

Indices Performance

Global Indices	29-Jul	Prev_Day	Abs. Change	% Change [#]
Dow Jones	18,432	18,456	-24	-0.13
Nasdaq	5,162	5,155	7	0.14
FTSE	6,724	6,721	3	0.05
Nikkei	16,569	16,477	92	0.56
Hang Seng	21,891	22,174	-283	-1.28
Indian Indices	29-Jul	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	28,052	28,209	-157	-0.56
Nifty 50	8,639	8,666	-28	-0.32
Nifty 100	8,839	8,861	-22	-0.24
Nifty Bank	18,953	19,077	-123	-0.65
SGX Nifty	8,688	8,667	22	0.25
S&P BSE Power	2,077	2,073	4	0.17
S&P BSE Small Cap	12,310	12,282	28	0.23
S&P BSE HC	16,299	16,183	116	0.72

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
29-Jul	20.54	1.39	23.62	1.27
Month Ago	19.41	1.47	22.52	1.26
Year Ago	22.03	1.32	23.08	1.45

Nifty 50 Top 3 Gainers

Company	29-Jul	Prev_Day	% Change [#]
Eicher Motors	22461	21100	6.45
Adani Ports & SEZ	232	225	3.17
Zee Entertainment	497	485	2.57

Nifty 50 Top 3 Losers

Company	29-Jul	Prev_Day	% Change [#]
ICICI Bank	263	272	-3.35
Bharti Airtel	362	372	-2.65
BHEL	146	149	-2.38

Advance Decline Ratio

	BSE	NSE
Advances	1200	716
Declines	1480	911
Unchanged	215	68

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	2011	31778
MF Flows**	137	9811

*29th Jul 2016, **27th Jul 2016

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	1.20% (Jun-16)	-0.45% (Mar-16)	-2.13% (Jun-15)
IIP	1.20% (May-16)	1.90% (Feb-16)	2.0% (May-15)
GDP	7.90 (Mar-16)	7.20 (Dec-15)	6.70 (Mar -15)

Global Indices

- Asian markets fell after the Bank of Japan downgraded its projections for inflation and growth for fiscal 2016 and also kept its interest rate unchanged. Today (As on Aug 1), Asian markets rose on hopes that the U.S. Federal Reserve will keep interest rates on hold in the near term after U.S. gross domestic product increased lower than expected from Apr to Jun. Nikkei Average and Hang Seng was trading up 0.01% and 1.29% respectively (as at 8.00 a.m IST).
- As per the last close, European markets closed higher following a rally in banking stocks and increase in U.S. crude prices.
- As per the last close, U.S. equities closed on a mixed note. Upbeat corporate earnings numbers for the quarter ended Jun from some major technology companies boosted market sentiments while negative earning numbers from some energy firms weighed on the bourses. Market sentiments were also dampened after growth of the U.S. economy in the second quarter of 2016 was lower than expected. Bank of Japan kept interest rate and the pace of monetary base expansion unchanged and announced a modest increase in purchases of ETFs which further weighed on the bourses.

Indian Equity Market

- Indian equity market closed on a negative note, even though the government tried its best to get the GST bill passed. While the benchmark indices began the Aug F&O series on a low note, the slip was primarily led by ICICI Bank, which saw a drop ahead of earnings.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.56% and 0.32% to close at 28,051.86 points and 8,638.50 points, respectively. S&P BSE MidCap and S&P BSE SmallCap went up 0.70% and 0.23%, respectively.
- The overall market breadth on BSE was negative with 1,480 scrips declining and 1,200 scrips advancing. A total of 215 scrips remained unchanged.
- On the BSE sectoral front, most of the indices closed on a negative note. S&P BSE Telecom was the highest loser, down 1.64%, followed by S&P BSE Consumer Durables (-0.92%), S&P BSE Capital Goods (-0.73%), and S&P BSE Metal (-0.63%). S&P BSE Consumer Discretionary Goods & Services and S&P BSE Auto were the top gainers, both up 0.79%, while S&P BSE Healthcare and S&P BSE Auto Oil & Gas went up 0.72% and 0.51%, respectively.

Domestic News

- India's fiscal deficit in the Jun quarter was 61.1% of the Budget Estimates (BE) or Rs. 3.26 lakh crore for FY17. It is higher than 51.6% of BE of the previous financial year. While the total expenditure stood at Rs. 5.12 lakh crore or 25.9% of BE, net tax receipts came at Rs. 1.57 lakh crore.
- According to the data of the Department of Industrial Policy and Promotion, Foreign Direct Investment (FDI) in India increased 6.81% YoY to \$10.56 billion in the Mar quarter of 2016 from \$9.89 billion in the corresponding quarter of previous year. Sector wise, maximum FDI was witnessed in computer hardware and software, services, telecommunications, power, pharmaceuticals, and trading business. Country wise, maximum overseas inflows were received from the U.S., Singapore, Mauritius, Japan, and the Netherlands.
- In the coming week, much awaited Goods and Services Tax (GST) Bill will be tabled in the Rajya Sabha for consideration. This comes after cabinet cleared few amendment in GST bill, which include compensation to states for any revenue loss in the first five years of GSP rollout.
- According to a rating agency, the Reserve Bank of India (RBI) is unlikely to lower policy rates in its monetary policy meeting on Aug 9 as the consumer inflation is close to upper end of the RBI's target of 4%. However, the agency expects 25 bps cut in 2016 as lower inflation in the second half of FY17 will create pace for additional monetary easing.
- Government aims to bring the mobile coverage to all the 55,669 uncovered villages in a phase manner over the next five years.
- Eicher Motors is planning to invest Rs. 600 crore in the current financial year in a new plant, product development, and in the research & development centre. The company is also expecting to increase its production capacity up to 9,00,000 units by fiscal 2018 end.

