

Indices				
Global	June 23	June 20	Absolute Change	% Change
DJIA	16937	16947	-10	-0.06
Nasdaq	4369	4368	1	0.01
FTSE	6801	6825	-25	-0.36
Nikkei	15369	15349	20	0.13
Hang Seng	22805	23194	-389	-1.68
India	June 23	June 20	Absolute Change	% Change
S&P BSE Sensex	25031	25106	-74	-0.30
CNX Nifty	7493	7511	-18	-0.24
CNX 100	7436	7447	-11	-0.15
CNX Bank Index	15076	14998	79	0.52
SGX Nifty	7514	7545	-31	-0.40
S&P BSE Power	2203	2199	4	0.17
S&P BSE SmallCap	9816	9761	55	0.56
S&P BSE Healthcare	10869	10817	52	0.48

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
June 23	18.44	1.40	20.33	1.31
Month Ago	18.29	1.37	20.39	1.31
Year Ago	16.66	1.61	17.20	1.46

Nifty – Top Out performers	% Change
ONGC	4.81
Jindal Steel	2.73
Hero Motocorp	2.48
Nifty – Top Under performers	% Change
ITC	-6.18
Kotak Mahindra	-3.84
United Spirits	-3.18

	Advance Decline Ratio	
	BSE	NSE
Advances	1526	782
Declines	1440	745
Unchanged	110	69

FII / Mutual Fund data			
(Rs Cr)	June 20	MTD	YTD
FIIs	-209.48	10623.31	59238.91
Mutual Funds	365.00	847.30	-9495.50

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** closed mostly lower on Monday as investors booked profits despite upbeat domestic existing home sales data.
- **At 9.00 am in the morning**, Asian markets were trading mixed with Nikkei trading 0.36% lower and Hang Seng 0.25% up.
- **Nikkei** ended slightly higher on Monday following the release of encouraging manufacturing PMI data from Japan and China.
- **Hang Seng** index fell sharply on Monday as earlier gains on the back of upbeat preliminary Chinese manufacturing activity data were erased by heavy profit selling.
- **FTSE** index ended lower on Monday, weighed down by housing shares which were hit by concerns about possible changes to mortgage rules.

INDIAN EQUITY MARKET

- **At 9.00 am in the morning**, the SGX Nifty was trading 0.31% higher.
- Indian equity indices ended slightly lower on Monday weighed by FMCG and IT shares.
- Market heavyweights such as Infosys, TCS and Tata Motors were among the worst hit on Nifty, falling 0.6-2.5%.
- FMCG major ITC was the top loser on Nifty, tumbling 6.2%, on a report that Health Minister Harsh Vardhan has sought an increase in tax on cigarettes of all lengths by Rs.2.0-3.5 per stick.
- Most of the banking shares rallied, barring Kotak Mahindra (down 3.8%) which fell following news that the bank will be excluded from MSCI Global Standard Index from July 8.
- Stocks of ONGC were the top gainers on Nifty, rising 4.8%, primarily aided by short covering.
- Metal companies were boosted after data showed that China's manufacturing activity expanded for the first time in six months in June; with Tata Steel, Sesa Sterlite and Jindal Steel ending up 1.4-2.7%.
- Rail manufacturers and suppliers too ended in positive territory as the hike in railway passenger fares and freight rates are seen providing a much-needed relief to the capital-crunched sector; with Titagarh Wagons, Texmaco Rail & Engine and Kalindee Rail Nirman Engineers, ending up 1-2%.

DOMESTIC NEWS

- CRISIL report says implementation of goods and services (GST) tax could help government raise tax revenues and reduce fiscal deficit, which has been around 4.5% in the last three years.
- Finance Minister Arun Jaitley to present Union Budget on July 10; Rail Budget to be presented on July 8.
- Government to raise the import duty on sugar to 40% from 15%; also decides to provide additional interest-free loan of up to Rs 4,400 cr to the cash-starved sugar industry for paying cane arrears.
- RBI directs all banks and financial institutions to provide information and documents sought by the Special Investigation Team (SIT) set up to unearth black money.
- Under a new code, RBI limits customers' liability to Rs 10000 in unauthorised internet banking transactions; the bank has to make good the rest of the amount.
- RBI moves to a time defined process by fixing schedules for various regulatory approvals, including granting of private bank licence, and also releasing a citizens' charter for its various services like clearing of transactions.
- Power Grid Corporation approves investments of Rs 5500 cr for upgrading networks in about four years.
- Bharti Airtel signs a definitive agreement with Loop Mobile to acquire the latter's operations in Mumbai.
- Tata Advanced Systems Ltd (TASL) ties up with Europe's RUAG Aviation to manufacture crucial systems for the latter's Dornier 228 NG aircraft.
- IRB Infrastructure enters into a pact with National Highways Authority of India (NHAI) for a Rs 2,300 cr project for widening of a highway stretch in Haryana under National Highways Development Project (NHDP).
- Export-Import Bank extends two lines of credits worth \$82 mn to the Government of Togo.
- Adani Group completes acquisition of 100% stake in the Dhamra Port Company Limited (DPCL) from L&T Infrastructure Development Projects Limited (L&TIDPL) and Tata Steel Limited (TSL).

