



# Current Market Scenario

**May Meeting**

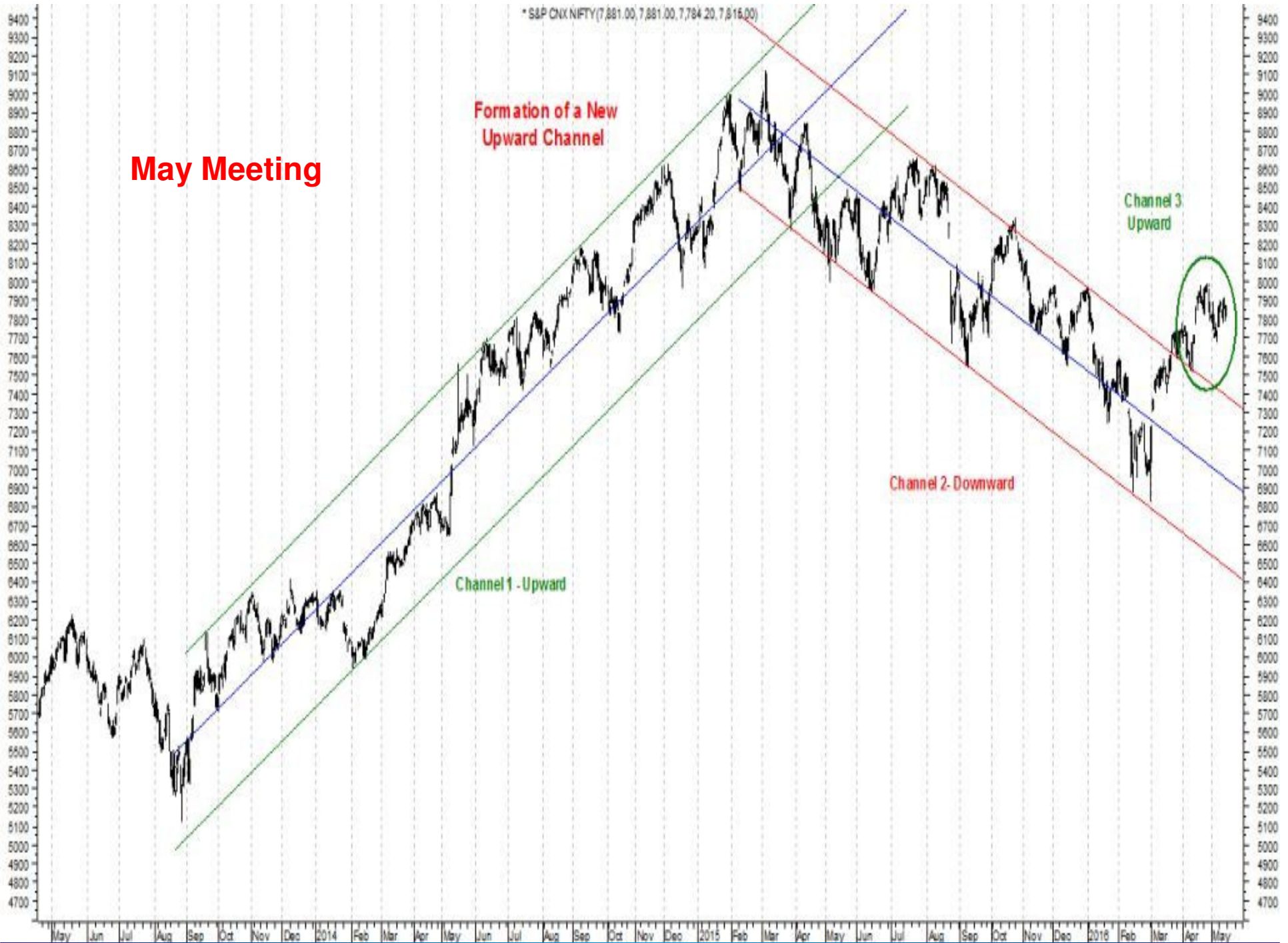
\* S&P CNX NIFTY (7,881.00, 7,881.00, 7,784.20, 7,816.00)

**Formation of a New  
Upward Channel**

**Channel 3  
Upward**

**Channel 2- Downward**

**Channel 1 -Upward**



\*S&P CNX NIFTY(8,895.00, 8,896.00, 8,847.00, 8,887.00)

