

Indices				
Global	June 20	June 19	Absolute Change	% Change
DJIA	16947	16921	26	0.15
Nasdaq	4368	4359	9	0.20
FTSE	6825	6808	17	0.25
Nikkei	15349	15361	-12	-0.08
Hang Seng	23194	23168	26	0.11
India	June 20	June 19	Absolute Change	% Change
S&P BSE Sensex	25106	25202	-96	-0.38
CNX Nifty	7511	7541	-29	-0.39
CNX 100	7447	7475	-28	-0.37
CNX Bank Index	14998	15067	-70	-0.46
SGX Nifty	7545	7550	-6	-0.07
S&P BSE Power	2199	2217	-17	-0.78
S&P BSE SmallCap	9761	9843	-82	-0.83
S&P BSE Healthcare	10817	10921	-103	-0.95

Date	P/E, Dividend Yield		Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield	P/E	Div. Yield
June 20	18.53	1.39	20.38	1.30		
Month Ago	17.97	1.39	20.21	1.33		
Year Ago	16.58	1.62	17.17	1.47		

Nifty – Top Out performers	% Change
United Spirits	3.04
Cairn India	1.39
Axis Bank	1.33
Nifty – Top Under performers	% Change
M&M	-2.73
Tata Power	-2.69
Hindalco	-2.35

	Advance Decline Ratio	
	BSE	NSE
Advances	1250	591
Declines	1720	968
Unchanged	95	46

FII / Mutual Fund data			
(Rs Cr)	June 19	MTD	YTD
FIIs	-435.61	10832.79	59448.39
Mutual Funds	216.60	482.30	-9860.50

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** gained slightly on Friday on stock specific buying.
- **At 9.00 am in the morning**, Asian markets were trading higher with Nikkei trading 0.36% higher and Hang Seng 0.34% up.
- **Nikkei** ended flat on Friday as investors booked profits after the recent rally.
- **Hang Seng** index rose slightly on Friday on buying in shares of recently battered Macau gambling firms.
- **FTSE** index closed higher on Friday as shares of drug maker Shire Plc surged after rejecting a \$46bn takeover proposal.

INDIAN EQUITY MARKET

- **At 9.00 am in the morning**, the SGX Nifty was trading 0.23% higher.
- Domestic equity indices ended down on Friday due to profit booking as investors refrained from buying and waited for fresh triggers from Iraq.
- Index heavyweights such as L&T, ICICI Bank, BHEL, Sun Pharma, Hindalco and Tata Power were among the key decliners on Nifty, falling 0.5-2.7%.
- M&M (the top Nifty loser) continued its downfall, losing 2.7%.
- Meanwhile, United Spirits was the topmost gainer on Nifty, recouping its previous session losses by closing 3% higher benefited by short covering.
- Buying spree was witnessed in mid and small-cap pack.
- Jewellers too attracted gains led by sharp rally in gold prices; with Shree Ganesh Jewellery House, Tribhovandas Bhimji Zaveri, Rajesh Exports, Titan Co and Gitanjali Gems, surging 4-20%.
- Among others performers in mid-cap space, Parsvnath Developers, Bajaj Corp, IIFL Holdings, Sterlite Technologies, Tata Elxsi, Unitech and Prime Focus advanced 4-8%.

DOMESTIC NEWS

- World Bank projects a 5.5% growth for India in 2014-15, 6.3% in 2015-16 and 6.6% in 2016-17.
- India's foreign exchange reserves rose by \$951 mn to \$313.54 bn in the week ending June 13.
- Government hikes railway passenger fare by 14.2% in all classes and freight charge by 6.5% with effect from June 25.
- Government accepts the report of a committee on rationalising definitions of FDI and FII; foreign investment of 10% or more in a listed company will now be treated as FDI.
- Government announces a host of measures to address the slump in investment in power projects.
- Government plans to kick off its disinvestment drive with the dilution of a 5% stake in SAIL.
- Power Minister Piyush Goyal asks Coal India to raise production from existing mines and reduce the quantity offered in e-auctions so that utilities can get more supplies of the fuel.
- RBI sets a limit of \$10 mn on banks' proprietary positions in the exchange traded currency futures and also allows foreign portfolio investors to hedge their currency risk without any underlying up to the same limit.
- RBI permits residents and non-residents, except Pakistanis and Bangladeshis, to carry up to Rs. 25,000 in Indian currency notes while leaving the country.
- ONGC Videsh Limited inks a deal with the Turkish Petroleum Corporation for joint cooperation between the two national oil companies in the hydrocarbon sector.
- Ashok Leyland forms a consortium with L&T and Nexter Systems to collaborate for Mounted Gun Systems (MGS), the artillery programme of the Indian Army.
- Zee Entertainment Enterprises Ltd (ZEEL) launches its own distribution network, Taj Television India Pvt. Ltd (Taj Television).
- World Bank to provide financing of \$500 mn for projects in north-east India including healthcare, e-governance, infrastructure, and water management.
- Bank of India requests Rs 2,000 cr fund infusion from the government to meet capital requirement for the current fiscal.
- Bank of Maharashtra launches MahaSecure, a digital banking app, to enable secure access to Internet banking facilities for both retail and corporate customers.
- Power Finance Corp receives shareholders' approval for raising up to Rs 44,000 cr through issue of securities in the current financial year.
- IFCI Ltd to reduce its stake in NSE and divest its entire stake in broking and financial product distribution arm IFCI Financial Services Limited (IFIN).

