

Indices				
Global	June 4	June 3	Absolute Change	% Change
DJIA	16738	16722	15	0.09
Nasdaq	4252	4234	18	0.41
FTSE	6819	6836	-18	-0.26
Nikkei	15068	15034	34	0.22
Hang Seng	23152	23291	-139	-0.60
India	June 4	June 3	Absolute Change	% Change
S&P BSE Sensex	24806	24859	-53	-0.21
CNX Nifty	7402	7416	-14	-0.18
CNX 100	7364	7366	-2	-0.03
CNX Bank Index	15333	15258	76	0.50
SGX Nifty	7404	7408	-4	-0.05
S&P BSE Power	2266	2250	16	0.70
S&P BSE SmallCap	9489	9306	183	1.96
S&P BSE Healthcare	10175	10170	5	0.05

*Data with respect to May 30

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
June 4	18.24	1.42	20.42	1.31
Month Ago	17.41	1.48	18.72	1.42
Year Ago	17.34	1.55	17.75	1.40

Nifty – Top Out performers	% Change
NMDC	5.25
IDFC	3.82
Hindalco	3.54
Nifty – Top Under performers	% Change
HCL Tech	-2.97
TCS	-1.85
Bharti Airtel	-1.75

Advance Decline Ratio	BSE	NSE
	Advances	2117
Declines	933	436
Unchanged	95	51

FII / Mutual Fund data			
(Rs Cr)	June 3	MTD	YTD
FIIs	NA	NA	48615.60*
Mutual Funds	64.00	-56.00	-10398.80

*Data as on May 30

Economic Indicators			
YoY (%)	Current	Quarter Ago	Year Ago
Monthly Inflation	5.20% (Apr-14)	5.11% (Jan-14)	4.77% (Apr-13)
IIP	-0.50% (Mar-14)	-0.16% (Dec-13)	3.50% (Mar-13)
GDP	4.60% (Jan-Mar 14)	4.60% (Oct-Dec 13)	4.40% (Jan-Mar 13)

GLOBAL INDICES

- **Dow Jones** closed slightly higher on Wednesday as gains on the back of upbeat service sector activity data were capped by disappointing private sector jobs numbers.
- **At 9.00 am in the morning**, Asian markets were trading mixed with Nikkei trading 0.05% higher and Hang Seng 0.20% down.
- **Nikkei** ended slightly higher on Wednesday supported by weaker yen.
- **Hang Seng** index declined on Wednesday as investors booked profits after recent gains.
- **FTSE** index ended lower on Wednesday following lower-than-expected US private sector jobs data. Investors also remained cautious ahead of the European Central Bank meeting this week.

INDIAN EQUITY MARKET

- **At 9.00 am in the morning**, the SGX Nifty was trading 0.01% lower.
- Indian equity indices ended slightly lower on Wednesday as investors booked profits amid lack of any major pointers.
- Real estate and capital goods sector ended positive while those of oil and gas were weighed by profit booking.
- Defensive shares were among the worst hit on Nifty; with Infosys, Sun Pharma, TCS and HCL Tech (the top Nifty loser), falling over 1-2%.
- NMDC was the top performer on Nifty, gaining 5.3% as the company hiked iron ore fines and lumps prices by 7-9% for June.
- Mid-caps shares however witnessed buying interest; with Vardhman Textiles, Ramco Cements, Repco Home Finance, Gruh Finance, Crisil, Blue Dart Express, Bharat Forge and Ajanta Pharma, rising over 1-5%.
- Among others in the same pack, JSW Energy, Crompton Greaves, IFCI, Jain Irrigation Systems, Future Retail, PVR, Indiabulls Real Estate, Suzlon Energy, Mahindra Holidays & Resorts, and IDBI Bank surged 7-16%.
- Fertiliser firms ended in green led by hope of some favourable policy announcements from the government for the reeling sector; with Gujarat State Fertilizers, Rashtriya Chemicals & Fertilizers, Madras Fertilizers, and National Fertilizers, advancing 5-10%.
- Metal companies continued to rally on the back of upbeat Chinese manufacturing data; with SAIL, JSW Steel, Hindalco, Tata Steel and Sesa Sterlite, jumping 3-7%.

DOMESTIC NEWS

- India HSBC services purchasing managers' index (PMI) rose to 50.2 points in May from 48.5 in April.
- Finance Ministry is considering a proposal to set up a National Asset Management Company that may act as a nodal agency for taking over bad loans of banks and help revive sick units.
- Government decides to review the progress of all projects worth Rs 6.5 lakh cr cleared by the previous government's Cabinet Committee on Investments.
- Government may not implement the delayed increase in price of natural gas with retrospective effect as it would be difficult to back charge higher bills from power and CNG consumers.
- Government plans incubation centre for electronics product companies.
- Maharashtra's gross state domestic product (GSDP) at constant 2004-05 prices to grow at 8.7% in 2013-14 against 7.1% in 2012-13.
- RBI to conduct 28-day Special Term Repo Auction for Rs. 20,000 cr on June 6.
- SEBI says state-owned firms should adhere to the mandatory 25% public shareholding norms that are applicable to private companies.
- SEBI is likely to announce a series of changes to the initial public offering (IPO) framework to help issuers and boost investor participation.
- SEBI plans to allow non-promoters to use offer-for-sale (OFS) route to trim stake.
- DoT rejects Vodafone India's request to renew its licences in seven regions where they are expiring in December next year as well as to keep the associated spectrum.
- BSNL signs a 10-year agreement with Power Grid Corp of India Ltd to improve telecommunications connectivity in the north-eastern states of India.
- Tata Housing plans to invest Rs 3000 cr to acquire more land, including joint development agreements, across major cities in India in the current fiscal.
- Titan-Montblanc JV to start operations by January 2015.
- Venture capital fund Exfinity Technology Fund raises Rs 100 cr in the first round.