New Upward Channel

break out



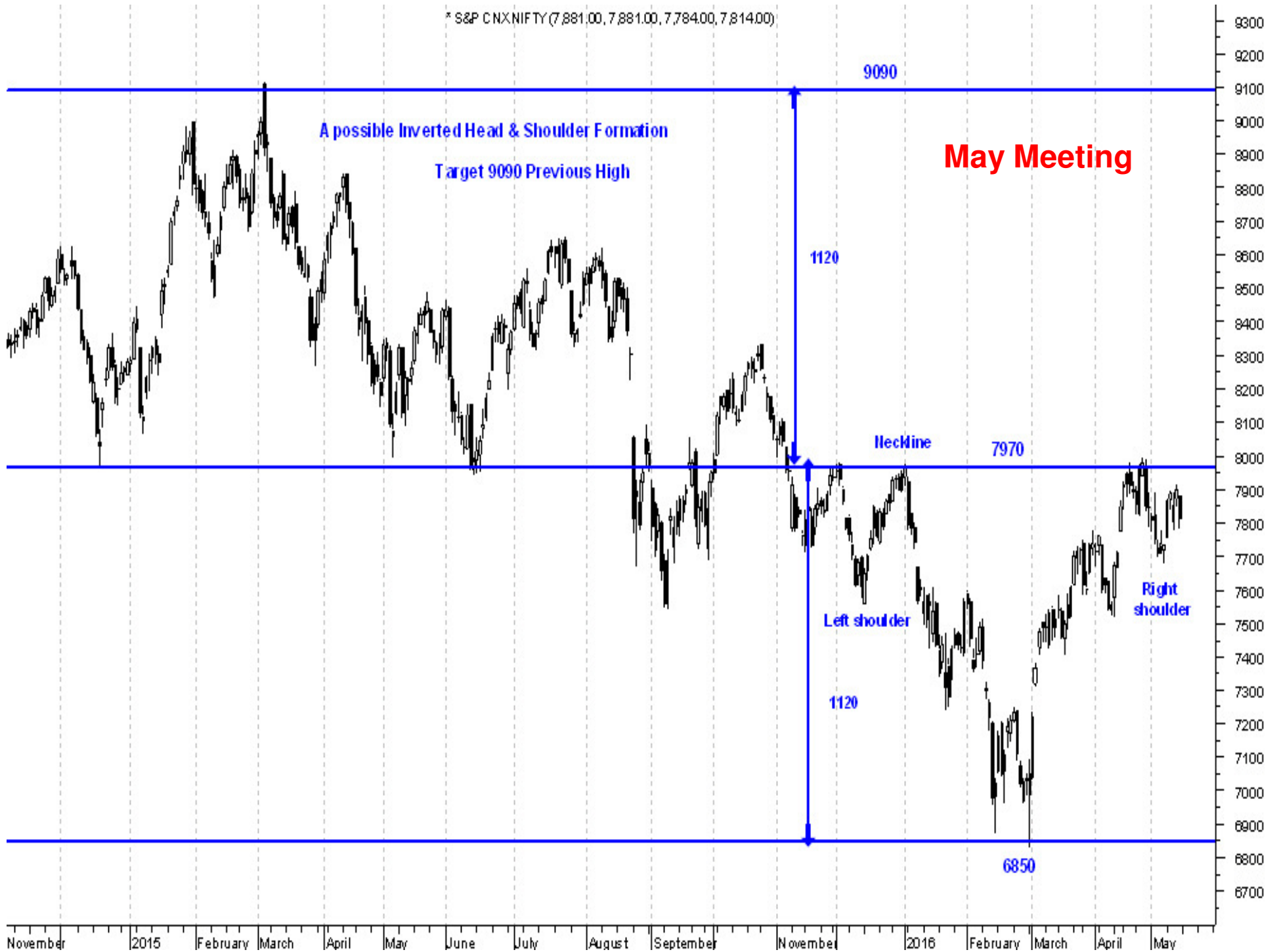


\*S&P CNX NIFTY(8,895.00, 8,896.00, 8,847.00, 8,887.00)

