

Indices Performance

Global Indices	04-Aug	Prev_Day	Abs. Change	% Change [#]
Dow Jones	18,352	18,355	-3	-0.02
Nasdaq	5,166	5,160	7	0.13
FTSE	6,740	6,634	106	1.59
Nikkei	16,255	16,083	172	1.07
Hang Seng	21,832	21,739	93	0.43
Indian Indices	04-Aug	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	27,714	27,698	17	0.06
Nifty 50	8,551	8,545	6	0.07
Nifty 100	8,742	8,728	14	0.16
Nifty Bank	18,572	18,602	-30	-0.16
SGX Nifty	8,625	8,573	53	0.61
S&P BSE Power	2,036	2,021	14	0.71
S&P BSE Small Cap	12,128	12,080	47	0.39
S&P BSE HC	16,187	16,115	72	0.45

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
4-Aug	20.46	1.41	23.38	1.28
Month Ago	19.92	1.43	22.98	1.24
Year Ago	22.45	1.30	23.48	1.42

Nifty 50 Top 3 Gainers

Company	04-Aug	Prev_Day	% Change [#]
Bank of Baroda	156	149	4.64
Tata Motors	500	478	4.52
Tata Steel	374	358	4.40

Nifty 50 Top 3 Losers

Company	04-Aug	Prev_Day	% Change [#]
Asian Paints	1127	1143	-1.41
Lupin	1658	1680	-1.32
Infosys	1072	1085	-1.21

Advance Decline Ratio

	BSE	NSE
Advances	1415	856
Declines	1287	752
Unchanged	163	64

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	629	33519
MF Flows**	-25	9458

*4th Aug 2016; **3rd Aug 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 moved up on expectations that the Bank of England might reduce interest rates for the first time since 2009. Today (As on Aug 5), Asian markets opened higher after Bank of England lowered interest rates for the first time since Mar 2009 by 25 basis points to a fresh record low of 0.25% and expanded the asset purchase program by £ 60 billion to £ 435 billion. Nikkei Average and Hang Seng were trading up 0.13% and 1.32% respectively (as at 8.00 a.m IST).
- As per the last close, European markets closed higher after Bank of England lowered interest rates for the first time since Mar 2009 by 25 basis points to a fresh record low of 0.25% and expanded the asset purchase program by £ 60 billion to £ 435 billion.
- As per the last close, U.S. equities closed mostly on a flat note. Initially, market sentiments received some support after Bank of England lowered interest rates to a record low for the first time since Mar 2009 and expanded the asset purchase program. However, investors preferred to remain on the sidelines as they awaited the U.S. jobs report for Jul due Aug 5.

Indian Equity Market

- Indian equity market went up marginally driven primarily by the historic sanction of the Goods and Services Tax (GST) Bill in the Rajya Sabha. Positive Asian cues contributed to the positive sentiment.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.06% and 0.07% to close at 27,714.37 points and 8,551.10 points, respectively. S&P BSE MidCap and S&P BSE SmallCap went up 0.38% and 0.39%, respectively.
- The overall market breadth on BSE was positive with 1,415 scrips advancing and 1,287 scrips declining. A total of 163 scrips remained unchanged.
- On the BSE sectoral front, almost all indices closed in the positive territory. S&P BSE Realty, up 2.25%, was the top gainer of the day, followed by S&P BSE Metal (1.53%), S&P BSE Auto (1.35%), and S&P BSE Telecom (1.00%). S&P BSE Consumer Durables, down 0.82%, was the highest loser, with S&P BSE IT (-0.53%) and S&P BSE Teck (-0.31%) following close behind.

Domestic News

- The Reserve Bank of India (RBI) has launched a website portal – sachet.rbi.org.in. The new portal will curb illegal and unauthorised pooling of funds by unscrupulous firms as the website will give information to the people about entities who are allowed to collect deposits. The portal will also facilitate filing and tracking of complaints.
- The cabinet has approved the Motor Vehicle (Amendment) Bill 2016 that proposes stricter penalties for violation of traffic rules. The bill includes penalty of up to Rs. 10,000 for drunken driving, Rs. 2 lakh compensation for hit-and-run cases and also has provision of up to Rs. 10 lakh compensation in case of road fatality.
- The cabinet has approved spectrum usage charge (SUC) at the rate of 3% of adjusted gross revenue for the upcoming telecom spectrum auction in Sep 2016, clearing path for the Department of Telecommunications to issue the Notice Inviting Applications marking the beginning of the auction process. This move will provide simple, transparent and flat ad-valorem SUC regime in accordance with the law and avoid fake accounting to bypass the revenues.
- RBI has formed a panel which will study various features of household finance in the country and will benchmark India's current depth of household financial market vis-a-vis both the peer countries and advanced economies. The panel will also find the reason of deviation between financial allocations of Indian households from the desirable financial allocation and behaviour.
- Airports Authority of India has reported net profit of Rs. 2,537.36 crore for the FY16 due to higher passenger numbers and increased revenues. The company's revenue stood at Rs. 10,824.50 crore in the fiscal, up from Rs. 9,284.98 crore in the year-ago period.

