

Morning Notes

13-July-2016

MARKET OUTLOOK

Markets to extend the gaining momentum with a positive start: The Indian markets overcoming the early choppiness posted decent gains in the last session. Today, the start is likely to be in green and Nifty will come close to 8550 level in early trade, with traders reacting to the macro data announced after the market hours yesterday. While, industrial production recovered, growing by 1.2 percent in May compared to (-) 0.8 percent in April, the retail inflation based on Consumer Price Index (CPI) rose marginally to 5.77 percent in June as against 5.76 percent in May.

EQUITY MARKET WRAP UP

Benchmarks extend winning streak for the second straight session: Indian equity markets showcased yet another courageous performance on Tuesday as the local indices rallied by over half a percent in the session, settling above the psychological 8,500 (Nifty) and 27,800 (Sensex) levels. Last session's optimism got spilled over into the today's session helping the frontline indices in extending the winning momentum for second successive session, as encouraging global developments buttressed domestic sentiments. BSE Sensex surged 181.45 points or 0.66% to 27808.14, while the CNX Nifty rose 53.15 points or 0.63% to 8,521.05. The BSE Sensex touched a high and a low 27828.74 and 27667.81, respectively. The broader indices made a positive closing; the BSE Mid cap index ended up by 0.49%, while Small cap index was up by 0.08%.

DEBT MARKET & FOREX

- **Bond yields trade lower on Tuesday:** Bond yields traded lower on Tuesday after expectations mounted that the country's yet-to-be-named new central bank chief will be more aggressive in cutting interest rates. Meanwhile investors awaited release of retail inflation data due after market hours today. Yields on new 10 year Government Stock were trading 6 basis points lower at 7.32% from its previous close at 7.38% on Monday. The benchmark five-year interest rates were trading 5 basis points at 7.18% from its previous close at 7.23% on Monday.
- **Rupee ends marginally stronger ahead of macro-economic data:** Indian rupee ended marginally stronger against dollar ahead of the key macroeconomic data, scheduled to be released later in the day. The government will issue the Index of Industrial Production (IIP) and Consumer Price Index (CPI) based inflation data for May and June. Rupee ended 67.18, 5 paise stronger from its previous close at 67.13 on Monday. The currency touched a high and low of 67.19 and 67.10 respectively.

ECONOMY & MARKET PULSE

- Room for India's fiscal policy easing constrained by high debt burden: Moody's
- Finance Minister may approve the proposal of capital infusion in select PSBs
- Trai likely to give its view on annual spectrum SUC to DoT this week
- India's economy may grow at 7.9% in FY17 if monsoon is normal: Crisil

Indices Performance

Index	12-Jul-16	Previous Close	% Change*
S&P BSE Sensex	27,808.14	27,626.69	0.66%
CNX Nifty	8,521.05	8,467.90	0.63%
CNX Midcap	14,345.90	14,270.40	0.53%
CNX 500	7,192.25	7,151.35	0.57%
S&P BSE Smallcap	12,080.86	12,071.35	0.08%

Global Markets

Index		Previous Close	% Change*
Dow Jones	18,347.67	18,226.93	0.66%
Nasdaq	5,022.82	4,988.64	0.69%
S&P 500	2,152.14	2,137.16	0.70%
FTSE	6,680.69	6,463.60	3.36%
CAC	4,331.38	4,264.53	1.57%

Institutional Flows (Equity)

Description (Rs in Cr)	Purchases	Sales	Net
FII Flows	4,883.46	3,810.24	1,073.22
DII Flows	2,150.98	2,031.71	119.27

Commodity Market

Commodities (INR)		Gains+/-Loss	% Change*
Gold (10gm)	31,039.00	-539.00	-1.71%
Silver (1Kg)	47,342.00	-470.00	-0.98%
Crude Oil (1 barrel)	3,142.00	123.00	4.07%
Aluminium (1 Kg)	112.00	1.35	1.22%
Copper (1Kg)	330.30	8.85	2.75%

Currency Market

Currency	12-Jul-16	Gains+/-Loss	% Change*
INR / 1 USD	67.1471	0.00	-0.01%
INR / 1 GBP	87.8620	-0.95	-1.09%
INR / 1 EURO	74.4460	-0.34	-0.46%
INR / 100 JPY	64.9400	0.95	1.44%

NSE Top 5 Gainers

Company	12-Jul-16	Previous Close	% Change*
VKS Projects	0.10	0.05	100.00%
Quess Corp	503.10	317.00	58.71%
MPS Infotecnics	0.15	0.10	50.00%
Rasoya Proteins	0.25	0.20	25.00%
Pan India Corp.	0.30	0.25	20.00%

NSE Top 5 Losers

Company	12-Jul-16	Previous Close	% Change*
Birla Cotsyn (India)	0.05	0.10	-50.00%
Farmax India	0.10	0.15	-33.33%
Visagar Polytex	3.20	4.00	-20.00%
Creative Eye	3.30	3.90	-15.38%
Store One Retail	213.70	237.00	-9.83%

BSE Top 5 Gainer

Company	12-Jul-16	Previous Close	% Change*
Quess Corp	503.00	317.00	58.68%
Galada Power & Tele.	21.60	18.00	20.00%
Pritish Nandy Comm	19.80	16.50	20.00%
Simplex Projects	31.90	26.60	19.92%
BC Power	59.00	49.60	18.95%

BSE Top 5 Loser

Company	12-Jul-16	Previous Close	% Change*
Visagar Polytex	3.34	4.11	-18.73%
Creative Eye	3.50	3.89	-10.03%
Neo Infracon	52.65	58.50	-10.00%
VKS Projects	0.09	0.10	-10.00%
Polylink Polymers	12.86	14.28	-9.94%

* % change is the over the previous days close.