

### Indices Performance

Global Indices	04-Jul	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	Closed	17,949	NA	NA
Nasdaq	Closed	4,863	NA	NA
FTSE	6,522	6,578	-56	-0.84
Nikkei	15,776	15,682	93	0.60
Hang Seng	21,059	Closed	NA	NA
Indian Indices	04-Jul	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	27,279	27,145	134	0.49
Nifty 50	8,371	8,328	42	0.51
Nifty 100	8,517	8,470	47	0.55
Nifty Bank	18,098	17,986	112	0.62
SGX Nifty	8,375	8,389	-14	-0.17
S&P BSE Power	2,018	2,008	11	0.52
S&P BSE Small Cap	12,006	11,885	120	1.01
S&P BSE HC	15,759	15,654	105	0.67

### P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
4-Jul	19.92	1.43	22.98	1.24
Month Ago	19.62	1.45	22.77	1.31
Year Ago	22.66	1.29	23.52	1.43

### Nifty 50 Top 3 Gainers

Company	04-Jul	Prev_Day	% Change <sup>#</sup>
PNB	113	105	7.03
BHEL	138	132	4.54
Adani Ports & SEZ	213	204	4.38

### Nifty 50 Top 3 Losers

Company	04-Jul	Prev_Day	% Change <sup>#</sup>
ITC	245	252	-2.95
Bosch Limited	22249	22684	-1.92
Dr Reddys Lab	3435	3484	-1.41

### Advance Decline Ratio

	BSE	NSE
Advances	1704	1071
Declines	1035	521
Unchanged	146	85

### Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-263	20385
MF Flows**	554	10117

\*4<sup>th</sup> Jul 2016; \*\*1<sup>st</sup> Jul 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 bourses gained on expectations that global central banks will act together to offset "Brexit" effect and to support the economic growth. Today (As on Jul 5), Asian markets opened lower on renewed concerns of global growth following the exit of Britain from the European Union. Both Nikkei Average and Hang Seng were trading up 0.13% and 0.83%, respectively (as at 8.00 a.m IST).
- As per the last close, European equity markets fell amid persisting concerns following the exit of Britain from the European Union. Market sentiments were further dampened after the construction Purchasing Managers' Index (PMI) for the U.K. fell to its lowest level in seven years in Jun and the euro zone investor confidence fell to its lowest level in more than one-and-a-half years in Jul. However, further losses were restricted on hopes that the the European Central Bank and the Bank of England may adopt additional stimulus measures to provides support to the financial markets.
- As per the last close, U.S. equity markets remained closed in observance of Independence Day.

### Indian Equity Market

- Indian equity market closed higher amid optimism that the Goods and Services Tax Bill will get passed in the forthcoming monsoon session of the Parliament, scheduled to begin on Jul 18. Investors also cheered the arrival of the south-west monsoon, which has covered almost entire India.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.49% and 0.51% to close at 27,278.76 points and 8,370.70 points, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap went up 0.58% and 1.01%, respectively.
- The overall market breadth on BSE was positive with 1,704 scrips advancing and 1,035 scrips declining. A total of 146 scrips remained unchanged.
- On the BSE sectoral front, barring S&P BSE FMCG, all the indices closed in the green. S&P BSE Realty was the top gainer, up 2.20%, followed by S&P BSE Energy and S&P BSE Metal, both of which gained 1.67%. S&P BSE Oil & Gas and S&P BSE Industrials went up 1.56% and 1.55%, respectively. S&P BSE Capital Goods and S&P BSE Telecom gained 1.26% and 1.16%, respectively.

### Domestic News

- According to the finance minister, India's economic growth outlook looks much better with expectations of above average monsoon rains during the year. Last fiscal, India's economy grew by 7.6% despite global slowdown and two-years of rain deficiency.
- According to the report by a domestic credit rating agency, most of the large Indian corporates are suffering from lower debt servicing abilities. A survey on 507 companies revealed that nearly 21% of their combined debt (Rs. 26,71,600 crore) had interest cover of less than 1x as of Mar 2016. Of those 507 companies, 65% belongs to companies in infrastructure and construction, power and steel sectors. The prime reasons behind this weakness are lower commodity prices, inadequate infrastructure, and low consumption demand.
- According to the Minister of State for Petroleum & Natural Gas, government may reconsider the rules on the entry of foreign companies in India's oil retailing business to create more competition and provide fuel to consumers at a better price . Currently, fuel retailing license can be obtained if a company invests Rs. 2,000 crore in hydrocarbon exploration and production, refining, pipelines, and liquefied natural gas terminals.
- Bajaj Auto has reported decline of 4% in total sales in Jun 2016. This was due to decline in motorcycle sales and export by 5% and 21%, respectively.
- Tata Sons plans to invest Rs. 3,000 crore into Tata Teleservices through compulsory convertible preference shares. The latter will, in turn, invest the same amount in Tata Teleservices (Maharashtra) Ltd through redeemable preference shares.

