

Indices Performance

Global Indices	01-Jul	Prev_Day	Abs. Change	% Change [#]
Dow Jones	17,949	17,930	19	0.11
Nasdaq	4,863	4,843	20	0.41
FTSE	6,578	6,504	74	1.13
Nikkei	15,682	15,576	107	0.68
Hang Seng	--	20,794	NA	NA
Indian Indices	01-Jul	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	27,145	27,000	145	0.54
Nifty 50	8,328	8,288	41	0.49
Nifty 100	8,470	8,416	54	0.64
Nifty Bank	17,986	17,935	50	0.28
SGX Nifty	8,389	8,288	101	1.22
S&P BSE Power	2,008	1,996	12	0.58
S&P BSE Small Cap	11,885	11,801	84	0.71
S&P BSE HC	15,654	15,493	161	1.04

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
1-Jul	19.78	1.44	22.86	1.25
Month Ago	19.50	1.46	22.65	1.31
Year Ago	22.55	1.30	23.43	1.42

Nifty 50 Top 3 Gainers

Company	01-Jul	Prev_Day	% Change [#]
ONGC	225	216	4.02
BHEL	132	128	3.41
L&T	1543	1497	3.08

Nifty 50 Top 3 Losers

Company	01-Jul	Prev_Day	% Change [#]
TCS	2501	2553	-2.05
Kotak Bank	753	763	-1.30
Adani Ports & SEZ	204	207	-1.23

Advance Decline Ratio

	BSE	NSE
Advances	1565	890
Declines	1146	703
Unchanged	140	64

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	1482	20648
MF Flows**	-352	9563

*1st Jul 2016; **30th Jun 2016

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	0.79% (May-16)	-0.85% (Feb-16)	-2.20% (May-15)
IIP	-0.80% (Apr-16)	-1.50% (Jan-16)	3.00% (Apr-15)
GDP	7.90 (Mar-16)	7.20 (Dec-15)	6.70 (Mar -15)

Global Indices

- Asian markets gained on expectations of more stimulus measures by central banks. Today (As on Jul 4), Asian markets opened on a mixed note amid concerns over prolonged political uncertainty in Australia and worries over the exit of Britain from the European Union. However, expectation of additional stimulus measures from global central banks provided support to market sentiment. Both Nikkei Average and Hang Seng were trading up 0.01% and 0.25%, respectively (as at 8.00 a.m IST).
- As per the last close, European markets rose on reports that the European Central Bank may possibly ease its rules for its bond buying program. Gains were extended after activity in the euro area manufacturing sector hit a six-month high in Jun and the region's unemployment rate fell in May to its lowest level since July 2011.
- As per the last close, U.S. equities following a bigger than expected increase in the index of U.S. manufacturing activity for Jun. Optimism among investors regarding the aspect that the exit of Britain from the European Union will not significantly hurt the U.S. economy also provided support to market sentiment.

Indian Equity Market

- Indian equity market went up after final reading of a private survey showed that domestic manufacturing activities grew to a three-month high level in Jun 2016. Market received further support as foreign portfolio investors continued to invest in the domestic stocks. Progress of the south-west monsoon also acted as positive catalyst for the bourses.
- Key benchmark indices S&P BSE Sensex and Nifty 50 went up 0.54% and 0.49% to close at 27,144.91 points and 8,328.35 points, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap went up 1.20% and 0.71%, respectively.
- On the BSE sectoral front, barring S&P BSE IT and S&P BSE Teck, all the indices closed in the green. S&P BSE Oil & Gas was the top gainer, up 2.76%, followed by S&P BSE Capital Goods and S&P BSE FMCG, which went up 2.10% and 1.85%, respectively. S&P BSE Energy and S&P BSE Healthcare went up 1.48% and 1.04%, respectively. Metal and mining stocks extended previous session's gains following the Union Cabinet's approval of the National Mineral Exploration Policy for accelerating the upstream activity in the country through enhanced participation from the private sector.

Domestic News

- Results of a private survey showed that Indian manufacturing activity improved in Jun 2016 following upbeat domestic demand, favourable operating environment, and signs of improvement in overseas markets. The Nikkei India Manufacturing Purchasing Managers' Index (PMI) rose to a three-month high level of 51.7 in Jun from 50.7 in May 2016. Strong growth in new orders and output also contributed to the improved PMI for the period under review.
- According to a major credit rating agency, the Indian corporate sector remains subdued reflecting slow pace of improvement in infrastructure, weak commodity prices, and soft demand trends across consumption-driven sectors. The rating agency added that continued structural challenges (slow pace of project execution, delays in land acquisition, and other allied issues) continued to pressurise the infrastructure & construction sectors.
- According to the International Monetary Fund (IMF) chief, the decision of Britain to leave the European Union has resulted in uncertainty that could give rise to significant repercussions on the global economy. The IMF chief, in this regard, urged policymakers across the globe to act decisively while dealing with the situation.
- State Bank of India has classified accounts of Jaiprakash Associates as non-performing assets and will soon take actions on invoking Strategic Debt Restructuring provisions. SBI has an exposure of Rs. 7,000 crore toward the account.
- Maruti Suzuki has reported its first double-digit monthly sales drop in the recent past. Production suffered due to disruption in component supply and a maintenance shutdown. Domestic sales dropped 10.2% in Jun 2016, while export plunged 45%.