FII Derivative Trade Statistics – June 20

(Rs Cr)	Buy	Sell	Open Interest
Index Futures	1856.07	1814.87	14091.79
Index Options	13237.41	12938.91	70327.73
Stock Futures	4212.30	4143.43	55039.71
Stock Options	2574.12	2775.04	4508.55
Total	21879.90	21672.25	143967.78

Derivative Statistics- Nifty Options

	June 23	June 20	Change
Put Call Ratio (Open Interest)	0.79	0.81	-0.02
Put Call Ratio (Volume)	0.84	0.88	-0.04

Debt Watch	June 23	Week Ago	Month Ago	Year Ago
Call Rate	8.20%	8.75%	8.40%	7.25%
CBLO	7.97%	8.73%	8.73%	7.18%
Repo	8.00%	8.00%	8.00%	7.25%
Reverse Repo	7.00%	7.00%	7.00%	6.25%
91 D T-Bill	8.51%	8.50%	8.54%	7.46%
364 D T- Bill	8.65%	8.60%	8.68%	7.38%
10 Yr Gilt	8.77%	8.65%	8.64%	7.62%
G-sec Volume (Rs Cr)	23995	30925	64090	29225
1-mth CP rate	8.74%	0.88%	8.51%	8.40%
3-mth CP rate	8.76%	8.81%	8.84%	8.44%
5 yr Corp Bond	9.22%	9.12%	9.27%	8.44%
1-mth CD rate	8.59%	8.59%	8.32%	8.15%
3-mth CD rate	8.53%	8.60%	8.64%	8.10%
1 yr CD rate	8.94%	8.90%	9.00%	8.30%

Currencies Vs INR

	June 23	June 20	Change
USD	60.20	60.18	-0.02
GBP	102.56	102.77	0.21
Euro	81.91	82.12	0.21
100 Yen	59.05	59.17	0.12

Commodity Prices	June 23	Week Ago	Month Ago	Year Ago
NYMEX Crude Oil (\$/bbl)	106.17	106.90	104.35	93.69
London Brent Crude Oil (\$/bbl)	114.12	112.94	110.54	100.91
Gold (oz/\$)	1314	1276	1292	1295
Gold (Rs per 10 gms)	28290	27620	27585	26895

DERIVATIVES MARKET

- Nifty June (near future) rose against the spot index with a 12.40 point premium; it however witnessed 0.41 mn decrease in open interest.
- Put Call Ratio (open interest) fell from 0.81 on June 20 to 0.79 on June 21.
- Nifty 8000 June Call strike continued to witness the highest open interest.
- Nifty 7500 June Put strike continued to witness the highest open interest.
- India VIX (volatility index based on the Nifty 50 Index Option prices) rose from 18.85 on June 20 to 18.96 on June 23.

INDIAN DEBT MARKET

- The interbank call money rate ended above the RBI's repo rate at 8.20% on Monday as against 8.50% on Friday on demand for funds from banks to meet daily reserve needs.
- Overnight borrowing rates were also firm as banks borrowed to meet quarter-end lending requirements.
- Banks borrowed Rs 18,348 cr at the LAF repo auction on Monday compared with net borrowing of Rs 9,579 cr on Friday from both LAF tenders.
- Government bond prices continued their fall on Monday due to concerns pertaining to Iraq and rising crude oil prices.
- A lack of appetite for gilts and the rupee's weakness against the dollar also weighed on prices.
- The 10-year benchmark 8.83%, 2023 bond ended at 8.77% yield on Monday as against 8.72% yield on Friday.

Currency Overview

- The rupee ended marginally lower against the dollar on Monday due to dollar demand by banks on behalf of importers and weakness in local share indices.
- Crude oil prices continued to inch upwards owing to geopolitical tensions in Iraq and put pressure on the rupee.
- The RBI's decision to ease norms relating to exchange-traded currency derivatives (notification released on June 20) also provided some support at the start of the session.

Commodity Overview

- Crude oil prices fell 66 cents to settle at \$106.17 a barrel on the NYMEX.
- Gold prices rose slightly due to some weakness in the equity markets and tensions in Iraq.

INTERNATIONAL NEWS

- US Existing Home Sales increased 4.9% to an annual rate of 4.89 mn units in May (the largest monthly increase since August 2011) compared to April's revised 4.66 mn units.
- US Flash Manufacturing Purchasing Managers Index rose to 57.5 in June (the highest reading since May 2010), compared to the final reading of 56.4 in May.
- The Chicago Federal Reserve's National Activity Index rose to 0.21 in May from -0.15 in April.
- Euro zone's preliminary manufacturing purchasing managers' index declined to a seasonally adjusted 51.9 in June, down from a final reading of 52.2 in May.
- Euro zone's composite PMI fell to a six month low of 52.8 in June from 53.5 in May.
- Euro zone's services PMI declined to 52.8 in June from 53.2 in May.
- Japan's Markit/JMMA flash Manufacturing Purchasing Managers Index (PMI) rose to a seasonally adjusted 51.1 in June from a final reading of 49.9 in May.

Source: CRISIL Research

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