

Indices				
Global	June 26	June 25	Absolute Change	% Change
DJIA	16846	16868	-21	-0.13
Nasdaq	4379	4380	-1	-0.02
FTSE	6735	6734	2	0.02
Nikkei	15308	15267	42	0.27
Hang Seng	23198	22867	331	1.45
India	June 26	June 25	Absolute Change	% Change
S&P BSE Sensex	25063	25314	-251	-0.99
CNX Nifty	7493	7569	-76	-1.00
CNX 100	7444	7514	-70	-0.93
CNX Bank Index	15050	15238	-188	-1.23
SGX Nifty	7493	7571	-78	-1.02
S&P BSE Power	2238	2256	-18	-0.81
S&P BSE SmallCap	9981	10013	-31	-0.31
S&P BSE Healthcare	10987	10951	37	0.33

P/E, Dividend Yield				
Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
June 26	18.47	1.40	20.33	1.31
Month Ago	17.98	1.41	20.32	1.31
Year Ago	16.46	1.63	16.96	1.48

Nifty – Top Out performers		% Change
Tech Mahindra		1.44
L&T		1.42
Wipro		1.19
Nifty – Top Under performers		% Change
ONGC		-5.84
RIL		-3.72
DLF		-3.15

Advance Decline Ratio		
	BSE	NSE
Advances	1465	685
Declines	1567	861
Unchanged	95	55

FII / Mutual Fund data			
(Rs Cr)	June 25	MTD	YTD
FIIs	724.37	11200.32	59815.92
Mutual Funds	220.40	2212.20	-8130.60

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** fell slightly on Thursday after US Federal Reserve Bank of St. Louis' President said that interest-rate increases should come sooner rather than later.
- **At 9.00 am in the morning**, Asian markets were trading lower with Nikkei trading 0.62% down and Hang Seng 0.26% lower.
- **Nikkei** rose slightly on Thursday following overnight gains on the Wall Street and anticipation that the US Federal Reserve will keep the interest rates low for longer time after the weaker US first quarter GDP data.
- **Hang Seng** index rose sharply on Thursday on hopes of further delay in rate hikes in the US following weak economic growth data from that country.
- **FTSE** index closed flat on Thursday as gains in shares of London Stock Exchange Group Plc were set off by decline in shares of Barclays.

## INDIAN EQUITY MARKET

- **At 9.00 am in the morning**, the SGX Nifty was trading 0.19% higher.
- Indian share indices ended down on Thursday primarily weighed by oil and gas stocks which fell after the government deferred to hike natural gas prices.
- Markets were also affected as investors' exercised caution on June F&O expiry.
- Oil and gas majors such as ONGC (the top Nifty loser) and RIL were the worst hit on Nifty, tumbling 5.8% and 3.7%, respectively.
- State-run oil marketing companies such as BPCL, HPCL and Indian Oil also witnessed selling pressure, losing 2.3%-4.5%.
- Other sectors such as realty, PSU, metals, banking and power shares closed on weak note; with DLF, NTPC, Coal India, Bank of Baroda and IndusInd Bank, falling 2.3%-3.2%.
- Gains in auto stocks however helped in limiting further downside.
- Auto stocks continued to benefit from the news that the government has extended excise duty concessions by six months; with Maruti Suzuki, Bajaj Auto and Hero Motocorp, adding 0.2-0.6%.

## DOMESTIC NEWS

- According to RBI's financial stability report, India's economic growth, inflation, and banks' asset quality are still concerns.
- Government imposes a minimum export price (MEP) of \$450 per tonne on potatoes to augment domestic supply of the vegetable.
- Government to give additional three months to state governments to implement the National Food Security Act, which gives two-thirds of the country's population the right to subsidised foodgrains.
- Government receives Rs 220 cr dividend from New India Assurance.
- Ministry of Power invites bids for nine new transmission projects with an aggregate cost of Rs 12,500 cr, as it seeks to fast-track the capacity building of inter-State transmission lines.
- RBI to conduct a 14 day term repo variable rate auction for a notified amount of Rs 61,000 cr on June 27.
- RBI permits banks to treat loans as 'standard' even when date of commencement of project is delayed by two years, to provide easier fund access to infrastructure firms.
- SEBI and stock exchanges revise norms and periodicity of review for securities in the trade-for-trade segment; review to be done on a monthly basis as against the current practice of doing it every fortnight.
- Cognizant secures a 7-year contract from Danish firm ISS to provide Finance & Accounting (F&A) business process services in the Nordic region.
- L&T Technology Services enters into a joint venture with aerospace and defence equipment manufacturer Thales and acquires its software business.
- CRISIL report says microfinance institutions (MFIs) need to raise equity of at least Rs 1,800 cr over the next two years to maintain growth momentum and gearing at current levels.
- BSE to shift stocks of 295 companies to the restricted trading segment from June 30 to ensure safety in capital markets and safeguard the interest of investors, while NSE will also move 126 securities to this category from this month-end.
- Yes Bank inks pact with Ashok Leyland Ltd to extend retail financing to customers of Ashok Leyland's commercial vehicles.
- Reliance Capital seeks approval from shareholders to raise Rs 5000 cr by issuing fresh shares or any other convertible instrument in one or more tranches.
- SBI Caps ties up with Piramal Enterprises to provide advisory services to road developers.