FII Derivative Trade Statistics	04-Aug		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2440.74	2473.45	19940.55
Index Options	44614.32	44182.63	56472.36
Stock Futures	5719.11	7027.14	53274.37
Stock Options	3618.39	3686.03	3682.38
Total	56392.56	57369.25	133369.66

Derivative Statistics- Nifty Options			
	04-Aug	Prev_Day	Change
Put Call Ratio (OI)	0.89	0.87	0.01
Put Call Ratio(Vol)	0.78	0.83	-0.05

Debt Watch				
	04-Aug	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.41%	6.35%	6.22%	7.06%
CBLO	6.41%	6.52%	5.96%	7.16%
Repo	6.50%	6.50%	6.50%	7.25%
Reverse Repo	6.00%	6.00%	6.00%	6.25%
91 Day T-Bill	6.53%	6.55%	6.50%	7.20%
364 Day T-Bill	6.69%	6.66%	6.83%	7.56%
10 Year Gilt	7.17%	7.19%	7.42%	7.84%
G-Sec Vol. (Rs.Cr)	88510	148393	59860	43509
1 Month CP Rate	6.86%	7.03%	7.54%	7.47%
3 Month CP Rate	7.11%	7.25%	7.83%	7.85%
5 Year Corp Bond	7.67%	7.65%	8.05%	8.45%
1 Month CD Rate	6.50%	6.50%	6.64%	7.32%
3 Month CD Rate	6.63%	6.61%	6.79%	7.52%
1 Year CD Rate	7.24%	7.24%	7.41%	7.93%

Currency Market			
Currency	04-Aug	Prev_Day	Change
USD/INR	66.94	66.94	0.01
GBP/INR	89.07	89.01	0.06
EURO/INR	74.60	74.99	-0.39
JPY/INR	0.66	0.66	0.00

Commodity Prices				
Commodity	04-Aug	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	41.92	41.13	49.02	45.75
Brent Crude(\$/bl)	40.93	41.47	47.42	49.43
Gold(\$/oz)	1361	1335	1350	1087
Gold(Rs./10 gm)	31182	31025	31046	24696

Source: ICRON Research

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Derivatives Market

- Nifty Aug 2016 Futures were at 8,594.40 points, a premium of 43.30 points, over the spot closing of 8,551.10 points. The turnover on NSE's Futures and Options segment went up from Rs. 3,11,116.86 crore on Aug 3 to Rs. 4,60,479.56 crore on Aug 4.
- The Put-Call ratio stood at 0.72, compared with the previous session's close of 0.71.
- The Nifty Put-Call stood at 0.89, compared with the previous session's close of 0.84.
- The open interest on Nifty Futures stood at 26.16 million, compared with the previous session's close of 26.06 million.

Indian Debt Market

- After rising for two consecutive days, bond yields dropped as market participants bought government debt after Rajya Sabha approved the constitutional amendment bill that proposes to levy a single indirect tax window, goods and services tax (GST), in the country.
- Yield on 10-year benchmark bond (7.59% GS 2026) fell 3 bps to close at 7.17% from the previous close of 7.20%.
- RBI announced that the auction of twelve state development loans for a notified amount of Rs. 12,250 crore will be conducted on Aug 08. Andhra Pradesh, Gujarat, Tamil Nadu and UP will have an option to retain an additional amount of Rs. 250 crore, Rs. 300 crore, Rs. 375 crore and Rs. 400 crore respectively.
- RBI has set the underwriting cut-off rate for 7.35% GS 2024 at 0.07 paise, 7.61% GS 2030 at 0.11 paise, 7.73% GS 2034 at 0.27 paise, and 8.13% GS 2045 at 0.47 paise, per Rs. 100.

Currency Market Update

- Rupee rose against the U.S. dollar following approval of the long-pending GST Bill by the upper house of the parliament. The rupee grew 0.12% to close at 66.91 per dollar from the previous close of 66.99.
- Euro extended yesterday's fall against the U.S. dollar after U.S. data showed higher than expected rise in private sector employment in Jul. However, losses in euro were limited after Bank of England cut its interest rate by 25 bps to 0.25%. Euro was trading down 0.12% at \$1.1134 compared with the previous close of \$1.1147.

Commodity Market Update

- Gold prices went up as the Bank of England announced a cut in interest rates after seven years and also announced measures to tackle recession in the aftermath of "Brexit".
- Brent crude prices grew after data showed a reduction in the U.S. gasoline stock.

International News

- The Institute for Supply Management reported that U.S. services sector slowed down more than expected in Jul 2016. The non-manufacturing index decreased to 55.5 in Jul from a seven-month high of 56.5 in Jun 2016 due to slower job growth in the services sector.
- The Bank of England cut the key interest rate by 25 basis points for the first time in more than seven years and expanded its quantitative easing after Britain's exit from European Union (EU). The bank also introduced a Term Funding Scheme that will be financed by the issuance of central bank reserves.
- Results of a survey by Markit Economics revealed that Germany's construction activity expanded for the 18th successive month in Jul 2016. The PMI stood at 51.6 in Jul, up from the previous month's reading of 50.4.