

Morning Notes

29-Aug-2016

MARKET OUTLOOK

Markets to start the new week on a soft note tailing somber global cues: The Indian markets after much of dilly-dallying ended modestly in red in last session, with traders remaining on sidelines. Today, the start of the new week is likely to be soft amid weak global cues after Janet Yellen and Fed Vice Chairman Stanley Fischer hinted for a rate hike. However, markets may get some support with reports that in order to ensure that GST is rolled out by April 1, 2017, the government is trying hard to get the winter session of Parliament advanced by a fortnight to pass the bill. Winter Session of Parliament is normally convened in the third or fourth week of November. Meanwhile, US Commerce Secretary Penny Pritzker ahead of his three day visit to India has said that US-India bilateral trade has reached \$109 billion and it will get a further boost from new reforms including GST even as it flagged persisting concerns American firms have on issues related to business climate in the fast-growing economy.

EQUITY MARKET WRAP UP

Benchmarks kickoff new F&O series on a pessimistic note: Wary investors, hesitant to carry large positions ahead of a speech by Federal Reserve chairwoman Janet Yellen that may shed light on the US interest-rate outlook, turned sellers on Friday, sending the frontline indices southward for the second consecutive day. Finally, the BSE Sensex declined by 53.66 points or 0.19% to 27782.25, while the CNX Nifty dropped 19.65 points or 0.23% to 8,572.55. The BSE Sensex touched a high and a low 27935.88 and 27696.99, respectively. The broader indices made mixed closing; the BSE Mid cap index ended up by 0.17%, while Small cap index was lower by 0.12%.

DEBT MARKET & FOREX

- **Bond yields trade flat on Friday:** Bond yields traded flat on Friday as investors remained on the sidelines and refrained from any buying activity ahead of the US Federal Reserve's direction on key policy rates at a meeting scheduled on August 26, 2016. The benchmark five-year interest rates were trading 1 basis point lower at 7.03% from its previous close of 7.04% on Thursday.
- **Rupee ends unchanged on Friday:** Indian rupee ended unchanged compared to its previous close on Friday, as traders remained on sidelines ahead of a highly-anticipated speech today by Janet Yellen of the US Federal Reserve in an annual meeting of central bankers from around the world in Jackson Hole, Wyoming. Finally, the rupee ended unchanged from its previous close of 67.06 on Thursday. The currency touched a high and low of 67.07 and 66.98 respectively.

ECONOMY & MARKET PULSE

- Indian engineering exports defies Brexit: EEPIC
- Gems and Jewellery exports increases by 12% in April-July
- Niti Aayog prepares Cabinet note to unlock stalled infra projects
- I-T Department seeks officials' suggestions for changes in the direct tax laws
- ICRA estimates flat GDP growth at 7.2% in Q1 FY17

Indices Performance

Index	28-Aug-16	Previous Close	% Change*
S&P BSE Sensex	27,782.25	27,835.91	-0.19%
CNX Nifty	8,572.55	8,592.20	-0.23%
CNX Midcap	15,132.90	15,098.40	0.23%
CNX 500	7,334.80	7,343.50	-0.12%
S&P BSE Smallcap	12,487.12	12,501.70	-0.12%

Global Markets

Index		Previous Close	% Change*
Dow Jones	18,395.40	18,448.41	-0.29%
Nasdaq	5,218.92	5,212.20	0.13%
S&P 500	2,169.04	2,172.47	-0.16%
FTSE	6,838.05	6,816.90	0.31%
CAC	4,441.87	4,406.61	0.80%

Institutional Flows (Equity)

Description (Rs in Cr)	Purchases	Sales	Net
FII Flows	5,650.89	5,955.98	-305.09
DII Flows	1,734.67	2,001.10	-266.43

Commodity Market

Commodities (INR)		Gains+/-Loss	% Change*
Gold (10gm)	30,990.00	62.00	0.20%
Silver (1Kg)	43,977.00	318.00	0.73%
Crude Oil (1 barrel)	3,194.00	36.00	1.14%
Aluminium (1 Kg)	109.55	0.10	0.09%
Copper (1Kg)	307.95	0.20	6.00%

Currency Market

Currency	28-Aug-16	Gains+/-Loss	% Change*
INR / 1 USD	67.0299	0.06	0.09%
INR / 1 GBP	88.5934	0.06	0.07%
INR / 1 EURO	75.7371	-0.14	-0.19%
INR / 100 JPY	66.7200	0.12	0.18%

NSE Top 5 Gainers

Company	28-Aug-16	Previous Close	% Change*
BPL	48.80	40.70	19.90%
Oil Country Tubular	30.75	25.65	19.88%
Malu Paper Mills	20.20	16.85	19.88%
Donear Inds	39.35	32.90	19.60%
Greenearth Resources	0.35	0.30	16.67%

NSE Top 5 Losers

Company	28-Aug-16	Previous Close	% Change*
MPS Infotecnics	0.05	0.10	-50.00%
VKS Projects	0.05	0.10	-50.00%
Transport Corp.	195.15	368.00	-46.97%
KSS	0.15	0.20	-25.00%
LCC Infotech	0.25	0.30	-16.67%

BSE Top 5 Gainer

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* % change is the over the previous days close.