**FII Derivative Trade Statistics – June 25**

(Rs Cr)	Buy	Sell	Open Interest
Index Futures	5682.08	5504.26	17262.82
Index Options	10363.84	10926.18	71565.13
Stock Futures	13941.29	14449.96	60736.38
Stock Options	1944.14	2063.20	4381.75
<b>Total</b>	<b>31931.35</b>	<b>32943.60</b>	<b>153946.08</b>

**Derivative Statistics- Nifty Options**

	June 26	June 25	Change
Put Call Ratio (Open Interest)	0.70	0.86	-0.16
Put Call Ratio (Volume)	0.86	1.02	-0.16

Debt Watch	June 26	Week Ago	Month Ago	Year Ago
Call Rate	7.10%	7.95%	7.75%	7.40%
CBLO	8.13%	8.73%	8.73%	7.09%
Repo	8.00%	8.00%	8.00%	7.25%
Reverse Repo	7.00%	7.00%	7.00%	6.25%
91 D T-Bill	8.52%	8.49%	8.55%	7.43%
364 D T- Bill	8.65%	8.62%	8.67%	7.47%
10 Yr Gilt	8.73%	8.69%	8.67%	7.58%
G-sec Volume (Rs Cr)	23560	34350	40700	21775
1-mth CP rate	8.69%	8.65%	8.45%	8.35%
3-mth CP rate	8.76%	8.74%	8.85%	8.48%
5 yr Corp Bond	9.20%	9.16%	9.28%	8.69%
1-mth CD rate	8.54%	8.50%	8.26%	8.10%
3-mth CD rate	8.54%	8.55%	8.66%	8.09%
1 yr CD rate	8.93%	8.94%	9.00%	8.30%

**Currencies Vs INR**

	June 26	June 25	Change
USD	60.14	60.12	-0.02
GBP	102.23	102.28	0.05
Euro	82.04	82.05	0.01
100 Yen	59.12	59.15	0.03

Commodity Prices	June 26	Week Ago	Month Ago	Year Ago
NYMEX Crude Oil (\$/bbl)	105.84	106.43	104.35	95.50
London Brent Crude Oil (\$/bbl)	113.21	115.06	110.32	101.66
Gold (oz/\$)	1312	1293	1292	1236
Gold (Rs per 10 gms)	28100	27570	27640	26150

**DERIVATIVES MARKET**

- Nifty June (near future) expired up against the spot index with a 4.75 point premium; it however witnessed 3.36 mn decrease in open interest.
- Put Call Ratio (open interest) fell from 0.86 on June 25 to 0.70 on June 26.
- Nifty 7600 June Call strike witness the highest open interest.
- Nifty 7000 June Put strike witness the highest open interest.
- India VIX (volatility index based on the Nifty 50 Index Option prices) fell from 18.31 on June 25 to 17.70 on June 26.

**INDIAN DEBT MARKET**

- The interbank call money rate ended near the RBI's reverse repo rate at 7.10% on Thursday as against 7.55-7.60% on Wednesday as some banks lent excess funds at lower rates.
- Inflows from the government's month end spending improved liquidity conditions.
- Earlier in the session however, banks borrowed funds to disburse short term loans.
- Banks borrowed Rs 21,818 cr at the LAF repo auction on Thursday compared with net borrowing of Rs 14,996 cr on Wednesday from both LAF tenders.
- Government bond prices ended lower on caution ahead of the RBI's weekly gilt auction and due to continued concerns about the situation in Iraq.
- The fall in prices was however capped by value buying and the release of weak GDP data from the US.
- The 10-year benchmark 8.83% 2023 bond ended at 8.73% yield on Thursday as against 8.70% yield on Wednesday.

**Currency Overview**

- The rupee ended slightly lower against the dollar on Thursday due to month end dollar demand by importers.
- Weak domestic share indices also prevented rupee gains.
- However dollar inflows during the session supported the local currency and kept it from sliding sharply.

**Commodity Overview**

- Crude oil prices fell 66 cents to settle at \$105.84 a barrel on the NYMEX.
- Gold prices edged down due to encouraging US initial jobless claims data.

**INTERNATIONAL NEWS**

- US initial jobless declined in the week ending June 21 by 2,000 to a seasonally adjusted 312,000 from the previous week's revised total of 314,000.
- US personal income rose 0.4% in May, after gaining 0.3% in April.
- London Stock Exchange to buy Frank Russell Co for \$2.7bn.

Source: CRISIL Research

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