performance

Index	21-Jun-16	Previous Close	% Change*
S&P BSE Sensex	26,812.78	26,866.92	-0.20%
CNX Nifty	8,219.90	8,238.50	-0.23%
CNX Midcap	13,465.90	13,427.35	0.29%
CNX 500	6,886.15	6,891.30	-0.07%
S&P BSE Smallcap	11,519.53	11,477.85	0.36%

Global Markets

Index		Previous Close	% Change*
Dow Jones	17,829.73	17,804.87	0.14%
Nasdaq	4,843.76	4,837.21	0.14%
S&P 500	2,088.90	2,083.25	0.27%
FTSE	6,226.55	6,204.00	0.36%
CAC	4,367.24	4,340.76	0.61%

Institutional Flows (Equity)

Description (Rs in Cr)	Purchases	Sales	Net
FII Flows	3,081.26	3,608.85	-527.59
DII Flows	1,270.14	1,605.67	-335.53

Commodity Market

Commodities (INR)		Gains+/Loss	% Change*
Gold (10gm)	30,296.00	-399.00	-1.30%
Silver (1Kg)	41,355.00	-440.00	-1.05%
Crude Oil (1 barrel)	3,353.00	-22.00	-0.65%
Aluminium (1 Kg)	110.30	0.40	0.36%
Copper (1Kg)	317.65	5.00	1.60%

Currency Market

Currency	21-Jun-16	Gains+/Loss	% Change*
INR / 1 USD	67.4767	-0.07	-0.10%
INR / 1 GBP	99.2582	-1.10	-1.13%
INR / 1 EURO	76.4511	0.08	0.11%
INR / 100 JPY	64.5900	-0.15	-0.23%

NSE Top 5 Gainers

Company	21-Jun-16	Previous Close	% Change*
Rasoya Proteins	0.25	0.20	25.00%
REI Six Ten Retail	0.30	0.25	20.00%
Gammon India	17.85	14.90	19.80%
Manaksia Aluminium	4.60	3.85	19.48%
Manaksia Steels	9.20	7.70	19.48%

NSE Top 5 Losers

Company	21-Jun-16	Previous Close	% Change*
MPS Infotecnics	0.05	0.10	-50.00%
Birla Cotsyn (India)	0.05	0.10	-50.00%
Farmax India	0.10	0.15	-33.33%
Pan India Corp.	0.20	0.25	-20.00%
Mandhana Industries	177.95	222.40	-19.99%

BSE Top 5 Gainer

Company	21-Jun-16	Previous Close	% Change*
Manaksia Aluminium	4.32	3.60	20.00%
Manaksia Steels	9.01	7.51	19.97%
Kerala Ayurveda	68.50	57.10	19.96%
Gammon India	17.86	14.89	19.95%
Ginni Filaments	24.85	20.85	19.18%

BSE Top 5 Loser

Company	21-Jun-16	Previous Close	% Change*
Mandhana Industries	178.05	222.55	-20.00%
Crescent Leasing	256.30	320.35	-19.99%
GCM Commodity	2.65	3.26	-18.71%
Trilogic Digital	16.20	19.60	-17.35%
VKS Projects	0.07	0.08	-12.50%

* % change is the over the previous days close.