

Indices Performance

Global Indices	07-Jul	Prev_Day	Abs. Change	% Change [#]
Dow Jones	17,896	17,919	-23	-0.13
Nasdaq	4,877	4,859	18	0.36
FTSE	6,534	6,464	70	1.09
Nikkei	15,276	15,379	-103	-0.67
Hang Seng	20,707	20,495	212	1.03
Indian Indices	07-Jul	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	27,201	27,167	35	0.13
Nifty 50	8,338	8,336	2	0.02
Nifty 100	8,486	8,486	0	0.00
Nifty Bank	18,085	18,004	81	0.45
SGX Nifty	8,376	8,353	24	0.28
S&P BSE Power	2,010	2,004	6	0.30
S&P BSE Small Cap	11,997	11,993	5	0.04
S&P BSE HC	15,971	15,791	180	1.14

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
7-Jul	19.82	1.44	22.89	1.24
Month Ago	19.91	1.43	22.69	1.30
Year Ago	22.73	1.30	23.59	1.42

Nifty 50 Top 3 Gainers

Company	07-Jul	Prev_Day	% Change [#]
Lupin	1656	1563	5.94
Vedanta	143	137	4.63
Hindalco	128	124	3.28

Nifty 50 Top 3 Losers

Company	07-Jul	Prev_Day	% Change [#]
Tata Steel	318	334	-4.78
Zee Entertainment	448	462	-3.05
HCL Tech	717	738	-2.88

Advance Decline Ratio

	BSE	NSE
Advances	1538	871
Declines	1216	745
Unchanged	147	67

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	295	20829
MF Flows**	-147	10237

*7th Jul 2016; **5th 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 traded on a mixed note during the session. Positive cues from the overnight U.S. market, rise in crude oil prices, and lower possibility of immediate rate hike by the U.S. Federal Reserve outweighed the uncertainty surrounding 'Brexit'. Stronger yen weighed on Japanese market. Today (As on Jul 8), Asian markets opened on a mixed note ahead of the U.S. monthly jobs report for June. While Nikkei Average was trading up 0.27%, Hang Seng was down 0.61% (as at 8.00 a.m IST).
- As per the last close, European markets as investors preferred riskier assets on bargain buying. Rise in crude oil prices, further supported the market. Meanwhile, the minutes of the European Central Bank showed that policymakers warned the impact from a decision by the U.K. to leave the European Union would be significant.
- As per the last close, U.S. markets remained mixed after hovering between gains and losses ahead of the monthly jobs report on Friday. Meanwhile, ADP report showed private sector employment in the U.S. rose better than expected in June.

Indian Equity Market

- Indian equity market witnessed slight gains amid volatility, led by rise in the pharma sector after an industry heavyweight received approval from the U.S. Food and Drug Administration for one of its manufacturing facilities. Nonetheless, investors remained cautious as they continued to assess the long-term impact of Britain's exit from the European Union.
- While Nifty 50 closed flat at 8,337.90 points, S&P BSE Sensex gained marginally by 0.13% to close at 27,201.49 points. S&P BSE Mid-Cap went down 0.41%, whereas S&P BSE Small-Cap closed flat.
- On the BSE sectoral front, majority of the indices closed in the red. S&P BSE IT was the major laggard, down 1.63%, followed by S&P BSE Teck and S&P BSE Capital Goods, which slipped 1.58% and 0.79%, respectively. S&P BSE Industrials and S&P BSE Telecom slipped 0.77% and 0.76%, respectively. Meanwhile, S&P BSE Healthcare was the top gainer, up 1.14%, followed by S&P BSE FMCG and S&P BSE Finance, which gained 0.92% and 0.59%, respectively. S&P BSE Basic Materials and S&P BSE Power gained 0.52% and 0.30%, respectively.

Domestic News

- The agriculture minister advocated for farm mechanisation as it will lower the cost of cultivation by up to 25% and raise production by 20%. The minister added that raising support price of agricultural crops is not enough and underlined the importance of promoting farm machineries in agriculture and allied sectors to address labour shortage.
- Data from Gems and Jewellery Export Promotion Council (GJPEC) showed that exports of gems and jewellery grew 25.6% to \$5.78 billion during the first two months of the current fiscal. Increases in exports were driven by demand from major markets like the U.S. In FY16, the exports fell 11.7% to \$31.98 billion primarily due to slowdown in Europe, China, and Japan.
- Capital market regulator Securities and Exchange Board of India (SEBI) extended time for listed companies to submit their financial statements incorporating the new accounting standards. Indian Accounting Standards that are similar with the International Financial Reporting Standards are mandatorily applicable on certain class of companies from Apr 1 this year. As per the extended time, results for the quarter ended Jun and quarter ending Sep can be submitted by Sep 2016 and Dec 2016.
- Lupin has received an Establishment Inspection Report for its Goa facility from the U.S. health regulator United States Food and Drug Administration (USFDA), following an inspection conducted on Jul 2015.
- Larsen & Toubro's construction business has bagged orders worth Rs. 3,598 crore across various business segments.
- Tata Steel plans to delay the sale of most of its U.K. business because of Britain's exit from the European Union. Tata will assess the impact of 'Brexit' and decide the procedure to deal with the pension fund.