FII Derivative Trade Statistics	01-Jul		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	7938.56	5098.53	13659.71
Index Options	33674.43	31737.90	41617.10
Stock Futures	18694.08	18468.22	46339.11
Stock Options	2793.36	2631.92	80.81
Total	63100.43	57936.57	101696.73

Derivative Statistics- Nifty Options			
	01-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.22	0.98	0.24
Put Call Ratio(Vol)	1.06	1.03	0.03

Debt Watch				
	01-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.25%	6.38%	6.32%	7.07%
CBLO	6.27%	5.90%	6.25%	6.98%
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%	6.71%	6.75%	7.55%
364 Day T-Bill	6.84%	6.86%	6.90%	7.68%
10 Year Gilt	7.42%	7.47%	7.49%	7.82%
G-Sec Vol. (Rs.Cr)	88964	76462	29391	29569
1 Month CP Rate	7.56%	7.60%	7.74%	7.89%
3 Month CP Rate	7.79%	7.83%	7.96%	8.08%
5 Year Corp Bond	8.07%	8.12%	8.10%	8.60%
1 Month CD Rate	6.68%	6.82%	7.06%	7.64%
3 Month CD Rate	6.76%	6.84%	7.18%	7.74%
1 Year CD Rate	7.42%	7.47%	7.47%	8.08%

Currency Market			
Currency	01-Jul	Prev_Day	Change
USD/INR	67.44	67.62	-0.18
GBP/INR	89.55	90.52	-0.97
EURO/INR	74.74	75.01	-0.26
JPY/INR	0.66	0.66	0.00

Commodity Prices				
Currency	01-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	49.02	46.70	49.07	56.94
Brent Crude(\$/bl)	47.05	46.09	48.51	60.20
Gold(\$/oz)	1342	1315	1212	1169
Gold(Rs./10 gm)	30980	30971	28742	26263

Source: ICRON Research

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Derivatives Market

- Nifty Jul 2016 Futures were at 8,355.15 points, a premium of 26.80 points, over the spot closing of 8,328.35 points. The turnover on NSE's Futures and Options segment went down from Rs. 7,64,092.10 crore on Jun 30 to Rs. 1,76,484.88 crore on Jul 1.
- The Put-Call ratio stood at 0.94, compared with the previous session's close of 0.99.
- The Nifty Put-Call stood at 0.99, compared with the previous session's close of 1.22.
- The open interest on Nifty Futures stood at 20.01 million, compared with the previous session's close of 25.20 million.

Indian Debt Market

- Bond yields fell on hopes that central banks across the globe will ease their monetary policies. Market sentiment boosted further after the India Meteorological Department reported that monsoon rains in Jul 2016 could measure 107% of the long-term average.
- Yield on 10-year benchmark bond (7.59% GS 2026) fell 3 bps to close at 7.42% compared with the previous close of 7.45%. During the session, bond yields traded in the region of 7.40% to 7.44%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility stood at Rs. 2,685 crore (gross), compared with gross borrowings of Rs. 4,767 crore on Jun 30. Sale of securities by the Reserve bank of India (RBI) under the reverse repo window stood at Rs. 22,489 crore on Jun 30.

Currency Market Update

- The Indian rupee rose against the U.S. dollar following gains in the domestic equity market. Persisting selling of the greenback by banks and exporters further boosted the domestic currency.
- The euro rose against the greenback as investors awaited the release of U.S. manufacturing data for Jun 2016. Hopes that the U.S. Federal Reserve will keep interest rates on hold in its upcoming monetary policy further boosted the euro.

Commodity Market Update

- Gold prices grew as ongoing concerns related to the U.K.'s departure from the European Union continued to boost the metal's safe haven appeal.
- Brent crude prices dropped due to renewed supply glut worries.

International News

- According to the Markit data, eurozone's manufacturing sector grew more than expected, marking the highest growth in last six months. The final manufacturing Purchasing Managers' Index (PMI) rose to 52.8 in Jun 2016 from 51.5 in May 2016.
- According to Markit Economics, the Markit/CIPS PMI of U.K. moved up to 52.1 in Jun 2016 from a revised reading of 50.4 in May 2016.
- Governor of Bank of England, in a speech, said that Britain's economic condition has deteriorated after it voted to exit from the European Union. The governor suggested that there is a need of monetary policy easing to the extent possible and hinted at providing further stimulus.