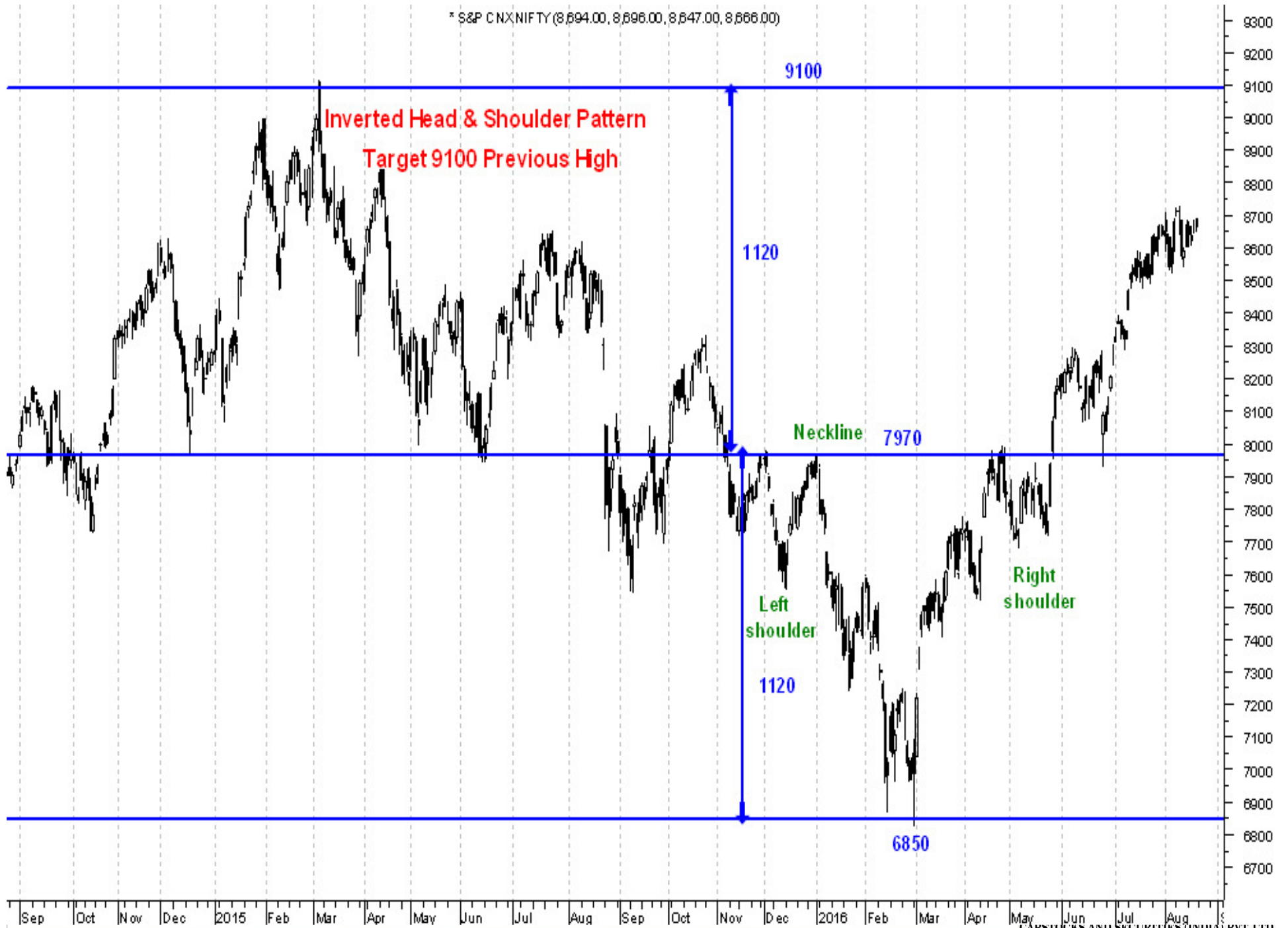
### Channel Resistance and Support



\* S&P CNXNIFTY (7,881.00, 7,881.00, 7,784.00, 7,814.00)



\* S&P CNXNIFTY (8,694.00, 8,696.00, 8,647.00, 8,666.00)





# Nifty at 16 Month High

- Active mid and small cap space
- Foreign investors turn heavy buyers
- Stable global market
- Sentiment cautiously optimistic

## INDEX WATCH

<b>INDEX</b>	<b>19, Aug</b>	<b>9, July</b>	<b>% Change</b>
Nifty	<b>8,666</b>	<b>8,323</b>	<b>4.1</b>
Sensex	<b>28,077</b>	<b>27,126</b>	<b>3.5</b>
CNX Midcap	<b>15,188</b>	<b>14,077</b>	<b>7.8</b>
BSE Small Cap	<b>12,459</b>	<b>11,976</b>	<b>4.0</b>

