

Indices

Global	June 12	June 11	Absolute Change	% Change
DJIA	16734	16844	-110	-0.65
Nasdaq	4298	4332	-34	-0.79
FTSE	6843	6839	4	0.06
Nikkei	14974	15069	-96	-0.64
Hang Seng	23175	23257	-82	-0.35
India	June 12	June 11	Absolute Change	% Change
S&P BSE Sensex	25576	25474	102	0.40
CNX Nifty	7650	7627	23	0.30
CNX 100	7596	7578	18	0.24
CNX Bank Index	15465	15451	14	0.09
SGX Nifty	7688	7611	77	1.01
S&P BSE Power	2303	2295	8	0.35
S&P BSE SmallCap	9985	9950	35	0.36
S&P BSE Healthcare	10815	10666	148	1.39

P/E, Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
June 12	18.84	1.37	20.84	1.28
Month Ago	18.22	1.42	19.47	1.38
Year Ago	16.90	1.59	17.38	1.40

Nifty – Top Out performers	% Change
Hindalco	4.06
Sun Pharma	2.82
HDFC	2.63
Nifty – Top Under performers	% Change
Bharti Airtel	-3.76
Coal India	-2.33
Axis Bank	-1.96

Advance Decline Ratio	BSE	NSE
Advances	1720	822
Declines	1394	763
Unchanged	75	42

FII / Mutual Fund data			
(Rs Cr)	June 11	MTD	YTD
FIIs	-51.11	7273.28	55888.88
Mutual Funds	-97.70	-900.10	-11242.90

Economic Indicators			
YoY (%)	Current	Quarter Ago	Year Ago
Monthly Inflation	5.20% (Apr-14)	5.11% (Jan-14)	4.77% (Apr-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** fell sharply on Thursday following escalating unrest in Iraq, and disappointing domestic jobless claims and retail sales data.
- **At 9.00 am in the morning**, Asian markets were trading mixed with Nikkei trading 0.64% lower and Hang Seng 0.62% up.
- **Nikkei** index retreated on Thursday as the World Bank cut its global growth forecast and as a stronger yen affected exporters' shares.
- **Hang Seng** index declined on Thursday on tracking overnight losses on the Wall Street.
- **FTSE** index ended slightly higher on Thursday as earlier gains on the back of stock specific buying were capped by a sell-off in mining shares.

INDIAN EQUITY MARKET

- **At 9.00 am in the morning**, the SGX Nifty was trading 0.11% higher.
- Indian equity indices ended higher on Thursday helped by gains in the IT, FMCG, realty and auto stocks.
- However, gains were limited as investors avoided taking bigger bets ahead of release of Index of Industrial Production (IIP) and Consumer Price Index (CPI) inflation data.
- Shares of Sun Pharma gained 2.82% as the company has got approval from US Food and Drug Administration for a generic of osteoporosis drug Actonel.
- Shares of brokerages soared on positive outlook for the sector and amid reports that the Indian brokers and bankers' net worth has increased by 60-140% in the last three months.
- Motilal Oswal Financial Services, Geojit BNP Paribas Financial Services, Almondz Global Securities and Emkay Global Financial Services advanced 1.48-4.85%.
- Paper stocks witnessed buying with shares of JK Paper, Tamil Nadu Newsprint and Papers, Seshasayee Paper and Boards and West Coast Paper Mills surging 5.54-9.98%.
- Among the laggards, Bharti Airtel was the top loser on the Nifty falling 3.76% after foreign brokerage downgraded the stock.
- Banking stocks such as Axis Bank, Bank of Baroda, ICICI Bank, IndusInd Bank and PNB fell 0.29-1.96%.

DOMESTIC NEWS

- India's Index of Industrial Production rose to 3.4% in April due to improved performance of manufacturing, mining, power sectors, and higher output of capital goods after contracting 0.5% in March.
- India's retail inflation measured by the Consumer Price Index eased to 8.28% in May due to a fall in prices of vegetables, cereals and dairy products; CPI inflation was 8.59% last month. Government provides more time till March 2015 for corporates to set up audit, nomination and remuneration committees as mandated under the new companies law.
- Government to extend the export incentive scheme on raw sugar till the end of September 2015 to enable mills to clear the unpaid dues to farmers; approves export incentive of Rs 3,300 per tonne for the months of June and July.
- Civil aviation ministry proposes measures including tax free bonds for construction of low cost airports in tier II towns, inclusion of aviation fuel in declared goods, and infusion of additional Rs 1600 cr to Air India for inclusion in the budget.
- RBI to conduct a 14 day term repo variable rate auction for a notified amount of Rs 61,000 cr on June 13.
- SEBI plans to provide a discount for retail investors who sell shares through the OFS mechanism and to allow a larger set of firms to tap this route.
- Coal India proposes significant changes in the model concession document for Mine Developers and Operators (MDOs).
- Tata Group opens its international nodal office in Dubai to help group companies grow faster in MENA region (Middle East and North Africa).
- According to RBI data, India's overseas direct investment in April rose to \$5.58 bn from \$5.23 bn in March.
- Indian Overseas Bank asks the Centre for around Rs 3,500 cr funding to meet the Tier I capital under Basel III norms in 2014-15.
- Bain Capital to sell half of its stake in Hero MotoCorp worth \$393mn, in open market transactions.
- Zee Learn plans to raise Rs 300 cr through a stake sale.

