

| 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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