# Major Indices - One Year Return



Index	% Change
Nifty 50	<b>2.2</b>
Sensex	<b>0.8</b>
BSE Midcap	<b>12.8</b>
BSE Smallcap	<b>5.1</b>
Nifty Metal	<b>33.3</b>
Nifty Energy	<b>14.6</b>
Nifty Auto	<b>12.1</b>
Nifty Bank	<b>2.7</b>
Nifty IT	<b>- 10.2</b>
Nifty Pharma	<b>- 11.6</b>



# GST Bill Passed in Rajya Sabha



- Much awaited GST Bill finally passed in Rajya Sabha with consensus
- Atleast 19 States has to ratify the bill
- GST Council will be formed post states ratification
- GST Council will decide rates and implementation process
- Finally parliament should pass the bill again

# GST – A Landmark Reform



- Goods and Service Tax will be levied in lieu of Central and States tax
- Simplicity of tax system will lead to easier administration
- Tax Evasion to come down
- GDP expected to go up by 1%

# 7<sup>th</sup> Pay Commission Implementation



- To be implemented from August
- Arrears of 8 months to be given compared to 30 months in 6<sup>th</sup> Pay Commission
- Impact on fiscal deficit likely to be neutral unlike last time which expanded by 500 bps

# Monsoon Below Forecast



- Monsoon till now Normal on All India Basis
- Rainfall below IMD and SKYMET forecast

Region	% Departure
All India	0
East & NE India	-16
Northwest India	8
Central India	10
South Peninsula	-8

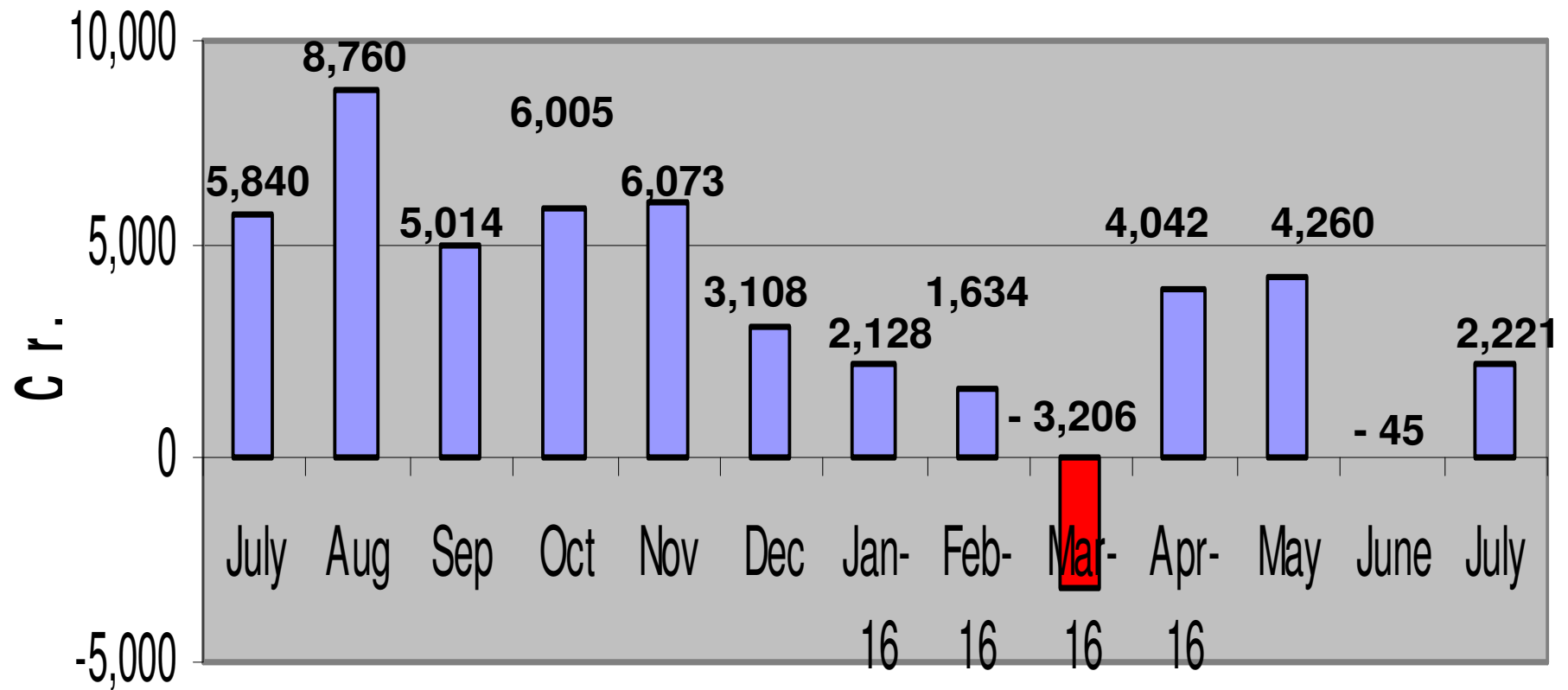
# Voluntary Vehicle Modernisation Programme