FII Derivative Trade Statistics – June 11

(Rs Cr)	Buy	Sell	Open Interest
Index Futures	1977.99	1900.37	12698.68
Index Options	16411.24	16550.15	61232.75
Stock Futures	4081.15	3573.05	56843.85
Stock Options	3565.99	3644.61	3876.06
Total	26036.37	25668.18	134651.34

Derivative Statistics- Nifty Options

	June 12	June 11	Change
Put Call Ratio (Open Interest)	0.88	0.86	0.02
Put Call Ratio (Volume)	0.98	1.05	-0.07

Debt Watch	June 12	Week Ago	Month Ago	Year Ago
Call Rate	7.05%	8.00%	9.05%	7.25%
CBLO	8.73%	8.73%	8.73%	7.15%
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%	8.52%	8.79%	7.45%
364 D T- Bill	8.55%	8.53%	8.80%	7.40%
10 Yr Gilt	8.55%	8.53%	8.73%	7.50%
G-sec Volume (Rs Cr)	34040	70030	30550	64970
1-mth CP rate	8.74%	8.67%	8.80%	8.37%
3-mth CP rate	8.77%	8.73%	9.31%	8.56%
5 yr Corp Bond	9.10%	9.11%	9.40%	8.33%
1-mth CD rate	8.52%	8.43%	8.63%	8.12%
3-mth CD rate	8.55%	8.51%	9.01%	8.20%
1 yr CD rate	8.90%	8.87%	9.14%	8.36%

Currencies Vs INR

	June 12	June 11	Change
USD	59.25	59.27	0.02
GBP	99.68	99.42	-0.27
Euro	80.30	80.32	0.02
100 Yen	58.13	57.99	-0.14

Commodity Prices	June 12	Week Ago	Month Ago	Year Ago
NYMEX Crude Oil (\$/bbl)	106.53	102.48	100.59	95.88
London Brent Crude Oil (\$/bbl)	113.02	108.79	108.41	103.49
Gold (oz/\$)	1266	1253	1299	1383
Gold (Rs per 10 gms)	26800	26785	29700	27600

DERIVATIVES MARKET

- Nifty June (near future) rose against the spot index with a 14.75 point premium; it also witnessed 0.61 mn increase in open interest.
- Put Call Ratio (open interest) rose from 0.86 on June 11 to 0.88 on June 12.
- 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) fell from 17.06 on June 11 to 16.90 on June 12.

INDIAN DEBT MARKET

- The interbank call money rate ended near the RBI's reverse repo rate at 7.00-7.05% on Thursday as against 7.10-7.25% on Wednesday as liquidity remained comfortable.
- Inflow of funds due to the RBI's intervention in the currency market to prevent rupee appreciation against the dollar has eased the pressure on call rates.
- Banks borrowed Rs 16,167 cr at the LAF repo auction on Thursday compared with net borrowing of Rs 13,857 cr on Wednesday from both LAF tenders.
- Government bond prices ended down on Thursday on caution ahead of the release of Consumer Price Index-based inflation data for May (due to be released after market hours).
- Sentiment was dented after RBI Deputy Governor H R Khan remarked earlier in the session that no discussions had taken place with the government regarding hiking FII gilt investment limits.
- FII activity was subdued even after SEBI auctioned unutilized gilt investment limits in the earlier session.
- Mild value buying and absence of a gilt auction this week however lent some support to bond prices.
- The 10-year benchmark 8.83%, 2023 bond ended at 8.55% yield on Thursday as against 8.54% yield on Wednesday.

Currency Overview

- The rupee ended marginally higher against the dollar on Thursday as dollar sales by foreign investors were partially offset by greenback purchases by state-owned banks.
- Positive domestic share indices also supported the local unit.

Commodity Overview

- Crude oil prices rose \$2.13 to settle at \$106.53 a barrel on the NYMEX on concerns that escalating violence in Iraq could disrupt oil supplies.
- Gold prices gained due to discouraging US economic data and fall in equities which boosted the metal's safe-haven appeal.

INTERNATIONAL NEWS

- US retail sales rose 0.3% in May after an upwardly revised 0.5% rise in April.
- Initial jobless claims for US state unemployment benefits rose by 4,000 to 317,000 in the week ended June 7.
- US import prices increased 0.1% in May after falling 0.5% in April; export prices ticked up 0.1% in May after falling 1% the prior month.
- US business inventories increased 0.6% in April (the largest since October) after rising 0.4% in March.
- Euro zone industrial production increased by 1.4% on an annualized basis in April after growing by an upwardly revised 0.2% in March.
- Japan's core machine orders spiked 17.6% in April on a yearly basis after surging 16.1% in the previous month.

Source: CRISIL Research

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