

Indices				
Global	June 30	June 27	Absolute Change	% Change
DJIA	16827	16852	-25	-0.15
Nasdaq	4408	4398	10	0.23
FTSE	6744	6758	-14	-0.20
Nikkei	15162	15095	67	0.44
Hang Seng	23191	23222	-31	-0.13
India	June 30	June 27	Absolute Change	% Change
S&P BSE Sensex	25414	25100	314	1.25
CNX Nifty	7611	7509	103	1.37
CNX 100	7571	7462	109	1.47
CNX Bank Index	15242	14992	250	1.66
SGX Nifty	7625	7550	75	0.99
S&P BSE Power	2319	2254	65	2.88
S&P BSE SmallCap	10203	10022	181	1.80
S&P BSE Healthcare	11462	11260	203	1.80

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
June 30	18.74	1.38	20.65	1.29
Month Ago	17.65	1.44	19.82	1.34
Year Ago	17.22	1.56	17.76	1.43

Nifty – Top Out performers	% Change
BPCL	5.39
IDFC	5.26
PNB	4.28
Nifty – Top Under performers	% Change
United Spirits	-3.79
Maruti Suzuki	-0.63
M&M	-0.55

	Advance Decline Ratio	
	BSE	NSE
Advances	2119	1155
Declines	929	398
Unchanged	104	53

FII / Mutual Fund data			
(Rs Cr)	June 27	MTD	YTD
FIIs	226.85	10905.25	59520.85
Mutual Funds	239.70	2763.20	-7579.60

Economic Indicators			
YoY (%)	Current	Quarter Ago	Year Ago
Monthly Inflation	6.01% (May-14)	5.03% (Feb-14)	4.58% (May-13)
IIP	3.36% (Apr-14)	0.76% (Jan-14)	1.46% (Apr-13)
GDP	4.60% (Jan-Mar 14)	4.60% (Oct-Dec 13)	4.40% (Jan-Mar 13)

## GLOBAL INDICES

- **Dow Jones** ended little changed on Monday as gains on tracking upbeat domestic pending home sales data were capped after General Motors announced another massive auto recall.
- **At 9.00 am in the morning**, Asian markets were trading higher with Nikkei trading 1.35% up.
- **Nikkei** rose slightly on Monday helped by overnight gains on the Wall Street and wariness ahead of the release of key global economic events due this week.
- **Hang Seng** index closed slightly lower on Monday as earlier gains were reversed on caution ahead of a holiday when pro-democracy demonstrations are planned in China and release of Chinese manufacturing data later this week.
- **FTSE** index closed lower on Monday on stock specific selling.

## INDIAN EQUITY MARKET

- **At 9.00 am in the morning**, the SGX Nifty was trading 0.27% higher.
- Indian equity indices rose on Monday supported by buying in power, capital goods, infra, healthcare and banking stocks.
- PSU banks witnessed significant buying amid hopes that the government will announce capital infusion in the upcoming Union Budget to aid them to meet Basel III requirements; with SBI, IDBI Bank, PNB, United Bank of India, Central Bank of India, Indian Overseas Bank, Union Bank of India, Bank of India, Allahabad Bank and Syndicate Bank, soaring 2-11%.
- United Spirits (the top Nifty loser) continued to underperform on Nifty, falling 3.8% due to oversupply in the market as those extra shares tendered in the open offer launched by Diageo came back into the market.
- Among mid-cap pack, shares of UPL, Divi's Laboratories, CESC, Biocon, Bharat Forge, and Bata India advanced 1-8%.
- Defensive sector too enjoyed strong gains; with Dr Reddy's Lab and Sun Pharma, adding 2.8% and 4.1%, respectively.

## DOMESTIC NEWS

- India's annual infrastructure sector output growth slowed to 2.3% in May from 4.2% in the previous month, weighed down by declines in the production of crude oil, natural gas, petroleum and steel.
- India's fiscal deficit in the first two months of the financial year touched Rs 2.41 lakh cr, or 45.6% of the full-year target.
- India's retail inflation for industrial workers remained almost flat at 7.02% in May compared to 7.08% in April mainly due to lower price of petrol.
- RBI data shows India attracted \$37.8 bn foreign investment between January and March; India's total external debt stood at \$440.6 bn at the end of March, up 7.6% from the end of March 2013.
- India inks pacts with China to build industrial parks and attract Chinese investment, share flood data of the Brahmaputra river, and establish a framework for regular interactions between the two nations' administrative officials.
- Government to auction unutilised investment limits in government debt worth Rs 5516 cr to foreign investors on July 1.
- Finance Ministry mulls doubling the exemption limit for investments by individuals in financial instruments to Rs 2 lakh to boost household savings.
- RBI keeps the lending rate ceiling for micro finance companies unchanged at 27.75% for the July to September quarter.
- RBI switches to using an electronic bond trading platform to manage cash levels in the debt market.
- State-owned oil PSUs raise the price of petrol by Rs 1.69 per litre, and diesel prices by 50 paise per litre.
- Elder Pharmaceuticals completes the transaction for sale and transfer of its branded domestic formulations business in India and Nepal to Torrent Pharmaceuticals on a slump sale basis.
- Union Bank of India proposes to raise Rs 1386 cr through Qualified Institutional Placement (QIP) to fund its business growth.
- ICICI Bank plans to open branches in Australia, South Africa, China, and Mauritius.
- IndusInd Bank launches a tractor and farm equipment finance vertical to cater to the demand from the agricultural sector.
- Liberty Videocon General Insurance launches two new products for commercial businesses; Commercial General Liability Insurance (CGL), and Directors & Officers Liability Insurance (D&O).