- Buying new vehicles at concessional tax rates on surrender of old vehicles
- Aim to reduce pollution and diesel consumption
- Transport Ministry is working on scheme
- If implemented positive for auto sector

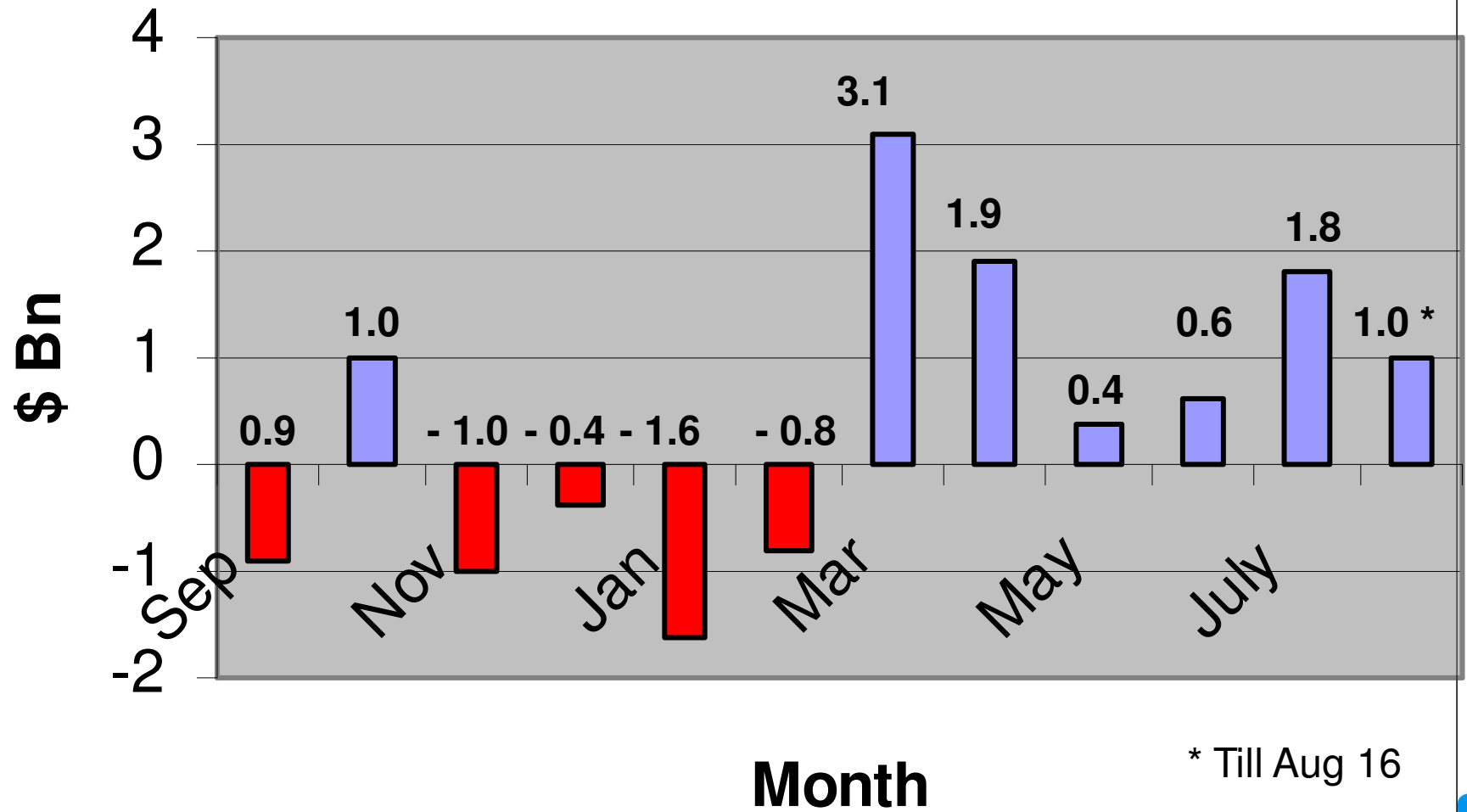


