

Indices Performance

Global Indices	25-Aug	Prev_Day	Abs. Change	% Change [#]
Dow Jones	18,448	18,481	-33	-0.18
Nasdaq	5,212	5,218	-5	-0.11
FTSE	6,817	6,836	-19	-0.28
Nikkei	16,556	16,597	-41	-0.25
Hang Seng	22,815	22,821	-6	-0.03
Indian Indices	25-Aug	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	27,836	28,060	-224	-0.80
Nifty 50	8,592	8,650	-58	-0.67
Nifty 100	8,817	8,875	-58	-0.65
Nifty Bank	19,304	19,356	-51	-0.27
SGX Nifty	8,592	8,661	-69	-0.79
S&P BSE Power	2,086	2,095	-9	-0.43
S&P BSE Small Cap	12,502	12,515	-13	-0.11
S&P BSE HC	16,165	16,227	-62	-0.38

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
25-Aug	20.37	1.40	23.62	1.26
Month Ago	20.51	1.39	23.69	1.23
Year Ago	20.88	1.41	21.83	1.50

Nifty 50 Top 3 Gainers

Company	25-Aug	Prev_Day	% Change [#]
BHEL	141	137	3.00
BPCL	598	582	2.84
GAIL	373	366	2.07

Nifty 50 Top 3 Losers

Company	25-Aug	Prev_Day	% Change [#]
Adani Ports & SEZ	262	270	-3.09
Wipro	504	520	-3.01
Idea Cellular	96	98	-2.75

Advance Decline Ratio

	BSE	NSE
Advances	1216	640
Declines	1486	942
Unchanged	184	75

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-33	39905
MF Flows**	453	10168

*25th Aug 2016; **24th 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% (Mar16)	4.20% (Jun-15)
GDP	7.90 (Mar-16)	7.20 (Dec-15)	6.70 (Mar -15)

Global Indices

- Major Asian bourses closed on the negative terrain following weak cues from the overnight U.S. market and fall in crude oil prices. Investors also remained concerned of the U.S. Fed chair's speech, scheduled on Aug 26. Today, (as on Aug 26) bourses traded mixed ahead of Fed Chief's speech in an annual conference, scheduled later during the day, which may provide cues on the timing of U.S. interest rate hike. While Nikkei Average traded lower by 0.88%, Hang Seng traded up by 0.73% (as at 8:00 am IST).
- As per the last close, European markets slipped as an unexpected drop in German business confidence in Aug weighed on investor sentiments. Market participants were also reluctant to make any major moves ahead of the speech by Fed Chief, which may provide cues on the U.S. central bank's stance on interest rate hike.
- As per the last close, U.S. markets fell as traders maintained a cautious stance ahead of the speech by the Fed Chief, scheduled later during the day.

Indian Equity Market

- Indian equity market closed on a negative note after the expiry of Aug's derivative contracts. The stocks finished at the two-week low because investors stayed alert ahead of the U.S. Federal Reserve chair's announcement on monetary policy due on Aug 26.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.80% and 0.67% to close at 27,835.91 points and 8,592.20 points, respectively. S&P BSE MidCap and S&P BSE SmallCap went down 0.35% and 0.11%, respectively. S&P BSE MidCap and S&P BSE SmallCap went down 0.35% and 0.11%, respectively.
- The overall market breadth on BSE was negative with 1,486 scrips declining and 1,216 scrips advancing. A total of 184 scrips remained unchanged.
- On the BSE sectoral front, most of the indices closed in the red. S&P BSE Telecom, down 1.82%, was the highest loser, with S&P BSE Metal (-1.43%), S&P BSE Teck (-1.36%), S&P BSE IT (-1.28%) not far behind. The only stocks that closed in the positive zone were S&P BSE FMCG (0.31%) and S&P BSE Oil and Gas (0.29%).

Domestic News

- According to the Reserve Bank of India (RBI)'s deputy governor, the level of bad loans and standard restructured assets increased to 12% in Jun 2016 from 11.4% at the end of Mar 2016. The stressed assets in Public Sector Banks (PSBs) has rose to 15.4%, which led to a negative return on assets and net losses for PSBs. In the quarter ended Jun 2016, the net combined loss for the 25 listed PSBs stood at Rs. 1,193 crore against net profit of Rs. 9,449 crore in 1Q2015.
- RBI deputy governor advocated for a lower government stake in state-run banks. Although government ownership in PSU banks resulted in stability, the deputy governor opined that the time was apt for the government to lower its stake while maintaining its major stakeholder status.
- The Cabinet Committee on Economic Affairs approved nine projects worth about Rs. 24,000 crore in nine states for expansion of railway network and connectivity across the country. This involves track construction of a total length of 1,937.38 km at an estimated cost of Rs. 24,374.86 crore.
- RBI is considering launching scheme for reissuance of corporate bonds by the end of Sep. The central bank is also considering modifying the regulations under Foreign Exchange Management Act to allow participation of foreign portfolio investors in the corporate bond market.
- The Ministry of Finance is considering making the proposed vehicle fleet modernisation policy mandatory for heavy vehicles that are more than 15 years old. The ministry also suggested the Road Transport & Highways Ministry to provide financial benefit for mandatory scrapping of old and polluting vehicles through its budget, instead of giving any relief in excise duty for the same.
- The government has rejected the proposal of Adani Food and Agro-processing Park to set up a pulses processing unit in a SEZ on the ground that export of the commodity is prohibited.