Mutual Fund

08 July 2016

FII Derivative Trade Statistics		07-Jul	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1112.13	982.99	14875.09
Index Options	15374.84	14981.26	49481.17
Stock Futures	4317.42	4662.48	48839.02
Stock Options	3054.04	3034.32	2527.97
Total	23858.43	23661.05	115723.25

Derivative Statistics- Nifty Options			
	07-Jul	Prev_Day	Change
Put Call Ratio (OI)	1.05	1.04	0.01
Put Call Ratio(Vol)	1.09	1.08	0.01

Debt Watch				
	07-Jul	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.27%	6.39%	6.43%	7.02%
CBLO	6.28%	6.37%	6.47%	7.13%
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%	6.59%	6.84%	7.37%
364 Day T-Bill	6.80%	6.83%	6.86%	7.60%
10 Year Gilt	7.38%	7.45%	7.48%	7.78%
G-Sec Vol. (Rs.Cr)	77120	100804	39042	50031
1 Month CP Rate	7.51%	7.60%	7.74%	7.84%
3 Month CP Rate	7.78%	7.79%	7.93%	8.08%
5 Year Corp Bond	8.01%	8.07%	8.11%	8.50%
1 Month CD Rate	6.54%	6.73%	7.00%	7.47%
3 Month CD Rate	6.76%	6.78%	7.07%	7.69%
1 Year CD Rate	7.38%	7.46%	7.50%	8.08%

Currency Market			
Currency	07-Jul	Prev_Day	Change
USD/INR	67.50	67.40	0.09
GBP/INR	87.61	89.15	-1.54
EURO/INR	74.83	75.03	-0.21
JPY/INR	0.67	0.66	0.01

Commodity Prices				
Currency	07-Jul	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	45.22	48.27	50.37	52.33
Brent Crude(\$/bl)	45.28	47.50	49.46	54.32
Gold(\$/oz)	1360	1322	1243	1155
Gold(Rs./10 gm)	31529	30539	28927	26081

Source: ICRON Research
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Derivatives Market

- Nifty Jul 2016 Futures were at 8,358.30 points, a premium of 20.40 points, over the spot closing of 8,337.90 points. The turnover on NSE's Futures and Options segment went up from Rs. 1,93,369.42 crore on Jul 5 to Rs. 2,59,456.39 crore on Jul 7.
- The Put-Call ratio stood at 0.94, compared with the previous session's close of 1.01.
- The Nifty Put-Call stood at 1.05, compared with the previous session's close of 1.04.
- The open interest on Nifty Futures stood at 20.40 million, compared with the previous session's close of 20.25 million.

Indian Debt Market

- Bond yields fell on expectations that key central banks across the globe would ease monetary policies to boost economic growth following the exit of Britain from the European Union. Hopes of above normal monsoon also boosted market sentiment. However, gains were capped as investors awaited inflation data for Jun.
- Yield on 10-year benchmark bond (7.59% GS 2026) fell 1 bps to close at 7.38% from the previous close of 7.39%. During the session, bond yields traded in the range of 7.36% to 7.39%.
- The Reserve Bank of India (RBI) has set the underwriting cut-off rate for 7.80% GS 2021 at 0.09 paise, 7.59% GS 2029 at 0.17 paise, 7.73% GS 2034 at 0.32 paise, and 8.13% GS 2045 at 0.48 paise per Rs. 100.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility stood at Rs. 1,600 crore (gross), compared with net lendings of Rs. 835 crore on Jul 5. Sale of securities under RBI's reverse repo window stood at Rs. 7,062 crore on Jul 6.

Currency Market Update

- The Indian rupee rose against the greenback after minutes of the U.S. Federal Reserve's monetary policy meeting in Jun increased expectations that Fed would keep interest rates on hold in the near term. However, higher dollar demand from importers capped the gains. The rupee rose 0.10% to close at 67.39 compared with the previous close of 67.46.
- The euro weakened against the greenback after initial jobless claims in the U.S. fell unexpectedly for the week ended Jul 2. Euro was trading down 0.10% at \$1.1088 compared with the previous close of \$1.1099.

Commodity Market Update

- Gold prices slipped after upbeat U.S. employment data rekindled concerns over a potential interest rate hike by the U.S. Federal Reserve.
- Brent crude prices grew following news of a drop in the U.S. oil inventories, which was also supported by a weaker dollar.

International News

- A report from payroll processor ADP showed that private sector employment in the U.S. rose by 172,000 jobs in Jun 2016 following a downwardly revised increase of 168,000 jobs in May 2016.
- Data from the U.S. Labor Department showed that initial jobless claims for the week ended Jul 2 fell 16,000 to 254,000 from the previous week's revised level of 270,000.
- As per the minutes of U.S. Federal Reserve's policy review meeting in Jun, any rate hike in the month of Jul is off the table due to weakness in the U.S. jobs market and the unexpected decision of Britain to exit the European Union. It was also stated that there was need of sufficient evidence that would confirm that economic growth has picked up and inflation was moving closer to 2% on a sustained basis.