# Equity Mutual Fund Flows



FY16

# FII Flows

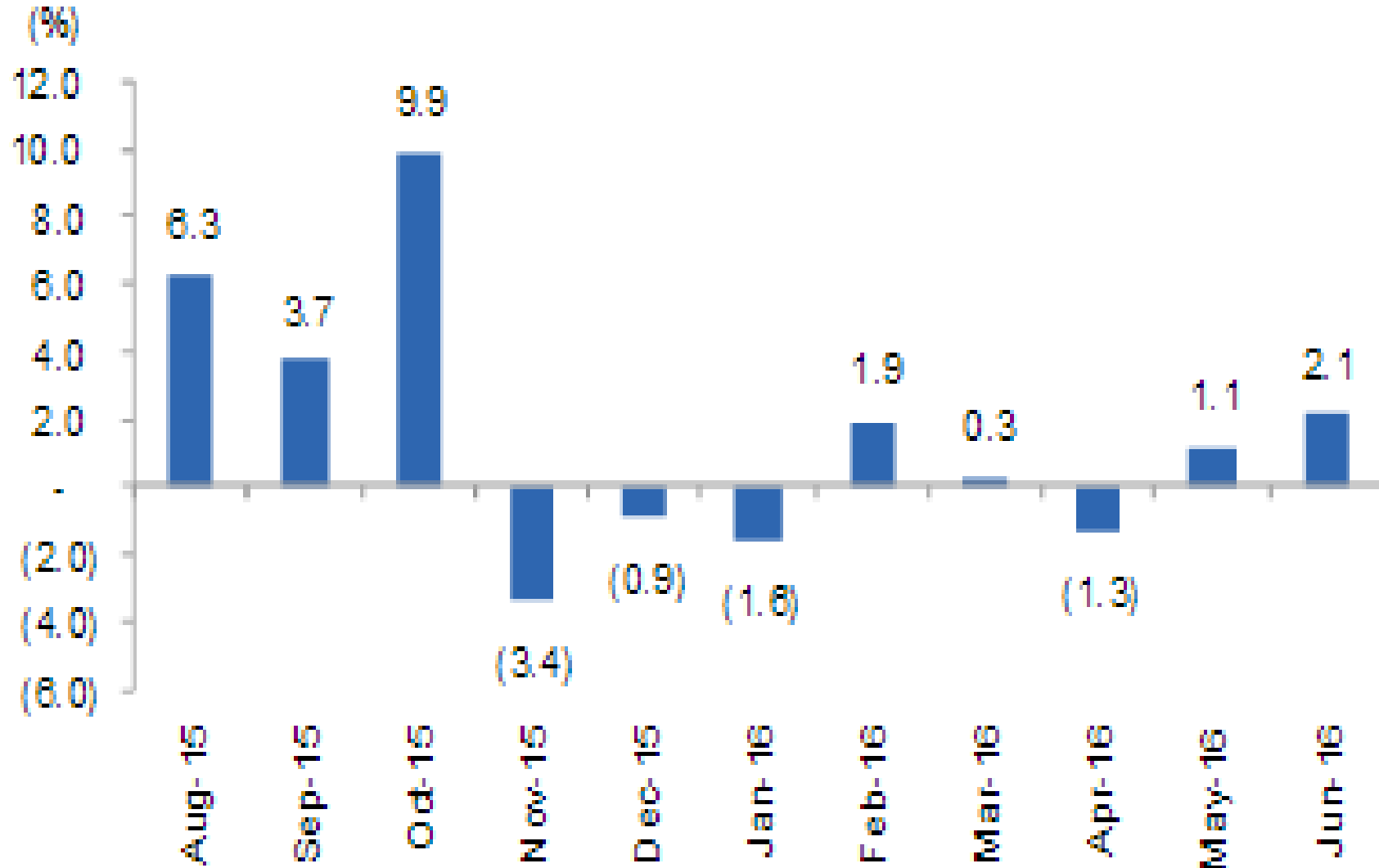


# Cheap Global Interest Rates

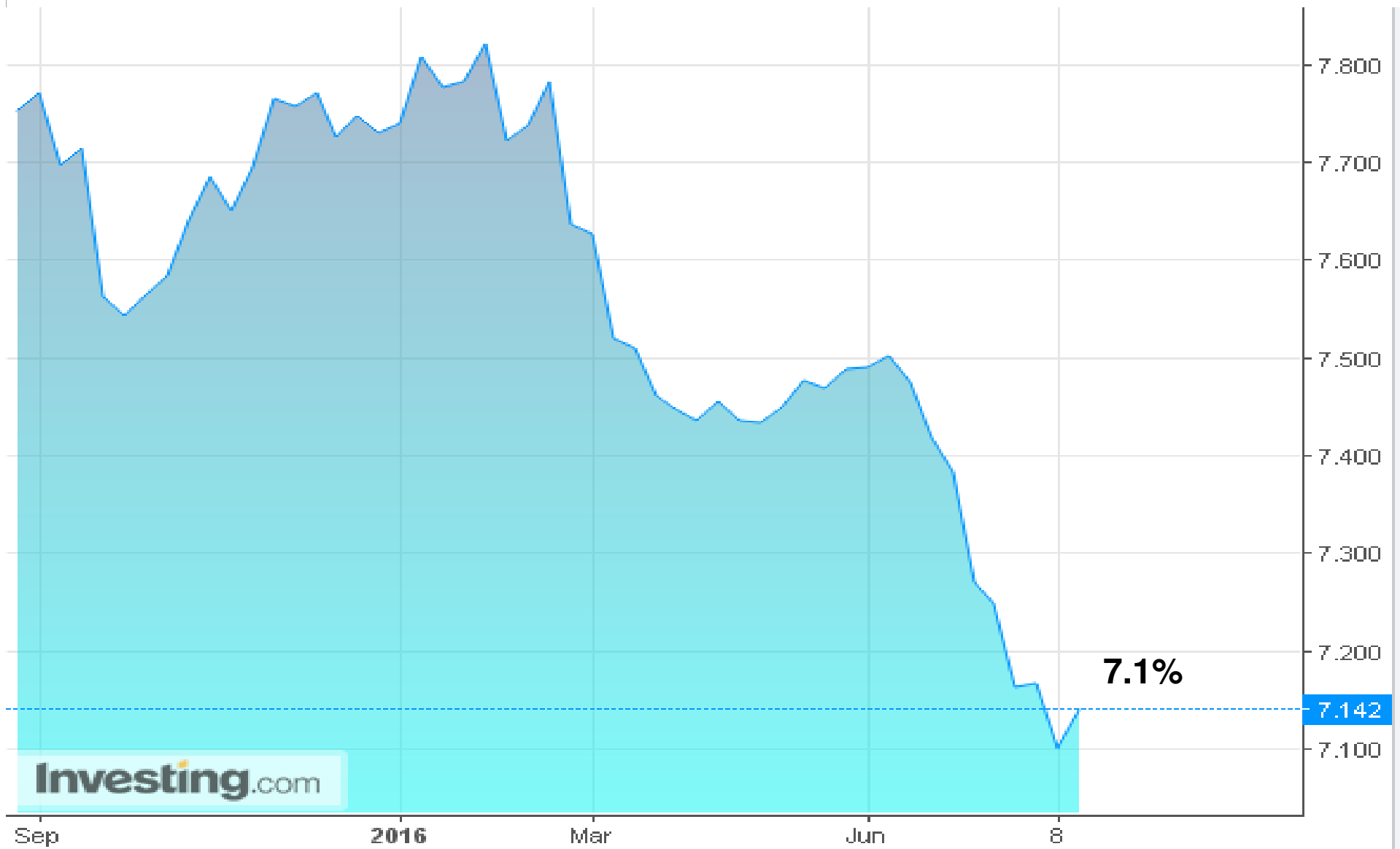


Country	Interest Rate %
Swiss	<b>- 0.75</b>
Sweden	<b>- 0.50</b>
Euro	0.0
Japan	0.0
UK	0.25
US	0.50

# IIP Still Not Showing Strength



# India Bond See Smart Rally





# Economy To Revive From September



- September to December seasonally strong months for economy
- Pay commission implementation to boost economy further

