

Morning Notes

30-Aug-2016

MARKET OUTLOOK

Markets to extend the gains with a positive start: The Indian markets recovered in the final hours to post decent gains in last session. Today, the start is likely to be in green on sanguine global cues. Traders will also be getting some support with the Reserve Bank of India in its latest report stating that the near-term growth outlook for India seems brighter than last fiscal and the economy is likely to expand at 7.6 percent in 2016-17. It has said that a better than anticipated agricultural performance and the possibility of allowances under the 7th Pay Commission's award being paid out in the fourth quarter of 2016-17 provide upsides to this projection. However, pouring cold water on hopes of rate cuts it has said that inflation was running at the upper end of its forecast and that further rate cuts could happen only if inflation falls in the near future. Meanwhile, Niti Aayog Vice-Chairman Arvind Panagariya has said that India's economy will accelerate to 8 per cent growth in the current financial year thanks to a good monsoon.

EQUITY MARKET WRAP UP

Late hour recovery help benchmarks to end near day's high; Nifty reclaims 8,600 mark: Indian benchmarks showcased an enthusiastic performance in final hours on Monday, by surging around half a percent. After making a cautious start markets traded near neutral lines for most part of the day's trade, but buying activity which took place during last leg of trade helped the frontline indices not only end the session near intraday high levels but also recapture their crucial 8,600 (Nifty) and 27,900 (Sensex) bastions. BSE Sensex surged 120.41 points or 0.43% to 27,902.66, while the CNX Nifty gained 34.90 points or 0.41% to 8,607.45. The BSE Sensex touched a high and a low 27,952.85 and 27,698.71, respectively. There were 19 stocks advancing against 11 stocks declining on the index. The broader indices ended in green; the BSE Mid cap index rose 0.49%, while Small cap index was up by 0.09%.

DEBT MARKET & FOREX

- Bond yields trade higher on Monday:** Bond yields edged higher on Monday after Fed Chair Janet Yellen acknowledged a strengthening economy and said that rates could move higher over coming months. Yields on new 10 year Government Stock were trading 2 basis points higher at 7.14% from its previous close of 7.12% on Friday. The benchmark five year yields were trading 2 basis points higher at 7.05% from its previous close of 7.03% on Friday.
- Rupee depreciates against dollar on Monday:** Indian rupee depreciated against dollar on Monday after Fed Chair Janet Yellen acknowledged a strengthening economy and said that rates could move higher over coming months. Besides, dollar strengthened against the other currencies also dampened on rupee sentiment. Rupee ended at 67.17, weaker by 11 paise from its previous close of 67.06 on Friday. The currency touched a high and low of 67.21 and 67.14 respectively.

ECONOMY & MARKET PULSE

- Coal imports in July decreases by 11% to 18.03 MT
- Govt considering early winter session for GST roll out
- To boost SME sector 2% rate cut required: Nirmala Sitharaman
- Good monsoon to boost GDP growth in FY17 to near 8% : Shaktikanta Das
- India's manufacturing sector may witness higher growth in Q2 FY17: FICCI

Indices Performance

Index	29-Aug-16	Previous Close	% Change*
S&P BSE Sensex	27,902.66	27,782.25	0.43%
CNX Nifty	8,607.45	8,572.55	0.41%
CNX Midcap	15,186.90	15,132.90	0.36%
CNX 500	7,361.00	7,334.80	0.36%
S&P BSE Smallcap	12,498.81	12,487.12	0.09%

Global Markets

Index		Previous Close	% Change*
Dow Jones	18,502.99	18,395.40	0.58%
Nasdaq	5,232.33	5,218.92	0.26%
S&P 500	2,180.38	2,169.04	0.52%
FTSE	6,838.05	6,816.90	0.31%
CAC	4,424.25	4,441.87	-0.40%

Institutional Flows (Equity)

Description (Rs in Cr)	Purchases	Sales	Net
FII Flows	3,118.62	2,815.25	303.37
DII Flows	1,695.11	1,677.62	17.49

Commodity Market

Commodities (INR)		Gains+Loss	% Change*
Gold (10gm)	31,075.00	85.00	0.27%
Silver (1Kg)	44,367.00	390.00	0.89%
Crude Oil (1 barrel)	3,173.00	-21.00	-0.66%
Aluminium (1 Kg)	109.50	-0.05	-0.05%
Copper (1Kg)	308.35	0.40	0.13%

Currency Market

Currency	29-Aug-16	Gains+Loss	% Change*
INR / 1 USD	67.1810	-0.15	-0.23%
INR / 1 GBP	88.0138	0.58	0.65%
INR / 1 EURO	75.1823	0.55	0.73%
INR / 100 JPY	65.6200	1.10	1.65%

NSE Top 5 Gainers

Company	29-Aug-16	Previous Close	% Change*
MPS Infotecnics	0.10	0.05	100.00%
VKS Projects	0.10	0.05	100.00%
KSS	0.20	0.15	33.33%
Hitech Plast	177.70	148.10	19.99%
Nirvikara Paper Mill	51.35	42.80	19.98%

NSE Top 5 Losers

Company	29-Aug-16	Previous Close	% Change*
Birla Cotsyn (India)	0.05	0.10	-50.00%
Pan India Corp.	0.25	0.30	-16.67%
MVL	0.30	0.35	-14.29%
Parsvnath Developers	16.25	17.95	-9.47%
V2 Retail	86.35	95.15	-9.25%

BSE Top 5 Gainer

Company	29-Aug-16	Previous Close	% Change*
MIRC Electronics	12.12	10.10	20.00%
Nirvikara Paper Mill	51.90	43.25	20.00%
Hitech Plast	176.60	147.20	19.97%
Duke Offshore	61.65	51.40	19.94%
Mahamaya Steel Inds	395.65	329.90	19.93%

BSE Top 5 Loser

Company	29-Aug-16	Previous Close	% Change*
Picturehouse Media	5.11	5.91	-13.54%
Tirupati Tyres	41.25	47.10	-12.42%
Sanjivani Paranteral	17.15	19.30	-11.14%
Nihar Info Global	14.25	16.00	-10.94%
Samtex Fashions	12.50	13.90	-10.07%

* % change is the over the previous days close.