

Weekly Market updates - 17th March 2017

Key market data

Equity benchmark Indices	17-Mar	% change for week	% change for YTD
S&P BSE Sensex	29,649	2.4%	11.4%
Nifty 50	9,160	2.5%	11.9%
S&P BSE Midcap	13,893	3.9%	15.5%
S&P BSE Smallcap	14,013	3.0%	16.3%

Source: NSE & BSE Website

Equity Sectoral Indices	17-Mar	% change for week	% change for YTD
S&P BSE FMCG	9,207	4.7%	13.2%
S&P BSE Metals	11,876	2.8%	17.5%
S&P BSE Auto	22,258	2.1%	9.9%
S&P BSE IT	10,586	1.2%	4.0%
S&P BSE Power	2,229	3.3%	12.1%
S&P BSE CD	14,507	4.4%	29.1%
S&P BSE Bankex	24,151	2.2%	16.4%
S&P BSE CG	16,089	4.3%	17.7%
S&P BSE Oil & Gas	13,421	1.1%	10.5%
S&P BSE Reality Index	1,553	5.3%	22.9%
S&P BSE Healthcare	15,483	2.0%	5.1%
S&P BSE Telecom	1,265	-1.6%	12.9%
S&P BSE Energy	3,380	0.6%	12.6%

Source: BSE Website

Key FX Market rates	17-Mar	% change for week	% change for YTD
USD/INR	65.41	-1.9%	-3.7%
GBP/INR	80.78	-0.4%	-3.5%
EUR/INR	70.46	-0.1%	-1.3%
HKD/INR	8.43	-1.9%	-3.7%
JPY/INR	0.58	-0.3%	-0.5%
AUD/INR	50.18	0.0%	2.6%
SGD/INR	46.68	-0.5%	-0.4%

Source: XE

Key Commodity Benchmarks	17-Mar	% change for week	% change for YTD
Gold/10GM	28,487	0.2%	4.0%
Silver/KG	40,737	1.4%	3.3%
Crude Oil/BBL	3,187	-3.1%	-13.0%
Natural Gas/MMBTU	190	-4.5%	-26.8%
Aluminium/KG	125	-0.9%	7.0%
Copper/KG	386	1.6%	3.3%

Source: MCX

Global equity benchmark indices	17-Mar	% change for week	% change for YTD
US : DJIA	20,915	0.1%	5.8%
US: NASDAQ	5,901	1.1%	9.6%
UK: FTSE 100	7,425	1.1%	3.9%
France: CAC 40	5,029	0.7%	3.4%
Germany: XetraDax	12,095	1.1%	5.3%
Japan: Nikkei 225	19,521	-0.4%	2.1%
Singapore: Straits Times	3,169	1.1%	10.0%
Hong Kong: Hang Seng	24,310	3.1%	10.5%
China: Shanghai Comp	3,237	0.8%	4.3%

Comments

Indian Market

The BSE Sensex was up 2.4% for the week, while the NSE Nifty was up 2.5%. Midcap and Small cap stocks outperformed the frontline indices to gain 4% and 3% triggered by BJP's landslide victory in Uttar Pradesh, US Fed's less hawkish tone and an update on Goods and Services Tax (GST) pushed the index to its fresh lifetime high. On the sectoral indices front, realty, consumer durables and FMCG sector stocks led the gainers this week. On the other hand, stocks from telecom sector witnessed maximum selling pressure.

The rupee had surged to a 16-month high of 65.41 per dollar after a four-day rally in the currency stoked by the BJP's win in the key state of Uttar Pradesh.

According to data released by the Central Statistics Office (CSO), retail inflation as measured by the Consumer Price Index (CPI) rose to 3.6% in February, snapping a four-month downtrend. CPI inflation rose to a three-month high of 3.6% from 3.2% in January. The inflation numbers were up on the back of expensive food and fuel items, even as manufacturing products saw a decline in inflation.

Global Market

Most of the global financial markets ended the week on a positive note. The US Fed raised rates for the second time in three months on Wednesday by 25 basis points to a range of 0.75% to 1%. Treasuries posted a weekly advance spurred by the Federal Reserve's signal it's in no rush to lift rates on the back of steady economic growth, strong job gains and confidence that inflation is rising to the Fed's target. Emerging-market stocks extended their best week in eight months, while U.S. equities and the dollar fell.

S&P 500 was up 0.2% this week. The Stoxx Europe 600 Index ended 0.2 percent higher as it notched a weekly gain of 1.4 percent. The MSCI Emerging Markets Index rose 0.3 percent, bringing its rally for the week to 4.3 percent, outpacing a 1.3 percent advance for the MSCI All-Country World Index.

The Bloomberg Dollar Spot Index slipped 0.1 percent, pushing its rout in the week to 1.3 percent, most since July 2016. The euro fell 0.3 percent versus the dollar to \$1.0737, while the yen traded at 112.68.

Gold posted its first weekly advance this month. Oil prices posted their first weekly advance this month after Saudi Arabia's Energy Minister told Bloomberg News the kingdom may prolong production cuts.

French yields for bonds of the same duration climbed two basis points to 1.109 percent, while German bunds fell one basis point to 0.43 percent. The yield on 10-year U.S. Treasuries fell four basis points to 2.4987 percent.

Key market events to watchout during the week

Market Ahead

In the February, monetary policy review, the RBI paused on rates as it expects inflation to firm up due to the rapid pace of demonetization. The likelihood of RBI cutting the policy rates in April remained subdued as inflation firms up. The next meeting of the monetary policy committee is scheduled for April 5-6.

GST council has cleared the two supporting Bills - State GST Bill and Union Territory GST (UTGST) Bill. Nod for the above laws, along with changes in the Central GST and Integrated-GST laws, has paved the way for the introduction of the legislations in Parliament and state assemblies as early as next week.

One of the leading financial daily expect a subdued opening for the market on Monday and following that, the movements are likely to remain range bound. Some healthy consolidation is expected. But, overall, it is very much certain that the uptrend remains perfectly in place and intact".