

Indices				
Global	June 19	June 18	Absolute Change	% Change
DJIA	16921	16907	15	0.09
Nasdaq	4359	4363	-4	-0.08
FTSE	6808	6779	30	0.44
Nikkei	15361	15116	245	1.62
Hang Seng	23168	23182	-14	-0.06
India	June 19	June 18	Absolute Change	% Change
S&P BSE Sensex	25202	25246	-44	-0.18
CNX Nifty	7541	7558	-18	-0.23
CNX 100	7475	7498	-23	-0.31
CNX Bank Index	15067	15220	-153	-1.01
SGX Nifty	7550	7226	325	4.49
S&P BSE Power	2217	2235	-18	-0.80
S&P BSE SmallCap	9843	9874	-31	-0.31
S&P BSE Healthcare	10921	10856	64	0.59

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
June 19	18.66	1.38	20.52	1.30
Month Ago	18.02	1.38	20.15	1.33
Year Ago	17.01	1.58	17.68	1.42

Nifty – Top Out performers	% Change
IndusInd Bank	2.81
TCS	2.20
Infosys	2.20
Nifty – Top Under performers	% Change
United Spirits	-7.18
ONGC	-4.96
BPCL	-4.61

	Advance Decline Ratio	
	BSE	NSE
Advances	1400	658
Declines	1605	867
Unchanged	83	52

FII / Mutual Fund data			
(Rs Cr)	June 18	MTD	YTD
FIIs	326.55	11268.40	59884.00
Mutual Funds	568.70	265.70	-10077.10

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** ended slightly higher on Thursday on the back of positive domestic jobless claims and manufacturing data.
- **At 9.00 am in the morning**, Asian markets were trading higher with Nikkei trading 0.32% higher and Hang Seng 0.31% up.
- **Nikkei** rose sharply on Thursday after the US Federal Reserve showed confidence in the US economy recovery and hinted at a slightly more aggressive pace of interest rate increases starting next year.
- **Hang Seng** index fell slightly on Thursday on tracking losses in Chinese markets.
- **FTSE** index ended higher on Thursday as shares of Rolls-Royce rose on news of a 1bn pound share buyback.

INDIAN EQUITY MARKET

- **At 9.00 am in the morning**, the SGX Nifty was trading 0.11% higher.
- Indian stock indices ended lower on Thursday hit by rising crude oil prices amid ongoing violence in Iraq.
- Oil & gas stocks were among the prominent laggards on Nifty; with ONGC, BPCL and RIL, falling 2-5%.
- Banking heavyweights witnessed selling pressure weighed by profit booking among investors; with SBI, HDFC Bank, PNB, Bank of Baroda and Kotak Mahindra Bank, falling 1-4%.
- Stocks of United Spirits were the top losers on Nifty, plunging 7.2%, as investors preferred to sell the stock in the cash market rather than tender it in the open offer.
- Meanwhile, IT pack bucked the negative trend on bargain buying following upbeat comments from the US Fed Reserve on the US economy; with HCL Tech, Wipro, Infosys, TCS and Tech Mahindra, adding 0.9-2.2%.
- PSU companies rallied after the SEBI asked the government to reduce its holding in these companies to 75%; with HMT, SJVN, MMTC, State Trading Corp of India and Hindustan Copper, advancing 1-4%.
- NBFC firms were aided by report that the Finance Minister has called for a meeting to consider hike in FDI in insurance sector to 49% from 26%; with Max India and Bajaj Finserv climbing 5% and 1.4%, respectively.

DOMESTIC NEWS

- India's Conference Board Coincident Economic Index (CEI) increased 0.7% in May following a 1.1% increase in April.
- Moody's says the Indian economy is exposed to "shocks" on account of high fiscal deficit and the country's credit outlook will depend on the government's initiatives in next month's budget.
- Government clears seven big-ticket investment projects worth Rs 21000 cr.
- Government allows infrastructure finance companies to issue secured debentures with tenure of up to 30 years.
- RBI to conduct a 7 day term repo variable rate auction for a notified amount of Rs 10000 cr on June 20.
- SEBI clears a slew of reforms including a proposal to hike public holding in all PSUs to a minimum of 25% besides new norms for research analysts, IPOs, and ESOPs; also approves sharing KYC details with entities regulated by other bodies.
- SEBI tweaks the pricing formula for preferential issues with the intent of using a more representative price in such share sales.
- SEBI revises guidelines for Alternative Investment Funds, including stricter disclosure requirements.
- Oil India Ltd inks a pact with Russia's Gazprom for joint pursuit of exploration opportunities across the world.
- GMR Infrastructure wins arbitration proceedings against Government of Maldives for unlawful termination of Male Airport contract; seeks damages worth as much as \$1.4 bn.
- Tata Motors-owned Jaguar Land Rover invests 200 mn pounds at its Halewood plant in the UK to support introduction of its upcoming SUV Discovery Sport.
- Indiabulls Real Estate buys a commercial property in London for Rs 1550 cr.
- Cairn India to invest \$200mn over the next three years in developing natural gas fields in the Rajasthan block.
- Maruti Suzuki India (MSI) commissions a solar power plant at its Manesar facility to harness renewable energy sources in line with its Eco-friendly technology policy.
- ICICI Bank ties up with Tigerair to offer return tickets to customers at one-way fare.

