

Morning Notes

25-July-2016

MARKET OUTLOOK

Markets to make a positive but cautious start of the F&O expiry week: The Indian markets picked up pace in the final hours of last session to make a positive close. Today, the start of the F&O series expiry week is likely to be mildly in green with reports that Finance Minister Arun Jaitley will meet his counterparts in states to discuss proposed amendments to the GST Bill on Tuesday, with the likely listing of GST Bill in Rajya Sabha this week. Meanwhile, the government has asked the states to remove all local taxes on essential food items, like pulses and edible oils, among other steps to ensure supplies at affordable prices.

EQUITY MARKET WRAP UP

Benchmarks manage to close in green outclassing global peers: After showing a feeble trade for most part of the morning session, domestic benchmarks managed to negotiate a close in the green terrain on Friday, as investors showed renewed buying interests in frontline blue chip counters. Sentiments got a boost after the reports suggested that the Goods and Services Tax (GST) constitutional amendment bill has been listed for discussion in the Rajya Sabha next week. BSE Sensex surged by 92.72 points or 0.33% to 27803.24, while the CNX Nifty rose by 31.10 points or 0.37% to 8,541.20. The BSE Sensex touched a high and a low 27832.45 and 27646.21, respectively. The broader indices made a positive closing; the BSE Mid cap index ended up by 0.98%, while Small cap index was up by 0.81%.

DEBT MARKET & FOREX

- Bond yields trade flat on Friday:** Bond yields traded flat on Friday lacking of any fresh triggers. However, the central bank has allowed more government securities held by banks to be considered under Basel III liquidity. Yields on new 10 year Government Stock were trading flat at its previous close at 7.24% on Thursday. The benchmark five-year interest rates were trading flat from its previous close at 7.10% on Thursday.
- Rupee recoups early losses to end stronger on Friday:** Indian rupee ended stronger against dollar on Friday due to selling of American currency by banks and exporters. Sentiment got some support with a private poll stating that India's economy will hum along at a solid pace for the remainder of this fiscal year provided structural reforms are passed, while above-target inflation means the Reserve Bank of India will only cut rates once more this year. Besides, some gains in equity market also supported the domestic currency. Rupee ended 67.07, 11 paise stronger from its previous close at 67.18 on Thursday. The currency touched a high and low of 67.20 and 67.07 respectively.

ECONOMY & MARKET PULSE

- Jaitley calls for a judicious mix of fiscal, monetary and structural policies to deal with Brexit
- Government considering monetisation of completed public-funded national highway projects
- Rising external debts leading to vulnerability of emerging economies: Moody's
- Govt planning to triple N-power generation capacity in 10 yrs
- India's GDP can grow at 8% in coming two years: Standard & Poor's

Indices Performance

Index	22-Jul-16	Previous Close	% Change*
S&P BSE Sensex	27,803.24	27,710.52	0.33%
CNX Nifty	8,541.20	8,510.10	0.37%
CNX Midcap	14,435.30	14,298.30	0.96%
CNX 500	7,227.45	7,186.70	0.57%
S&P BSE Smallcap	12,107.31	12,010.36	0.81%

Global Markets

Index		Previous Close	% Change*
Dow Jones	18,570.85	18,517.23	0.29%
Nasdaq	5,100.16	5,073.90	0.52%
S&P 500	2,175.03	2,165.17	0.46%
FTSE	6,730.48	6,463.60	4.13%
CAC	4,381.10	4,376.25	0.11%

Institutional Flows (Equity)

Description (Rs in Cr)	Purchases	Sales	Net
FII Flows	4,317.35	3,876.04	441.31
DII Flows	1,609.74	1,975.41	-365.67

Commodity Market

Commodities (INR)		Gains+/-Loss	% Change*
Gold (10gm)	30,871.00	-134.00	-0.43%
Silver (1Kg)	46,321.00	-300.00	-0.64%
Crude Oil (1 barrel)	2,961.00	-77.00	-2.53%
Aluminium (1 Kg)	107.45	0.60	0.56%
Copper (1Kg)	333.55	-3.95	-1.17%

Currency Market

Currency	22-Jul-16	Gains+/-Loss	% Change*
INR / 1 USD	67.1355	0.07	0.10%
INR / 1 GBP	88.9478	0.03	0.03%
INR / 1 EURO	74.0303	0.12	0.16%
INR / 100 JPY	63.4100	-0.68	-1.08%

NSE Top 5 Gainers

Company	22-Jul-16	Previous Close	% Change*
MPS Infotecnics	0.15	0.10	50.00%
LCC Infotech	0.25	0.20	25.00%
SAL Steels	3.30	2.75	20.00%
Shyam Century	7.80	6.50	20.00%
Metalyst Forgings	70.55	58.80	19.98%

NSE Top 5 Losers

Company	22-Jul-16	Previous Close	% Change*
Birla Cotsyn (India)	0.05	0.10	-50.00%
KSS	0.15	0.20	-25.00%
Pan India Corp.	0.25	0.30	-16.67%
Nu Tek India	0.60	0.70	-14.29%
Blue Chip India	0.40	0.45	-11.11%

BSE Top 5 Gainer

Company	22-Jul-16	Previous Close	% Change*
NTC Industries	57.60	48.00	20.00%
Shyam Century	7.92	6.60	20.00%
SAL Steels	3.37	2.81	19.93%
Metalyst Forgings	70.70	58.95	19.93%
Sujana Universal	1.69	1.41	19.86%

BSE Top 5 Loser

Company	22-Jul-16	Previous Close	% Change*
Rathi Graphic Tech	9.90	11.37	-12.93%
Velan Hotels	5.99	6.79	-11.78%
Birla Cotsyn (India)	0.08	0.09	-11.11%
Landmarc LeisureCorp	0.54	0.60	-10.00%
Visagar Polytex	2.81	3.07	-8.47%

* % change is the over the previous days close.