# Dow Jones At All Time High

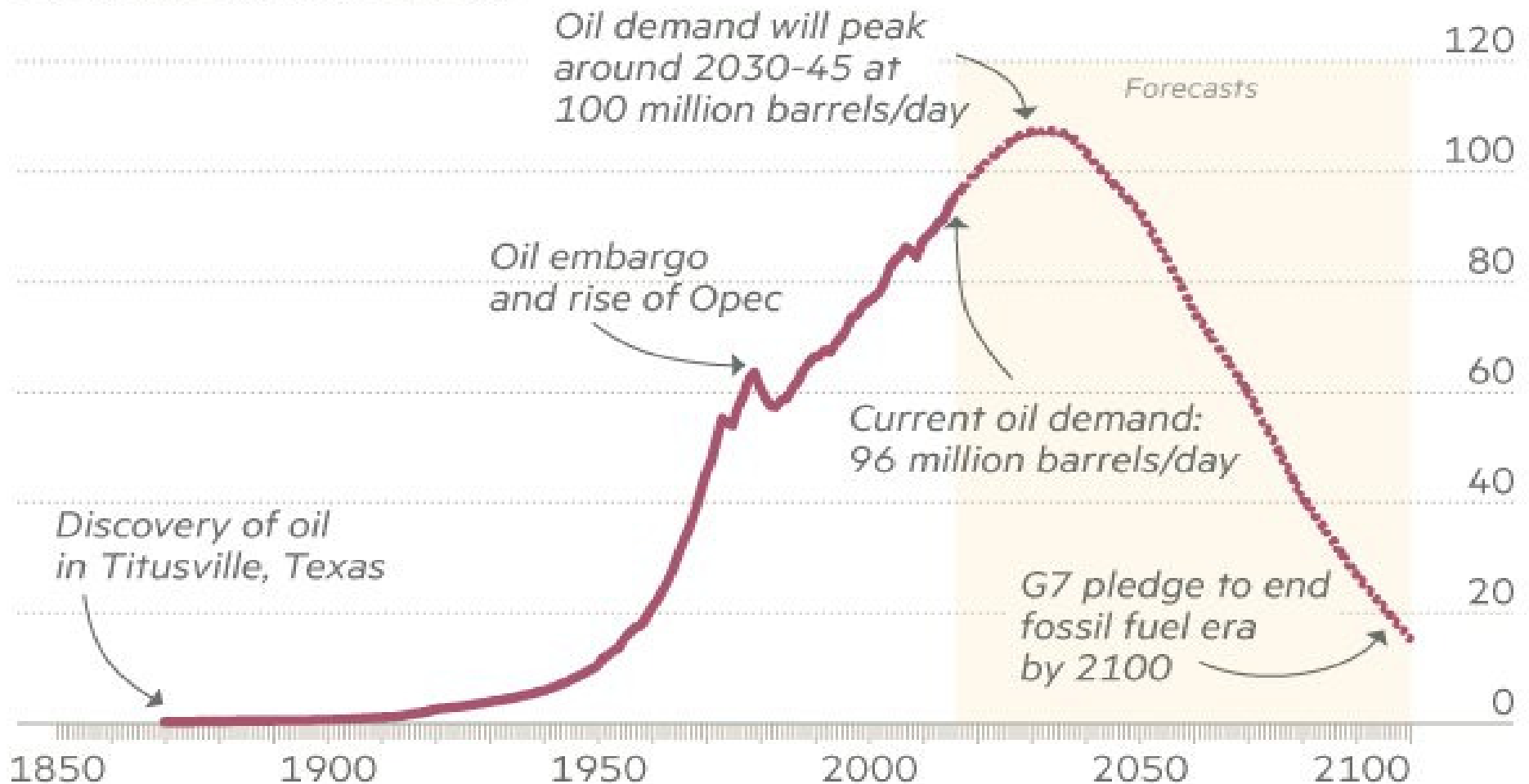


# Global Oil Demand Forecast



Oil era is not over - but the peak could be in 15-20 years

Oil demand (million barrels)



# Sector Watch – Dyes, Dye Intermediates



- Dye and Dye Intermediates to do well
- As expected Q1 results were good
- Positive trend to continue in future
- Top picks – Bodal Chem, Kiri Industries



# Events to Watch

- Implementation of GST
- Mid and Small Cap movements