FII Derivative Trade Statistics	29-Jul		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	4363.93	4282.74	18707.72
Index Options	51488.20	48935.11	46112.75
Stock Futures	21701.29	22419.46	49657.09
Stock Options	4883.12	4813.31	115.09
Total	82436.54	80450.62	114592.65

Derivative Statistics- Nifty Options			
	29-Jul	Prev_Day	Change
Put Call Ratio (OI)	0.94	1.24	-0.30
Put Call Ratio(Vol)	1.07	1.05	0.03

Debt Watch				
	29-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.46%	6.41%	6.25%	7.09%
CBLO	6.28%	5.62%	6.22%	7.20%
Repo	6.50%	6.50%	6.50%	7.25%
Reverse Repo	6.00%	6.00%	6.00%	6.25%
91 Day T-Bill	6.51%	6.48%	6.67%	7.17%
364 Day T-Bill	6.71%	6.69%	6.84%	7.59%
10 Year Gilt	7.16%	7.25%	7.44%	7.81%
G-Sec Vol. (Rs.Cr)	69437	111730	88471	28625
1 Month CP Rate	7.00%	7.04%	7.62%	7.58%
3 Month CP Rate	7.28%	7.30%	7.83%	7.90%
5 Year Corp Bond	7.61%	7.78%	8.08%	8.46%
1 Month CD Rate	6.49%	6.45%	6.83%	7.36%
3 Month CD Rate	6.61%	6.67%	6.83%	7.57%
1 Year CD Rate	7.23%	7.30%	7.46%	7.96%

Currency Market			
Currency	29-Jul	Prev_Day	Change
USD/INR	67.03	67.06	-0.02
GBP/INR	88.30	88.43	-0.13
EURO/INR	74.27	74.36	-0.09
JPY/INR	0.65	0.64	0.01

Commodity Prices				
Commodity	29-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	41.54	43.41	49.85	48.77
Brent Crude(\$/bl)	40.36	43.84	47.85	55.43
Gold(\$/oz)	1351	1322	1319	1096
Gold(Rs./10 gm)	30939	30754	30597	24824

Source: ICRON Research

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Derivatives Market

- Nifty Aug 2016 Futures were at 8,686.60 points, a premium of 48.10 points, over the spot closing of 8,638.50 points. The turnover on NSE's Futures and Options segment went down from Rs. 7,59,928.88 crore on Jul 28 to Rs. 1,80,462.33 crore on Jul 29.
- The Put-Call ratio stood at 0.93, compared with the previous session's close of 0.99.
- The Nifty Put-Call stood at 0.94, compared with the previous session's close of 1.24.
- The open interest on Nifty Futures stood at 23.86 million, compared with the previous session's close of 37.08 million.

Indian Debt Market

- Bond yields fell for the second day as market participants continued to buy government debt on comfortable liquidity situation in the banking sector as well as positive global and domestic cues.
- The yield on 10-year benchmark bond (7.59% GS 2026) fell 3 bps to close at 7.16% from the previous close of 7.19%. During the session, bond yields moved in the region of 7.15% to 7.20%.
- Reserve Bank of India (RBI) conducted the auction of four-dated securities - 7.80% GS 2021, 7.59% GS 2029, 7.50% GS 2034, and 7.72% GS 2055 for a notified amount of Rs. 15,000 crore on Jul 29. The cut-off rates for the securities stood at Rs. 102.95 (7.05%), Rs. 102.54 (7.28%), Rs. 101.72 (7.33%), and Rs. 104.69 (7.35%), respectively.
- Data from RBI showed that India's foreign exchange reserves stood at \$362.69 billion for the week to Jul 22, down \$0.66 billion from previous week's \$363.35 billion.

Currency Market Update

- The Indian rupee was almost steady against the U.S. dollar as investors awaited the passage of the GST bill. Losses in the domestic equity market also weighed on the currency. The rupee rose marginally 0.03% to close at 67.02 per dollar from the previous close of 67.04.
- Euro rose against the greenback after data showed that the U.S. economy expanded at a slower rate than expected in the second quarter of 2016. Euro was trading up 0.70% at \$1.1152 compared with the previous close of \$1.1074.

Commodity Market Update

- Gold prices grew because the U.S. dollar went down after the Bank of Japan's stimulus measures failed to meet market expectations.
- Brent crude prices continued going down from the earlier session as a surge of crude oil and refined products flooded the market.

International News

- Gross domestic product of the U.S. economy rose 1.2% in the second quarter following a downwardly revised 0.8% increase in the first quarter.
- The Bank of Japan kept its interest rate and the pace of monetary base expansion unchanged in its monetary policy review. However, the central bank added that it would buy ¥6 trillion (\$57 billion) worth of exchange-traded stock funds annually, up from ¥3.3 trillion previously. The central bank also lowered its fiscal 2016 GDP growth forecast to 1% from 1.2% while it lifted the fiscal 2017 projection to 1.3% from 0.1%.