FII Derivative Trade Statistics	25-Aug		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	9805.51	10436.48	27726.49
Index Options	38467.97	39006.50	73129.31
Stock Futures	21992.13	22516.36	63471.03
Stock Options	4726.17	4803.46	7043.61
Total	74991.78	76762.80	171370.44

Derivative Statistics- Nifty Options	25-Aug	Prev_Day	Change
Put Call Ratio (OI)	0.88	1.04	-0.16
Put Call Ratio(Vol)	1.00	0.92	0.08

Debt Watch	25-Aug	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.42%	6.36%	6.39%	6.92%
CBLO	6.44%	6.33%	6.46%	7.21%
Repo	6.50%	6.50%	6.50%	7.25%
Reverse Repo	6.00%	6.00%	6.00%	6.25%
91 Day T-Bill	6.56%	6.51%	6.55%	7.25%
364 Day T-Bill	6.70%	6.65%	6.70%	7.52%
10 Year Gilt	7.12%	7.14%	7.25%	7.81%
G-Sec Vol. (Rs.Cr)	79138	71974	68432	53284
1 Month CP Rate	6.81%	6.84%	7.04%	7.53%
3 Month CP Rate	7.01%	7.05%	7.30%	7.80%
5 Year Corp Bond	7.59%	7.56%	7.76%	8.38%
1 Month CD Rate	6.50%	6.50%	6.48%	7.31%
3 Month CD Rate	6.67%	6.66%	6.67%	7.51%
1 Year CD Rate	7.23%	7.21%	7.27%	7.85%

Currency Market	25-Aug	Prev_Day	Change
USD/INR	67.09	67.13	-0.04
GBP/INR	88.66	88.39	0.27
EURO/INR	75.59	75.81	-0.21
JPY/INR	0.67	0.67	0.00

Commodity Prices	25-Aug	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	46.97	48.20	42.40	39.15
Brent Crude(\$/bl)	49.25	49.36	43.46	41.56
Gold(\$/oz)	1321	1352	1315	1140
Gold(Rs./10 gm)	31281	31073	30688	26700

Source: ICRON Research

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Derivatives Market

- Nifty Aug 2016 Futures settled at spot closing of 8,592.20 points. Nifty Sep 2016 Futures were at 8,644.95 points, a premium of 52.75 points, over the spot closing. The turnover on NSE's Futures and Options segment went up from Rs. 4,80,738.16 crore on Aug 24 to Rs. 7,43,490.77 crore on Aug 25.
- The Put-Call ratio stood at 0.96, compared with the previous session's close of 0.89.
- The Nifty Put-Call stood at 0.88, compared with the previous session's close of 1.04.
- The open interest on Nifty Futures stood at 32.65 million compared with the previous session's close of 31.57 million.

Indian Debt Market

- Bond yields fell as strong demand from foreign investors on Aug 24 prompted domestic investors to buy government debt.
- According to NSDL data, foreign investors on Aug 24 bought government debt worth Rs. 1,634 crore, marking the largest single-day purchase since Jul 12, 2016.
- Yield on 10-year benchmark bond (7.59% GS 2026) declined 1 bps to close at 7.12% from the previous close of 7.13%. During the session, bond yields moved in the region of 7.11% to 7.13%.
- RBI has identified State Bank of India and ICICI Bank as the domestic systemically important banks in 2016 and has retained their bucketing structure (similar to last year) for maintaining additional Common Equity Tier 1. It has already started from Apr 1, 2016 and would become fully effective from Apr 1, 2019.

Currency Market Update

- Indian rupee closed strong against the U.S. dollar led by the sales of greenback by foreign banks and exporters. However, gains were restricted as investors remained cautious ahead of the meeting of central bankers.
- Euro strengthened against the U.S. dollar as investors awaited the outcome of central bankers' meeting due on Aug 26, where U.S. Federal Reserve (Fed) chairperson may offer new pointers on the monetary policy.

Commodity Market Update

- Gold prices went up as the U.S. dollar weakened, even though gains were restricted ahead of the U.S. Fed chair's speech that is expected to throw light on interest policy.
- Brent crude prices fell as expectations of an output freeze lost steam.

International News

- Data from the National Association of Realtors showed that existing home sales in the U.S. fell more than expected in Jul 2016. Existing home sales fell 3.2% to an annual rate of 5.39 million in Jul from 5.57 million in Jun 2016. On a yearly basis, existing home sales fell 1.6%.
- Results of Ifo survey showed that German business confidence dropped unexpectedly to a 6-month low in Aug 2016. The business sentiment index dropped to 106.2 in Aug from 108.3 in Jul 2016.
- Results of a survey from the Confederation of British Industry showed that British retail sales volume increased in Aug 2016 following a decline in the previous month. The retail sales balance rose to +9% from -14% in Jul 2016.