**FII Derivative Trade Statistics – June 27**

(Rs Cr)	Buy	Sell	Open Interest
Index Futures	935.56	945.71	11185.22
Index Options	7258.38	6239.11	40401.06
Stock Futures	2356.45	3252.82	54110.58
Stock Options	1049.64	1041.19	1004.81
<b>Total</b>	<b>11600.03</b>	<b>11478.83</b>	<b>106701.67</b>

**Derivative Statistics- Nifty Options**

	June 30	June 27	Change
Put Call Ratio (Open Interest)	0.74	0.74	0.00
Put Call Ratio (Volume)	0.85	0.94	-0.09

Debt Watch	June 30	Week Ago	Month Ago	Year Ago
Call Rate	8.70%	8.20%	7.30%	7.15%
CBLO	9.08%	7.97%	8.73%	6.17%
Repo	8.00%	8.00%	8.00%	7.25%
Reverse Repo	7.00%	7.00%	7.00%	6.25%
91 D T-Bill	8.49%	8.51%	8.50%	7.49%
364 D T- Bill	8.65%	8.65%	8.62%	7.44%
10 Yr Gilt	8.74%	8.77%	8.64%	7.44%
G-sec Volume (Rs Cr)	19095	23995	74015	42235
1-mth CP rate	8.70%	8.74%	8.39%	8.10%
3-mth CP rate	8.69%	8.76%	8.80%	8.36%
5 yr Corp Bond	9.17%	9.22%	9.23%	8.52%
1-mth CD rate	8.55%	8.59%	8.21%	7.85%
3-mth CD rate	8.50%	8.53%	8.52%	7.86%
1 yr CD rate	8.91%	8.94%	9.00%	8.15%

**Currencies Vs INR**

	June 30	June 27	Change
USD	60.17	60.08	-0.09
GBP	102.33	102.40	0.07
Euro	82.01	81.88	-0.13
100 Yen	59.28	59.27	-0.01

Commodity Prices	June 30	Week Ago	Month Ago	Year Ago
NYMEX Crude Oil (\$/bbl)	105.37	106.17	102.71	96.56
London Brent Crude Oil (\$/bbl)	112.36	114.12	109.41	102.16
Gold (oz/\$)	1315	1314	1251	1192
Gold (Rs per 10 gms)	28110	28290	26950	25150

**DERIVATIVES MARKET**

- Nifty July (near future) rose up against the spot index with 23.00 point premium; it however witnessed 0.08 mn decrease in open interest.
- Put Call Ratio (open interest) remained unchanged at 0.74 on June 30.
- Nifty 8000 July Call strike continued to witness the highest open interest.
- Nifty 7000 July Put strike continued to witness the highest open interest.
- India VIX (volatility index based on the Nifty 50 Index Option prices) rose from 17.63 on June 27 to 17.87 on June 30.

**INDIAN DEBT MARKET**

- The interbank call money rate ended at 8.60-8.70% on Monday as against 8.80% on Friday as most state-owned banks refrained from lending on the last day of the quarter.
- Demand for funds was high amid tight liquidity as some banks borrowed to meet their loan disbursement targets.
- Banks borrowed Rs 21,349 cr at the LAF repo auction on Monday compared with net borrowing of Rs 13,330 cr on Friday from both LAF tenders.
- Government bond prices ended off highs following the release of poor domestic fiscal deficit data for the first two months of the financial year.
- Prices were also put under pressure after the RBI conveyed to some banks that it would reduce the limit on held-to-maturity bond requirements.
- Earlier in the session, gilts received support from quarter-end buying by participants.
- Optimism that the government could outline a path to narrow the fiscal deficit in the long run also prevented prices from falling sharply.
- The 10-year benchmark 8.83% 2023 bond ended at 8.74% yield on Monday as against 8.75% yield on Friday.

**Currency Overview**

- The rupee gave up gains and ended lower against the dollar on Monday on dollar purchases by banks and on demand for the greenback following weak domestic fiscal deficit figures for April and May.
- Strength in domestic share indices however limited the rupee's losses.
- The rupee began the session brightly tracking strength in Asian currencies against the dollar after recent data from the US suggested the Federal Reserve may not be in a hurry to hike interest rates.

**Commodity Overview**

- Crude oil prices fell 37 cents to settle at \$105.37 a barrel on the NYMEX.
- Gold prices ended slightly lower as investors remained cautious ahead of release of US jobs data and ECB meet later in the week.

**INTERNATIONAL NEWS**

- US Pending Home Sales rose 6.1% in May to 103.9, compared to April's upwardly revised reading of 97.9.
- US Chicago purchasing managers' index slumped to a seasonally adjusted 62.6 in June from a reading of 65.5 in May.
- Eurozone flash estimate of annual inflation came in at 0.5% in June, same as the level of inflation in May.
- Japan's industrial production rose a seasonally adjusted 0.5% in May following a 2.8% drop in April.
- The Bank of Japan's quarterly "tankan" survey shows that the headline index for big manufacturers' sentiment fell by 5 points from three months earlier to 12 in June.

Source: CRISIL Research

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