

Morning Notes

07-Sept-2016

MARKET OUTLOOK

Markets to continue the good run with a positive start: The Indian markets bucking global trend went for a humongous rally in the last session with benchmarks hitting their one and half year high. Today, the start is likely to be in green on positive global cues, though some consolidation too can be seen after the big rally. Meanwhile, Prime Minister Narendra Modi has said that the country's priority will be to work towards trade facilitation agreement (TFA) for services, a move that will help in movement of professionals. There will be some buzz in the agriculture and irrigation related stocks on reports that India's apex rural-development bank National Bank for Agriculture and Rural Development (NABARD) will manage a Rs. 77,000-crore corpus as part of a Central government push to complete 99 unfinished irrigation projects across the country by 2019, and bring water to 76.03 lakh hectares. In the next 15 days, Nabard will raise about Rs 6,000 crore (through private placement) and then on lend it to the Central Government for the funding of Pradhan Mantri Krishi Sinchayee Yojana (PMKSY).

EQUITY MARKET WRAP UP

Benchmarks stage splendid performance; Nifty ends near 8,950 mark: Boisterous benchmarks showcased an enthusiastic performance on Tuesday, by rallying over one and a half percentage point amid strong global cues. Sentiments remained up-beat since start as key bourses made a gap-up opening and there appeared not even an iota of profit booking in the session as the bourses managed to fervently gain from strength to strength, as investors continued accumulating fundamentally strong stocks. Finally, the BSE Sensex surged 445.91 points or 1.56% to 28,978.02, while the CNX Nifty gained 133.35 points or 1.51% to 8,943.00. The BSE Sensex touched a high and a low 29,013.40 and 28,631.27, respectively.

DEBT MARKET & FOREX

Bond yields trade lower on Tuesday: Bond yields turned lower after Bonds rose in early trade, reacting to a weaker-than-expected US jobs report that diminished expectations of a near-term rate increase in the world's largest economy. Back home, the yields on new 10 year Government Stock were trading 2 basis points lower at 7.09% from its previous close of 7.11% on Friday. The benchmark five-year interest rates were trading 2 basis points lower at 6.9% from its previous close of 7.01% on Friday.

Rupee surges to hit four month high on Tuesday: Indian rupee extended the gaining streak for the fifth consecutive day and hit a four month high on Tuesday against the US dollar, after lower-than-expected US payroll data reduced fears of a rate hike by the US Federal Reserve. Finally the rupee ended at 66.52, stronger by 30 paise from its previous close of 66.82 on Friday. The currency touched a high and low of 66.57 and 66.47 respectively.

ECONOMY & MARKET PULSE

- States likely to receive bounty from government on oil products
- MIP on steel products may not get extended after Oct 4
- PMO to soon clear projects worth Rs 20 lakh crore
- India's service sector growth accelerates to 3.5 year high at 54.7 in August
- Low interest rates globally could distort markets: Raghuram Rajan

Indices Performance

Index	3-Sep-16	Previous Close	% Change*
S&P BSE Sensex	28,532.11	28,532.11	0.00%
CNX Nifty	8,943.00	8,809.65	1.51%
CNX Midcap	15,599.40	15,385.30	1.39%
CNX 500	7,615.00	7,504.60	1.47%
S&P BSE Smallcap	12,764.34	12,644.06	0.95%

Global Markets

Index		Previous Close	% Change*
Dow Jones	18,538.12	18,491.96	0.25%
Nasdaq	5,275.91	5,249.90	0.50%
S&P 500	2,186.48	2,179.98	0.30%
FTSE	6,826.05	6,879.42	-0.78%
CAC	4,529.96	4,541.08	-0.24%

Institutional Flows (Equity)

Description (Rs in Cr)	Purchases	Sales	Net
FII Flows	3,644.03	3,398.34	245.69
DII Flows	2,146.33	2,414.54	-268.21

Commodity Market

Commodities (INR)		Gains+/-Loss	% Change*
Gold (10gm)	31,378.00	393.00	1.27%
Silver (1Kg)	47,607.00	1,144.00	2.46%
Crude Oil (1 barrel)	2,964.00	-17.00	-0.57%
Aluminium (1 Kg)	105.00	0.15	0.14%
Copper (1Kg)	311.05	0.00	0.00%

Currency Market

Currency	3-Sep-16	Gains+/-Loss	% Change*
INR / 1 USD	66.5469	0.29	0.44%
INR / 1 GBP	88.6471	0.06	0.06%
INR / 1 EURO	74.1665	0.63	0.85%
INR / 100 JPY	64.2000	0.32	0.50%

NSE Top 5 Gainers

Company	3-Sep-16	Previous Close	% Change*
VKS Projects	0.10	0.05	100.00%
Paras Petrofils	0.20	0.15	33.33%
Prakash Steelage	1.80	1.50	20.00%
Sunil Hitech Engine.	222.00	185.00	20.00%
Pitti Laminations	46.80	39.00	20.00%

NSE Top 5 Losers

Company	3-Sep-16	Previous Close	% Change*
Farmax India	0.10	0.15	-33.33%
Rasoya Proteins	0.15	0.20	-25.00%
Pan India Corp.	0.25	0.30	-16.67%
MVL	0.30	0.35	-14.29%
Greenearth Resources	0.35	0.40	-12.50%

BSE Top 5 Gainer

Company	3-Sep-16	Previous Close	% Change*
SVP Global Ventures	141.00	117.50	20.00%
Patel Engineering	77.40	64.50	20.00%
Maan Aluminium	52.80	44.00	20.00%
Mega Nirman & Inds.	24.90	20.75	20.00%
Sunil Hitech Engine.	222.35	185.30	19.99%

BSE Top 5 Loser

Company	3-Sep-16	Previous Close	% Change*
Vision Cinemas	2.40	2.79	-13.98%
K-Lifestyle Inds.	0.20	0.23	-13.04%
Tara Jewels	37.90	42.60	-11.03%
Cals Refineries	0.09	0.10	-10.00%
Perfect-Octave Media	8.47	9.41	-9.99%

* % change is the over the previous days close.