



**Mr. Ashok Ajmera, CMD & CEO**

### Mr. Ajmera's column as on January 11, 2016

#### All eyes on Q3FY16 numbers and trends in global markets..

Indian market closed in the red during last week. Nifty and Sensex were down by 4.54% and 4.69% respectively. The barometer index, the S&P BSE Sensex, skidded below the psychological 25,000 mark. The Sensex and the 50-unit Nifty 50 index fell in four out of five sessions of the week ended Friday, 8 January 2016. For the 30-share Sensex pack, 28 stocks fell and only two rose in the week.

The BSE Mid-Cap index lost 2.25%. The BSE Small-Cap index fell 2.41%. The losses for both these indices were lower in percentage terms than those for the Sensex.

In terms of sector only Petrochemicals was the winner of the week. Construction, Engineering and Automobiles were the notable losers this week.

Suspension of trading in mainland China was witnessed twice during the week on 4 January and 7 January 2016 triggered by a 7% slide for the CSI 300 Index caused sharp drop in global stocks and Indian stocks were no exception. Fresh geopolitical concerns over the Korean Peninsula also weighed on investors' sentiment in Asian markets after an announcement from North Korea that it had successfully conducted a hydrogen-bomb test.

The foreign institutional investors (FIIs) have been the net sellers of the Indian stocks to the tune of Rs1877.61 crore and the domestic investors bought Indian shares worth a net of Rs297.50 crore as on January 07, 2015.

#### **Sectors and stocks**

All the sectors ended in red. The topmost losers were: S&P BSE Auto down 6.99%, S&P BSE CG fell 6.89%, S&P BSE Bankex down 5.55%, S&P BSE Metal fell 4.33% and S&P BSE HC down 3.94%. Looking at the 'A' group stocks, the top three gainers of the week



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were: Torrent Power up 24.20%, Balrampur Chini Mills rose 14.43% and Monsanto up 12.60%. Top three losers of the week were: IDBI down 13.13%, Tata Motors fell 12.00% and BoB was down 11.64%.

### Global Markets

All the global markets ended in red where Shanghai Composite tanked 9.98%, Dax100 fell by 8.32% and Nasdaq fell by 7.26%.

### Week ahead

Going ahead, macroeconomic data, Q3 results of India Inc., trend in global markets, investment by foreign portfolio investors (FPIs) and domestic institutional investors (DIIs), the movement of rupee against the dollar and crude oil price movement will dictate trend on the bourses.

Among quarterly results of prominent companies scheduled for release next week, IndusInd Bank and TCS will announce their Q3 results on Tuesday, 12 January 2016. Infosys will announce Q3 results on Thursday, 14 January 2016. Hindustan Unilever, Zee Entertainment Enterprises are set to announce Q3 results on Friday, 15 January 2016. Kotak Mahindra Bank unveils Q3 results on Saturday, 16 January 2016.

On macro front, data on industrial production for November 2015 will be announced by the government after market hours on Tuesday, 12 January 2016.

The data on inflation based on the consumer price index (CPI) for December 2015, is due to be announced by the government after market hours on Tuesday, 12 January 2016.

The government will unveil the data on wholesale price index (WPI) for December 2015 on Thursday, 14 January 2016. The data is scheduled to be announced around 12 noon on that day.

Shares of public sector oil marketing companies (PSU OMCs) will be in focus as a regular fuel price review is due during the middle of the month. PSU OMCs review fuel prices twice a month based on the trend in international oil market and currency movement. The first review takes place during the middle of the month and the last review at the month-end.



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