

Indices Performance

Global Indices	22-Aug	Prev_Day	Abs. Change	% Change [#]
Dow Jones	18,529	18,553	-23	-0.12
Nasdaq	5,245	5,238	6	0.12
FTSE	6,829	6,859	-30	-0.44
Nikkei	16,598	16,546	52	0.32
Hang Seng	22,998	22,937	61	0.26
Indian Indices	22-Aug	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	27,986	28,077	-91	-0.33
Nifty 50	8,629	8,667	-38	-0.44
Nifty 100	8,852	8,893	-41	-0.46
Nifty Bank	19,330	19,415	-84	-0.43
SGX Nifty	8,609	8,665	-56	-0.65
S&P BSE Power	2,104	2,115	-12	-0.54
S&P BSE Small Cap	12,442	12,459	-17	-0.14
S&P BSE HC	16,083	16,201	-118	-0.73

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
22-Aug	20.42	1.40	23.59	1.25
Month Ago	20.34	1.40	23.43	1.21
Year Ago	21.51	1.36	22.99	1.42

Nifty 50 Top 3 Gainers

Company	22-Aug	Prev_Day	% Change [#]
HUL	930	911	2.13
BHEL	144	142	1.34
ITC	254	251	1.26

Nifty 50 Top 3 Losers

Company	22-Aug	Prev_Day	% Change [#]
Grasim Indus	4502	4633	-2.81
TCS	2549	2604	-2.10
Lupin	1544	1576	-2.01

Advance Decline Ratio

	BSE	NSE
Advances	1264	699
Declines	1452	902
Unchanged	203	93

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	543	40045
MF Flows**	213	9440

*22nd Aug 2016; **18th Aug 2016

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	3.55% (Jul-16)	0.79% (Apr-16)	-4.00% (Jul-15)
IIP	2.10% (Jun-16)	0.30% (Mar-16)	4.20% (Jun-15)
GDP	7.90 (Mar-16)	7.20 (Dec-15)	6.70 (Mar-15)

Global Indices

- Most of the Asian markets fell amid weakness in global crude oil prices. Hawkish comments from one of the Federal Reserve officials rekindled concerns over imminent rate hike in the U.S. Losses were restricted after the Bank of Japan governor hinted at additional monetary policy easing in its Sep meeting. Today, (as on Aug 23) most of the bourses traded lower as investors preferred to remain on sidelines ahead of the speech from Fed Chief on Aug 26. Both Nikkei Average and Hang Seng traded down by 0.19% and 0.43%, respectively (as at 8:00 am IST).
- As per the last close, European markets closed lower, amid weakness in global crude oil prices, as investors grew concerned over the supply glut in the market. China's substantial increase in fuel exports during July and the prospect for more crude shipments from Nigeria and Iraq were some of the factors seen influencing sentiment.
- As per the last close, U.S. markets witnessed a mixed trend amid uncertainty over the outlook of the key interest rates and ahead of U.S. Fed's speech on Aug 26. Market participants also remained cautious ahead of a series of economic data, due later during the week.

Indian Equity Market

- Indian equity market closed in the red after the prospects of an interest rate cut lost steam following the appointment of the new governor of the Reserve Bank of India (RBI). The governor, famous for his hawkish take on inflation, is focused on curbing price rise.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.33% and 0.44% to close at 27,985.54 points and 8,629.15 points, respectively. S&P BSE MidCap and S&P BSE SmallCap went down 0.42% and 0.14%, respectively.
- The overall market breadth on BSE was negative with 1,452 scrips declining and 1,264 scrips advancing. A total of 203 scrips remained unchanged.
- On the BSE sectoral front, most of the indices closed in the red. S&P BSE IT, down 1.07%, was the top loser, followed by S&P BSE Teck (-0.90%), S&P BSE Auto (-0.89%), S&P BSE Healthcare (-0.73%), and S&P BSE Consumer Discretionary Goods and Services (-0.67%). S&P BSE IT and S&P BSE Healthcare were hurt by selling pressure as the new RBI governor was declared. The only two gainers of the session were S&P BSE FMCG (0.62%) and S&P BSE Consumer Durables (0.23%).

Domestic News

- Government has appointed Urjit Patel, presently the deputy governor, as the new governor of Reserve Bank of India (RBI) effective from Sep 4, replacing the existing governor Raghuram Rajan. Urjit Patel has worked at the International Monetary Fund as an economist from 1990 to 1995 and for Boston Consulting Group.
- According to a global credit rating agency, India's strong growth potential and high private savings rate will balance against a number of challenges such as high government debt burden, regulatory and infrastructure constraints on its competitiveness, and slow pace of policy reform. These mix of factors will support the country's credit profile (Baa3 positive), rating agency said. The agency expects India's real gross domestic product to grow at around 7.5% in the next two years. Continued reformatory measures by the government are expected to improve the business environment within the country. This, coupled with moderate inflation will help the Indian economy to grow at a robust pace. However, the rating agency expressed concerns over increase in bad loans in the banking sector.
- The Ministry of Finance is considering imposing a minimum import price of aluminium to put a check on shipments coming from the overseas. The arrangement will help to protect the interests of domestic manufacturers by restricting cheaper imports from China. China is exporting surplus aluminium on account of weak domestic demand.
- According to the annual report of capital market regulator Securities and Exchange Board of India (SEBI) for FY16, SEBI launched 614 proceedings against the entities that defaulted on payment of penalties during the financial year compared with 1,619 in FY15. However, recovery proceedings were completed in 80 cases in FY16 compared with 121 in the previous year. During FY16, SEBI was able to recover Rs. 224.6 crore as compared with Rs. 19.2 crore recovered in the previous year.