FII Derivative Trade Statistics – June 3

(Rs Cr)	Buy	Sell	Open Interest
Index Futures	NA	NA	NA
Index Options	NA	NA	NA
Stock Futures	NA	NA	NA
Stock Options	NA	NA	NA
Total	NA	NA	NA

Derivative Statistics- Nifty Options

	June 4	June 3	Change
Put Call Ratio (Open Interest)	0.75	0.74	0.01
Put Call Ratio (Volume)	0.87	0.84	0.03

Debt Watch	June 4	Week Ago	Month Ago	Year Ago
Call Rate	8.35%	7.10%	7.50%	7.25%
CBLO	8.73%	8.73%	8.73%	7.05%
Repo	8.00%	8.00%	8.00%	7.25%
Reverse Repo	7.00%	7.00%	7.00%	6.25%
91 D T-Bill	8.45%	8.58%	8.78%	7.33%
364 D T- Bill	8.57%	8.66%	8.92%	7.28%
10 Yr Gilt	8.59%	8.70%	8.81%	7.39%
G-sec Volume (Rs Cr)	49490	39625	32170	54660
1-mth CP rate	8.66%	8.45%	8.99%	8.34%
3-mth CP rate	8.77%	8.94%	9.36%	8.46%
5 yr Corp Bond	9.14%	9.28%	9.46%	8.10%
1-mth CD rate	8.48%	8.26%	8.73%	8.09%
3-mth CD rate	8.54%	8.68%	9.08%	8.12%
1 yr CD rate	8.90%	8.99%	9.20%	8.34%

Currencies Vs INR

	June 4	June 3	Change
USD	59.33	59.39	0.05
GBP	99.18	99.17	-0.01
Euro	80.76	80.56	-0.20
100 Yen	57.76	57.88	0.12

Commodity Prices	June 4	Week Ago	Month Ago	Year Ago
NYMEX Crude Oil (\$/bbl)	102.64	102.72	99.76	93.31
London Brent Crude Oil (\$/bbl)	108.40	109.81	108.59	103.24
Gold (oz/\$)	1245	1264	1281	1400
Gold (Rs per 10 gms)	26750	27200	29770	27015

DERIVATIVES MARKET

- Nifty June (near future) rose against the spot index with a 14.15 point premium; it however witnessed 0.74 mn decrease in open interest.
- Put Call Ratio (open interest) rose marginally from 0.74 on June 3 to 0.75 on June 4.
- Nifty 8000 June Call strike continued to witness the highest open interest.
- Nifty 7000 June Put strike continued to witness the highest open interest.
- India VIX (volatility index based on the Nifty 50 Index Option prices) fell from 15.80 on June 3 to 15.57 on June 4.

INDIAN DEBT MARKET

- Interbank call rate ended firm at 8.30-8.35% on Wednesday as against 8.20-8.25% on Tuesday as demand for funds from banks increased toward the end of the session.
- Banks borrowed Rs 4,642 cr through the RBI's repo window on Wednesday as against net borrowing of Rs 4,722 cr on Tuesday from both LAF tenders.
- Gilt prices ended higher on Wednesday as underlying sentiment remained optimistic over the possibility of the RBI cutting interest rates in the months ahead if the inflation rate fell at a faster pace than anticipated.
- However, with the 10-year benchmark 8.83%, 2023 gilt set to be auctioned on June 6, appetite for the 2023 gilt remained low.
- The 10-year benchmark 8.83%, 2023 bond ended at 8.59% yield on Wednesday as against 8.60% on Tuesday.
- Market participants were bullish also on expectation of purchases from foreign institutional investors.

Currency Overview

- The Indian rupee ended marginally higher against the US dollar on Wednesday due to dollar sales by foreign banks and exporters.
- However, further gains were capped on dollar demand from oil importers.

Commodity Overview

- Crude oil prices fell 2 cents to settle at \$102.64 a barrel on the NYMEX.
- US crude oil inventories fell by 3.4mn barrels to 389.5mn barrels for the week ended May 30.
- Gold prices rose due to release of discouraging US private sector jobs numbers.

INTERNATIONAL NEWS

- US Federal Reserve's Beige Book report shows that the US economy is now growing all across the country, recovering at a "moderate" to "modest" pace.
- ADP report says that US private sector added 179,000 jobs in May as compared with revised 215,000 jobs in April.
- US ISM's non-manufacturing PMI increased to 56.3 in May from 55.2 in April.
- US trade deficit rose to \$47.2 bn in April, up 6.9% from an upwardly revised March deficit of \$44.2 bn.
- US Markit services PMI came in at 58.1 in May, up from 55 in April, while composite PMI rose to 58.4 in May, up from April's 55.6.
- Eurozone confirms GDP growth of 0.2% in Q1 2014 as compared to 0.3% growth recorded in Q4 2013.
- Eurozone services PMI fell to 53.2 in May from 53.1 in the previous month.
- Eurozone Producer Price Index fell 1.2% year-on-year in April, compared with a 1.6% decline in March.
- UK Markit/CIPS services PMI fell to 58.6 in May from 58.7 in April, while UK composite PMI eased slightly to 59.1 in May from 59.4 in April.

Source: CRISIL Research

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