

**TODAYS MARKET OUTLOOK****Markets to make flat-to-positive start**

Indian shares closed lower for the seventh straight session on Wednesday, as global sentiment turned pessimistic and the RBI warned of higher government spending feeding into inflation after keeping interest rates unchanged.

Today the start is likely to be mildly in the green after RBI said inflation will moderate in the second half of FY19 on the back of base effect. A sharp fall in oil prices may also ease investor concerns surrounding inflation and rising twin deficits.

Traders also remained concerned on report that India's fiscal deficit is expected to come in at 3.5% of GDP in financial year 2018-2019, as policymakers seek to promote economic growth by reducing the pace of fiscal consolidation.

According to the report by BMI Research, a unit of Fitch Group, there is room for fiscal slippage as the government seeks to achieve its 7.5% growth target. Finally, the BSE Sensex declined 113.23 points or 0.33% to 34,082.71, while the CNX Nifty was down by 21.55 points or 0.21% to 10476.70.

**ECONOMY & MARKET PULSE**

- Import duty hike in Budget to earn about Rs 7,000 crore revenue: Hasmukh Adhia
- Task to strengthen weak public finances left on next administration: Fitch Ratings
- Govt's MSP fixation plan to have marginal impact on inflation: SBI research
- BMI Research revises India's FY19 fiscal deficit forecast to 3.5% of GDP from 3.3% earlier

**Indices Performance**

Index	7-Feb-18	Previous Close	% Change*
S&P BSE Sensex	34,175.38	34,195.94	-0.06%
CNX Nifty	10,476.70	10,498.25	-0.21%
CNX Midcap	19,480.20	19,402.15	0.40%
CNX 500	9,206.35	9,190.55	0.17%
S&P BSE Smallcap	17,803.77	17,392.07	2.37%

**Global Markets**

Index		Previous Close	% Change*
Dow Jones	24,912.77	24,345.75	2.33%
Nasdaq	7,115.88	6,967.53	2.13%
S&P 500	2,762.13	2,762.13	0.00%
FTSE	7,141.40	7,334.98	-2.64%
CAC	5,161.81	5,285.83	-2.35%

**Institutional Flows (Equity)**

Description (Rs in Cr)	Purchases	Sales	Net
FII Flows	6,511.16	8,229.49	-1,718.33
DII Flows	4,011.31	3,550.12	461.19

**Commodity Market**

Commodities (INR)		Gains+Loss	% Change*
Gold (10gm)	29,995.00	4.00	-0.64%
Silver (1Kg)	37,863.00	311.00	-1.24%
Crude Oil (1 barrel)	3,959.00	3.00	-3.24%
Aluminium (1 Kg)	139.10	1.05	-0.14%
Copper (1Kg)	440.25	3.00	-2.78%

**Currency Market**

Currency	7-Feb-18	Gains+Loss	% Change*
INR / 1 USD	64.1377	0.13	0.21%
INR / 1 GBP	89.4977	0.22	0.25%
INR / 1 EURO	79.4345	0.09	0.11%
INR / 100 JPY	58.7100	0.34	0.58%