FII Derivative Trade Statistics – June 18

(Rs Cr)	Buy	Sell	Open Interest
Index Futures	2583.59	2367.46	13416.74
Index Options	21071.15	21222.07	66617.60
Stock Futures	3882.77	3574.74	55403.59
Stock Options	3697.86	3717.67	4439.41
Total	31235.37	30881.94	139877.34

Derivative Statistics- Nifty Options

	June 19	June 18	Change
Put Call Ratio (Open Interest)	0.80	0.83	-0.03
Put Call Ratio (Volume)	0.99	1.17	-0.18

Debt Watch	June 19	Week Ago	Month Ago	Year Ago
Call Rate	7.95%	7.05%	7.05%	7.25%
CBLO	8.73%	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	8.49%	8.49%	8.70%	7.39%
364 D T- Bill	8.62%	8.55%	8.81%	7.33%
10 Yr Gilt	8.69%	8.55%	8.86%	7.47%
G-sec Volume (Rs Cr)	34350	34040	31775	30710
1-mth CP rate	8.65%	0.87%	8.75%	8.35%
3-mth CP rate	8.74%	8.77%	9.10%	8.39%
5 yr Corp Bond	9.16%	9.10%	9.41%	8.20%
1-mth CD rate	8.50%	8.52%	8.49%	8.10%
3-mth CD rate	8.55%	8.55%	8.83%	7.96%
1 yr CD rate	8.94%	8.90%	9.07%	8.38%

Currencies Vs INR

	June 19	June 18	Change
USD	60.08	60.39	0.31
GBP	102.05	102.00	-0.05
Euro	81.71	81.43	-0.28
100 Yen	58.94	58.81	-0.13

Commodity Prices	June 19	Week Ago	Month Ago	Year Ago
NYMEX Crude Oil (\$/bbl)	106.43	106.53	102.61	98.24
London Brent Crude Oil (\$/bbl)	115.06	113.02	109.37	106.12
Gold (oz/\$)	1293	1266	1302	1373
Gold (Rs per 10 gms)	27570	26800	28800	27890

DERIVATIVES MARKET

- Nifty June (near future) rose against the spot index with a 19.40 point premium; it also witnessed 0.09 mn increase in open interest.
- Put Call Ratio (open interest) fell from 0.83 on June 18 to 0.80 on June 19.
- 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 18.58 on June 18 to 18.74 on June 19.

INDIAN DEBT MARKET

- The interbank call money rate ended higher at 7.90-7.95% on Thursday as against 7.05% on Wednesday as demand for funds from banks increased to meet mandatory reserve needs.
- Systemic liquidity however remained comfortable due to the RBI's fund infusion through its 2 day term repo on June 18.
- Banks borrowed Rs 11,734 cr at the LAF repo auction on Thursday compared with net borrowing of Rs 11,853 cr on Wednesday from both LAF tenders.
- Government bond prices ended down on Thursday on caution as participants braced for the RBI's weekly gilt auction on June 20.
- A rise in crude oil prices amid supply concerns due to the ongoing Iraq conflict also weighed on prices.
- The rupee's sharp rise against the dollar following the FOMC meeting in the US and value buying however helped gilts limit losses.
- The 10-year benchmark 8.83%, 2023 bond ended at 8.69% yield on Thursday as against 8.67% yield on Wednesday.

Currency Overview

- The rupee ended sharply higher against the dollar on Thursday after the US Fed signaled it would persist with lower interest rates for a longer period.
- Reports that Iraq has sought help from the US to counter insurgency eased global investors' concerns and supported the rupee.
- Further gains were capped by banks' dollar purchases and by news that India had a backlog of dollar payments to make to Iran for past oil imports.

Commodity Overview

- Crude oil prices rose 46 cents to settle at \$106.43 a barrel on the NYMEX.
- Gold prices rose sharply due to lack of commitment by the US Federal Reserve to increase interest rates and Iraq worries.

INTERNATIONAL NEWS

- US Philadelphia Federal Reserve Bank's business activity index jumped to 17.8 in June from 15.4 in May.
- US initial jobless claims fell 6,000 to 312,000 in the week ended June 14.
- US Conference Board Leading Economic Index rose 0.5% in May after a downwardly revised 0.3% increase in April.
- UK's retail sales dropped 0.5% in May compared to a downwardly revised gain of 1% in April.
- Japan's all industry activity fell 4.3% in April, following a 1.5% rise in the previous month.
- Japan's index of leading economic indicators drops to 106.5 in April from 107.4 in March.

Source: CRISIL Research

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