FII Derivative Trade Statistics	22-Aug		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2097.80	1864.96	24533.96
Index Options	34178.64	34063.21	73423.44
Stock Futures	7432.44	7273.76	59269.88
Stock Options	4635.55	4665.49	7034.39
Total	48344.43	47867.42	164261.67

Derivative Statistics- Nifty Options	22-Aug	Prev_Day	Change
Put Call Ratio (OI)	0.97	1.06	-0.09
Put Call Ratio(Vol)	0.97	1.07	-0.10

Debt Watch	22-Aug	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.39%	6.43%	6.41%	7.14%
CBLO	6.43%	6.42%	5.62%	6.78%
Repo	6.50%	6.50%	6.50%	7.25%
Reverse Repo	6.00%	6.00%	6.00%	6.25%
91 Day T-Bill	6.55%	6.54%	6.48%	7.25%
364 Day T-Bill	6.64%	6.67%	6.69%	7.48%
10 Year Gilt	7.16%	7.10%	7.25%	7.78%
G-Sec Vol. (Rs.Cr)	85737	68126	111730	27021
1 Month CP Rate	6.83%	6.85%	7.04%	7.47%
3 Month CP Rate	7.08%	7.04%	7.30%	7.74%
5 Year Corp Bond	7.58%	7.53%	7.78%	8.35%
1 Month CD Rate	6.50%	6.51%	6.45%	7.29%
3 Month CD Rate	6.66%	6.64%	6.67%	7.47%
1 Year CD Rate	7.20%	7.23%	7.30%	7.85%

Currency Market	22-Aug	Prev_Day	Change
USD/INR	67.19	66.93	0.26
GBP/INR	87.67	87.97	-0.30
EURO/INR	75.81	75.87	-0.06
JPY/INR	0.67	0.67	0.00

Commodity Prices	22-Aug	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	46.80	44.47	43.41	40.45
Brent Crude(\$/bl)	47.85	44.67	43.84	43.54
Gold(\$/oz)	1338	1336	1322	1161
Gold(Rs./10 gm)	31267	31018	30754	26802

Source: ICRON Research

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Derivatives Market

- Nifty Aug 2016 Futures were at 8,633.20 points, a premium of 4.05 points, over the spot closing of 8,629.15 points. The turnover on NSE's Futures and Options segment went up from Rs. 3,00,206.42 crore on Aug 19 to Rs. 4,09,057.69 crore on Aug 22.
- The Put-Call ratio stood at 0.93, compared with the previous session's close of 0.99.
- The Nifty Put-Call stood at 0.97, compared with the previous session's close of 1.06.
- The open interest on Nifty Futures stood at 29.84 million, compared with the previous session's close of 29.05 million.

Indian Debt Market

- Bond yields surged as investors were worried that the Reserve Bank of India (RBI) might not ease the monetary policy in the near future.
- Yield on 10-year benchmark bond (7.59% GS 2026) rose 6 bps to close at 7.16% from the previous close of 7.10%. During the session, bond yields moved in the region of 7.13% to 7.16%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility stood at Rs. 3,353 crore (gross), compared with gross borrowing of Rs. 5,744 crore on Aug 20. Sale of securities under RBI's reverse repo window stood at Rs. 1,276 crore on Aug 20.
- Banks borrowed Rs. 1 crore under the central bank's Marginal Standing Facility on Aug 20 compared with borrowing of Rs. 60 crore on Aug 19.
- As per Scheduled Bank's Statement of Position in India for Aug 5, bank deposit and bank credit grew 9.81% and 9.83% YoY, respectively.

Currency Market Update

- The Indian rupee weakened against the U.S dollar following Asian counterparts. Asian peers fell on fresh speculations that the U.S. Federal Reserve (Fed) will increase interest rate in the coming months. The rupee fell 0.19% to close at 67.19 per dollar from the previous close of 67.06.
- Euro declined against the U.S dollar following the comments from a U.S Fed official that raised fresh speculations for a rate hike in the U.S. in the coming months. Euro was trading at \$1.1303 compared with the previous close of \$1.1325.

Commodity Market Update

- Gold prices slipped as commens from the U.S. Fed officials, raised hopes that the central bank would possibly hike interest rates.
- Brent crude prices tumbled due to rise in the U.S. dollar and hopes of major oil producers agreeing on production cuts fading out.

International News

- A major rating agency maintained the sovereign ratings of Hong Kong with negative outlook. The rating agency affirmed the sovereign ratings of Hong Kong at 'AAA' and attributed it to strong fiscal reserves, upbeat external position and above-average economic growth.
- Data from the Census and Statistics Department showed that Hong Kong's consumer price inflation eased for the fifth consecutive month in Jul 2016 to the lowest level in eight months. The consumer price index rose 2.3% YoY in Jul which is lower than the 2.4% climb in Jun 2016.
- Data from the Japan Chain Stores Association showed that Japan's supermarket sales recovered in Jul 2016. Supermarket sales, after adjustment, increased 0.2% in Jul from a year ago following a 0.5% drop in Jun 2016. On a monthly basis, supermarket sales advanced 4.8%.