FII Derivative Trade Statistics	04-Jul		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1188.85	934.54	14117.61
Index Options	17792.86	16891.37	44213.29
Stock Futures	5099.21	5080.41	47378.28
Stock Options	1789.94	1675.13	1175.98
Total	25870.86	24581.45	106885.16

Derivative Statistics- Nifty Options			
	04-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.04	0.98	0.06
Put Call Ratio(Vol)	1.11	1.03	0.08

Debt Watch				
	04-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.22%	6.29%	6.28%	7.01%
CBLO	5.96%	6.37%	6.37%	6.96%
Repo	6.50%	6.50%	6.50%	7.25%
Reverse Repo	6.00%	6.00%	6.00%	6.25%
91 Day T-Bill	6.50%	6.65%	6.78%	7.50%
364 Day T-Bill	6.83%	6.87%	6.89%	7.61%
10 Year Gilt	7.42%	7.46%	7.49%	7.80%
G-Sec Vol. (Rs.Cr)	59860	89410	33331	34820
1 Month CP Rate	7.54%	7.59%	7.75%	7.85%
3 Month CP Rate	7.83%	7.80%	7.99%	8.01%
5 Year Corp Bond	8.05%	8.10%	8.11%	8.54%
1 Month CD Rate	6.64%	6.83%	7.08%	7.55%
3 Month CD Rate	6.79%	6.83%	7.15%	7.73%
1 Year CD Rate	7.41%	7.47%	7.51%	8.06%

Currency Market			
Currency	04-Jul	Prev_Day	Change
USD/INR	67.18	67.44	-0.26
GBP/INR	89.30	89.55	-0.25
EURO/INR	74.83	74.74	0.09
JPY/INR	0.65	0.66	0.00

Commodity Prices				
Currency	04-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	49.02	45.80	48.69	56.52
Brent Crude(\$/bl)	47.42	44.47	48.20	58.66
Gold( \$/oz)	1350	1324	1244	1167
Gold(Rs./10 gm)	31046	31248	28616	26148

Source: ICRON Research

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#### Derivatives Market

- Nifty Jul 2016 Futures were at 8,387.35 points, a premium of 16.65 points, over the spot closing of 8,370.70 points. The turnover on NSE's Futures and Options segment went up from Rs. 1,76,484.88 crore on Jul 1 to Rs. 1,77,852.53 crore on Jul 4.
- The Put-Call ratio stood at 0.99, compared with the previous session's close of 0.94.
- The Nifty Put-Call stood at 1.05, compared with the previous session's close of 0.99.
- The open interest on Nifty Futures stood at 20.38 million, compared with the previous session's close of 20.01 million.

#### Indian Debt Market

- Bond yields closed unchanged as investors booked profits following last week's rally amid hopes that major central banks across the world will ease their monetary policies.
- Yield on 10-year benchmark bond (7.59% GS 2026) remained unchanged from the previous day's close of 7.42%. During the session, bond yields traded in the tight range of 7.41% to 7.43%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility stood at Rs. 2,374 crore (gross), compared with gross borrowings of Rs. 2,685 crore on Jul 1. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 22,113 crore on Jul 1.
- RBI announced to conduct the auction of four dated securities i.e. 7.80% GS 2021 for notified amount of Rs. 3,000 crore, 7.59% GS 2029 for Rs. 7,000 crore, 7.73% GS 2034 for Rs. 2,000 crore, and 8.13% GS 2045 for Rs. 3,000 crore, on Jul 8.

#### Currency Market Update

- The Indian rupee rose against the U.S. dollar following gains in the domestic equity market amid improved risk appetite and easing concerns over foreign fund outflows. The rupee increased for the fourth consecutive session by 0.07% to close at 67.27 compared with the previous close of 67.32.
- The euro was almost steady against the greenback as trading volumes were expected to remain thin on the occasion of U.S. Independence Day. Euro was at \$1.1136 compared with the previous close of \$1.1135.

#### Commodity Market Update

- Gold prices increased on hopes that central banks across the globe will announce additional stimulus measures to counter "Brexit" shock.
- Brent crude prices went up as oil output in Nigeria was disrupted by fresh militant attacks last weekend.

#### International News

- A report from the Institute for Supply Management showed that Purchasing Managers' Index (PMI) of the U.S. manufacturing sector grew much more than expected. The index increased to 53.2 in Jun 2016 from 51.3 in May 2016.
- According to a report released by the U.S. Commerce Department, construction spending declined 0.8% to an annual rate of \$1.143 trillion in May 2016 from Apr 2016's revised rate of \$1.152 trillion.
- Results of a survey by Markit Economics showed that U.K. construction activities fell to a 7-year low level. The PMI index dropped to 46.0 in Jun 2016 from 51.2 in Apr 2016. The decline in business activity was due to uncertainty because of EU referendum.