

## Morning Notes

29-July-2016

## MARKET OUTLOOK

**Markets to get a cautious start of new series on mixed global cues:** The Indian markets surged in last session on short covering, snapping the July series on a strong note with gains of over 4.5% for the series. Today, the start of the new series is likely to be cautious on mixed global cues. However, traders will be getting some support with efforts to hammer out a consensus on the Goods and Services Tax bill gathering momentum. Finance Minister Arun Jaitley and Chief Economic Adviser Arvind Subramanyam held several rounds of talks with leaders from opposition parties.

## EQUITY MARKET WRAP UP

**Indian indices climb on F&O expiry, GST optimism:** Indian equity indices showcased a strong performance, outclassing indices around the world by vivaciously rallying by over half a percent in the session and settling above the psychological 8,650 (Nifty) and 28,200 (Sensex) levels. Investors continued to build hefty positions across the board as sentiments got a boost on hopes that the long-awaited GST Bill may be passed in the ongoing monsoon session of Parliament after the Cabinet on Wednesday cleared changes in the Constitutional Amendment bill. BSE Sensex surged by 184.29 points or 0.66% to 28208.62, while the CNX Nifty rose by 50.50 points or 0.59% to 8,666.30. The BSE Sensex touched a high and a low 28240.20 and 28064.90, respectively. The broader indices made a positive closing; the BSE Mid cap index ended up by 0.62%, while Small cap index was up by 0.60%.

## DEBT MARKET &amp; FOREX

- Bond yields trade lower on Thursday:** Bond yields trade lower on Thursday, after the U.S. Federal Reserve kept its interest rate unchanged as expected, and did not give clear indications about the next rate hike. Yields on new 10 year Government Stock were trading 4 basis points lower at 7.21% from its previous close at 7.25% on Wednesday. The benchmark five-year interest rates were trading 2 basis points lower at 7.08% from its previous close at 7.10% on Wednesday.
- Rupee strengthens for third straight session:** Indian rupee strengthened for third consecutive session on Thursday on the back of strength of local equities. Besides, dollar selling by exporters and banks amidst sustained capital inflows also bolstered Indian currency. The rupee sentiment was also boosted as the dollar slipped against other currencies overseas as the US Federal Reserve left interest rates unchanged. Rupee ended 67.03, 12 paise stronger from its previous close at 67.15 on Wednesday. The currency touched a high and low of 67.10 and 67.00 respectively.

## ECONOMY &amp; MARKET PULSE

- Crisil pegs India's GDP growth at 7.9% in FY 17 on back of good monsoon
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- Delayed 241 infra projects cause cost overrun of Rs 1.6 lakh crore
- Government drops proposal to create three funds worth Rs 17,500 crore in Telecom sector
- 100% FDI in defence sector to increase the employment opportunity: Sitharaman

## Indices Performance

Index	28-Jul-16	Previous Close	% Change*
S&P BSE Sensex	28,208.62	28,024.33	0.66%
CNX Nifty	8,666.30	8,615.80	0.59%
CNX Midcap	14,695.30	14,590.00	0.72%
CNX 500	7,338.65	7,297.90	0.56%
S&P BSE Smallcap	12,281.68	12,208.80	0.60%

## Global Markets

Index		Previous Close	% Change*
Dow Jones	18,456.35	18,472.17	-0.09%
Nasdaq	5,154.98	5,139.81	0.30%
S&P 500	2,166.58	2,166.58	0.00%
FTSE	6,721.06	6,463.60	3.98%
CAC	4,420.58	4,446.96	-0.59%

## Institutional Flows (Equity)

Description (Rs in Cr)	Purchases	Sales	Net
FII Flows	4,890.11	4,415.24	474.87
DII Flows	2,770.94	3,845.41	-1,074.47

## Commodity Market

Commodities (INR)		Gains+/-Loss	% Change*
Gold (10gm)	31,031.00	74.00	0.24%
Silver (1Kg)	47,362.00	615.00	1.33%
Crude Oil (1 barrel)	2,772.00	-72.00	-2.48%
Aluminium (1 Kg)	107.90	-0.50	-0.47%
Copper (1Kg)	329.25	-6.85	-2.06%

## Currency Market

Currency	28-Jul-16	Gains+/-Loss	% Change*
INR / 1 USD	67.0550	0.18	0.27%
INR / 1 GBP	88.4254	-0.12	-0.14%
INR / 1 EURO	74.3640	-0.48	-0.65%
INR / 100 JPY	64.0700	-0.50	-0.79%

## NSE Top 5 Gainers

Company	28-Jul-16	Previous Close	% Change*
India Motor Parts	942.90	785.75	20.00%
India Hume Pipe	544.25	453.55	20.00%
Capri Global Capital	167.45	139.55	19.99%
RPG Cables	1,323.00	1,102.60	19.99%
RS Software (India)	89.50	74.60	19.97%

## NSE Top 5 Losers

Company	28-Jul-16	Previous Close	% Change*
MPS Infotecnics	0.10	0.15	-33.33%
Farmax India	0.10	0.15	-33.33%
Rasoya Proteins	0.15	0.20	-25.00%
REI Six Ten Retail	0.20	0.25	-20.00%
Pan India Corp.	0.25	0.30	-16.67%

## BSE Top 5 Gainer

Company	28-Jul-16	Previous Close	% Change*
Vision Corporation	8.93	0.92	870.65%
Goyal Associates	1.31	0.23	469.57%
RS Software (India)	89.40	74.50	20.00%
Magna ElectroCasting	144.00	120.00	20.00%
India Hume Pipe	544.10	453.45	19.99%

## BSE Top 5 Loser

Company	28-Jul-16	Previous Close	% Change*
Powehouse Gym	19.80	23.75	-16.63%
Capital Trade Links	56.80	66.65	-14.78%
Guj. Alkalies & Chem	241.70	272.85	-11.42%
Genera Agri Corp	2.70	3.00	-10.00%
Anubhav Industrial	21.28	23.63	-9.94%

\* % change is the over the previous days close.