

Morning Notes

14-July-2016

MARKET OUTLOOK

Markets to remain in consolidation mood with a cautious start:

Today, the start is likely to be cautious and the consolidation will extend. Today all eyes will be on TCS and the whole IT pack, as the largest IT outsourcing firm by sales, will announce its June quarter numbers and is expected to report modest drop in net profit. Markets will be getting some support with the cabinet approving a Rs 12,000-crore outlay for Pradhan Mantri Kaushal Vikas Yojana (PMKVY) to impart skills to 1 crore people over the next four years (2016-20). Skill training would be done based on industry-led standards aligned to the National Skill Qualification Framework.

EQUITY MARKET WRAP UP

Benchmarks fail to extend their northward journey; Nifty protects 8500 level:

Indian benchmarks staged a lackadaisical performance on Wednesday's trading session after remaining in a narrow band to finally settle flat. The frontline gauges took a breather, after showcasing a scintillating performance in last two sessions, as investors turned jittery after the mixed macro data was announced yesterday. BSE Sensex ended higher by 7.04 points or 0.03% to 27815.18, while the CNX Nifty dropped 1.55 points or 0.02% to 8,519.50. The BSE Sensex touched a high and a low 27928.76 and 27752.14, respectively. The broader indices made a negative closing; the BSE Mid cap index ended down by 0.55%, while Small cap index was down by 0.82%.

DEBT MARKET & FOREX

- Bond yields trade lower on Wednesday:** Bond yields traded lower on Wednesday after retail inflation remained almost unchanged amid positive underlying sentiment, as investors expects an announcement on the appointment of a new central bank governor. Yields on new 10 year Government Stock were trading 3 basis points lower at 7.30% from its previous close at 7.33% on Tuesday. The benchmark five-year interest rates were trading 3 basis points lower at 7.16% from its previous close at 7.19% on Tuesday.
- Rupee ends substantially stronger on dollar sales by custodian banks:** Indian rupee ended substantially stronger on fresh selling of American currency by banks and exporters amid positive economic data. 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. Rupee ended 67.05, 13 paise stronger from its previous close at 67.18 on Tuesday. The currency touched a high and low of 67.21 and 67.03 respectively.

ECONOMY & MARKET PULSE

- Manufacturing to account for 25% of economy by 2025: D&B report
- Government may cut down the non-urea fertilizers subsidy of private firms
- CPI inflation in June accelerates to 22 month high of 5.77%
- Spurt in domestic cotton prices to hurt spinning mills' profitability: ICRA
- India's Industrial production reports growth of 1.2% in May

Indices Performance

Index	13-Jul-16	Previous Close	% Change*
S&P BSE Sensex	27,815.18	27,808.14	0.03%
CNX Nifty	8,519.50	8,521.05	-0.02%
CNX Midcap	14,258.80	14,345.90	-0.61%
CNX 500	7,177.00	7,192.25	-0.21%
S&P BSE Smallcap	11,981.30	12,080.86	-0.82%

Global Markets

Index		Previous Close	% Change*
Dow Jones	18,372.12	18,347.67	0.13%
Nasdaq	5,005.73	5,022.82	-0.34%
S&P 500	2,152.14	2,152.14	0.00%
FTSE	6,670.40	6,463.60	3.20%
CAC	4,335.26	4,331.38	0.09%

Institutional Flows (Equity)

Description (Rs in Cr)	Purchases	Sales	Net
FII Flows	4,192.19	3,827.05	365.14
DII Flows	1,912.86	2,567.59	-654.73

Commodity Market

Commodities (INR)		Gains+/Loss	% Change*
Gold (10gm)	31,274.00	235.00	0.76%
Silver (1Kg)	47,830.00	488.00	1.03%
Crude Oil (1 barrel)	3,007.00	-135.00	-4.30%
Aluminium (1 Kg)	111.60	-0.40	-0.36%
Copper (1Kg)	334.30	4.00	1.21%

Currency Market

Currency	13-Jul-16	Gains+/Loss	% Change*
INR / 1 USD	67.2046	-0.06	-0.09%
INR / 1 GBP	89.2880	-1.43	-1.62%
INR / 1 EURO	74.3484	0.10	0.13%
INR / 100 JPY	64.5300	0.41	0.63%

NSE Top 5 Gainers

Company	13-Jul-16	Previous Close	% Change*
GTN Textiles	14.40	12.00	20.00%
Manaksia Steels	10.20	8.50	20.00%
Excel Realty	48.10	40.10	19.95%
SE Power	8.45	7.05	19.86%
Manaksia	59.80	50.05	19.48%

NSE Top 5 Losers

Company	13-Jul-16	Previous Close	% Change*
Solar Industries	649.55	3,245.80	-79.99%
MPS Infotecnics	0.10	0.15	-33.33%
Paras Petrofils	0.20	0.25	-20.00%
Rasoya Proteins	0.20	0.25	-20.00%
Pan India Corp.	0.25	0.30	-16.67%

BSE Top 5 Gainer

Company	13-Jul-16	Previous Close	% Change*
SE Power	8.40	7.00	20.00%
Manaksia Steels	10.08	8.40	20.00%
GTN Textiles	14.53	12.11	19.98%
Electrosteel Steels	3.19	2.66	19.92%
Excel Realty	48.20	40.20	19.90%

BSE Top 5 Loser

Company	13-Jul-16	Previous Close	% Change*
Amrapali Cap. & Fin	30.60	38.00	-19.47%
Mathew Easow Res Sec	86.80	105.00	-17.33%
TV18 Broadcast	40.90	47.00	-12.98%
Pritish Nandy Comm	17.60	19.80	-11.11%
NBCC (India)	229.80	257.40	-10.72%

* % change is the over the previous days close.