FII Derivative Trade Statistics – June 19

(Rs Cr)	Buy	Sell	Open Interest
Index Futures	2264.46	2725.13	14052.01
Index Options	19610.24	18314.16	68617.13
Stock Futures	3727.39	3543.85	55041.92
Stock Options	2902.39	2915.58	4444.19
Total	28504.48	27498.72	142155.25

Derivative Statistics- Nifty Options

	June 20	June 19	Change
Put Call Ratio (Open Interest)	0.81	0.80	0.01
Put Call Ratio (Volume)	0.88	0.99	-0.11

Debt Watch	June 20	Week Ago	Month Ago	Year Ago
Call Rate	8.50%	8.75%	7.75%	7.25%
CBLO	8.02%	8.73%	8.73%	7.04%
Repo	8.00%	8.00%	8.00%	7.25%
Reverse Repo	7.00%	7.00%	7.00%	6.25%
91 D T-Bill	8.47%	8.48%	8.67%	7.43%
364 D T- Bill	8.64%	8.58%	8.78%	7.39%
10 Yr Gilt	8.72%	8.60%	8.85%	7.64%
G-sec Volume (Rs Cr)	31480	38565	30145	37880
1-mth CP rate	8.66%	0.87%	8.67%	8.40%
3-mth CP rate	8.75%	8.79%	9.02%	8.40%
5 yr Corp Bond	9.20%	9.07%	9.41%	8.40%
1-mth CD rate	8.51%	8.52%	8.41%	8.15%
3-mth CD rate	8.53%	8.56%	8.76%	8.05%
1 yr CD rate	8.94%	8.90%	9.04%	8.38%

Currencies Vs INR

	June 20	June 19	Change
USD	60.18	60.08	-0.10
GBP	102.77	102.05	-0.72
Euro	82.12	81.71	-0.41
100 Yen	59.17	58.94	-0.23

Commodity Prices	June 20	Week Ago	Month Ago	Year Ago
NYMEX Crude Oil (\$/bbl)	107.26	106.91	102.44	95.40
London Brent Crude Oil (\$/bbl)	114.81	113.41	109.69	102.94
Gold (oz/\$)	1313	1273	1296	1293
Gold (Rs per 10 gms)	28200	27170	28620	27200

DERIVATIVES MARKET

- Nifty June (near future) rose against the spot index with a 13.90 point premium; it however witnessed 0.25 mn decrease in open interest.
- Put Call Ratio (open interest) rose marginally from 0.80 on June 19 to 0.81 on June 20.
- 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 18.74 on June 19 to 18.85 on June 20.

INDIAN DEBT MARKET

- The interbank call money rate ended above the RBI's repo rate at 8.50% on Friday as against 7.90-7.95% on Thursday as demand for funds rose in the later part of the session to meet weekend reserve needs.
- However systemic liquidity remained comfortable owing to fund infusion of Rs 10,000 cr through the RBI's 7 day term repo auction.
- Banks borrowed Rs 11,626 cr at the LAF repo auction on Friday compared with net borrowing of Rs 8,179 cr on Thursday from both LAF tenders.
- Government bond prices ended lower on Friday as the ongoing Iraq crisis dented sentiment for gilts.
- The rupee's weakness against the dollar weighed on gilt prices.
- Strong demand at the weekly gilt auction and value buying however helped cap further losses.
- The 10-year benchmark 8.83%, 2023 bond ended at 8.72% yield on Friday as against 8.69% yield on Thursday.

Currency Overview

- The rupee ended lower against the dollar on Friday on dollar demand by importers.
- Concerns over rising crude oil prices in the wake of the ongoing Iraq conflict kept the rupee under pressure.
- Dollar sales by some banks on behalf of exporters however capped further rupee losses.

Commodity Overview

- Crude oil prices rose 83 cents to settle at \$107.26 a barrel on the NYMEX.
- Gold prices rose sharply as tensions in Iraq boosted the safe-haven appeal of the precious metal.
- NCDEX introduces the country's first International Brent Crude Oil and Light Sweet Crude Oil futures contracts.

INTERNATIONAL NEWS

- UK Public Sector net borrowing went up to 13.3 bn pounds in May compared with 12.6 bn pounds in the same month last year.
- Euro zone consumer confidence fell -0.3 points to -7.4 in June, from a final reading of -7.1 in May.
- China's HSBC/Markit Flash Manufacturing Purchasing Managers' Index rose to 50.8 in June from May's final reading of 49.4.
- Pharma company Shire PLC rejects a \$46.35bn takeover bid from US rival AbbVie Inc.

Source: CRISIL Research

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