

Indices Performance

Global Indices	31-May	Prev_Day	Abs. Change	% Change [#]
Dow Jones	17,787	Closed	NA	NA
Nasdaq	4,948	Closed	NA	NA
FTSE	6,231	Closed	NA	NA
Nikkei	17,235	17,068	167	0.98
Hang Seng	20,815	20,629	186	0.90
Indian Indices	31-May	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	26,668	26,726	-58	-0.22
Nifty 50	8,160	8,179	-18	-0.22
Nifty 100	8,255	8,276	-21	-0.26
Nifty Bank	17,621	17,521	100	0.57
SGX Nifty	8,189	8,203	-15	-0.18
S&P BSE Power	1,872	1,885	-13	-0.68
S&P BSE Small Cap	11,142	11,158	-15	-0.14
S&P BSE HC	15,246	15,462	-215	-1.39

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
31-May	19.54	1.46	22.60	1.32
Month Ago	19.38	1.50	21.24	1.37
Year Ago	20.12	1.38	23.12	1.39

Nifty 50 Top 3 Gainers

Company	31-May	Prev_Day	% Change [#]
Tata Motors	460	421	9.12
Tata Steel	334	322	3.72
Bank of Baroda	143	138	3.18

Nifty 50 Top 3 Losers

Company	31-May	Prev_Day	% Change [#]
Sun Pharma	763	812	-6.08
TCS	2569	2636	-2.54
GAIL	370	380	-2.47

Advance Decline Ratio

	BSE	NSE
Advances	988	590
Declines	1583	970
Unchanged	162	72

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	390	15454
MF Flows**	164	8808

*31st May 2016; **30th May 2016

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	0.34% (Apr-16)	-1.07% (Jan-16)	-2.43% (Apr-15)
IIP	0.10% (Mar-16)	-1.50% (Dec-15)	2.50% (Mar-15)
GDP	7.90 (Mar-16)	7.20 (Dec-15)	6.70 (Mar-15)

Global Indices

- Major Asian bourses traded in the green. Chinese market surged on speculation that mainland shares will be traded in a global index starting next month. Rise in Japan's industrial output in Apr 2016 outpaced subdued economic data such as jobless rate and household spending for the same period, supporting the Japanese bourse. Today, (as on June 01) Asian indices were mostly trading down after China's official manufacturing data for May came in largely as expected. While Nikkei Average was trading down 0.64%, Hang Seng was up 0.26% (as at 8.00 a.m IST).

- As per the last close, European markets declined on mixed economic data from the Eurozone. Investors also remained on the sidelines ahead of the European Central Bank meeting and U.S. jobs data.

- As per the last close, U.S. markets ended on a mixed note after hovering between gains and losses. Investors were reluctant of taking any firm positions ahead of the U.S. monthly jobs data on Friday. Investor's shrugged-off some U.S. economic data releases like Chicago-area business activity in May that was lower than expected.

Indian Equity Market

- Indian equity market closed in the red as investors remained on sidelines ahead of the GDP data for the fourth quarter and financial year ended Mar 31, 2016, scheduled later during the day. Lower than expected quarterly results from a pharma giant weighed on investor sentiment.

- Both the key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.22% each to close at 26,667.96 points and 8,160.10 points, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap slipped 0.18% and 0.14%, respectively.

- On the BSE sectoral front, majority of the indices closed in the red. S&P BSE Telecom was the major laggard, down 1.44%, followed by S&P BSE Healthcare and S&P BSE IT, which slipped 1.39% and 1.24%, respectively. S&P BSE Teck and S&P BSE FMCG dropped 1.23% and 1.21%, respectively. IT stocks dropped on account of profit booking. S&P BSE Auto was the top gainer, up 2.34%, followed by S&P BSE Industrials and S&P BSE Metal, which gained 1.68% and 1.16%, respectively. Auto sector gained ahead of May sales numbers.

Domestic News

- Government data showed that growth rate of the Indian economy accelerated to 7.9% in the fourth quarter of FY16 from a downwardly revised growth rate of 7.2% in the previous quarter. Growth for FY16 stood at 7.6%. Growth in the first quarter of FY16 was revised down to 7.5% from 7.6%, while that in the second quarter was revised down to 7.6% from 7.7%. Agriculture output grew 2.3% during the quarter as against contraction of 1.7% in same quarter last fiscal. The manufacturing sector grew 9.3% during the quarter compared with 6.6% increase in the same quarter of the previous year.

- Government data showed that fiscal deficit in Apr 2016 came in at Rs. 1.37 lakh crore, making up for 25.7% of the budget estimate for FY17. Fiscal Deficit in 2015-16 stands at 3.9% of GDP as estimated both in Budget Estimate and Revised Estimate of 2015-16. This is better than the fiscal deficit of 4.1% in 2014-15 and 4.7% in 2013-14. Total expenditure of the government in Apr stood at Rs. 1.62 lakh crore, or 8.2% of the budget estimate, while the total revenue collection was Rs. 22,075 crore, or 1.6% of the estimate. The revenue deficit during the month was Rs. 1.19 lakh crore, or 33.6% of the budget estimate. Planned expenditure stood at Rs. 45,543 crore, while non-plan expenditure stood at Rs. 1,16,442 crore.

- Government data showed that the core sector output rose for the fifth consecutive month in Apr 2016 with a growth of 8.5% during the month under review, compared with a contraction of 0.2% in the same period of the previous year. Core sector output growth was 6.4% in the previous month. The improvement can be attributed to increase of 17.9% and 14.7% in the refinery products sector and the electricity sector, respectively, marking the highest rate of growth over the year.

- Aurobindo Pharma Ltd reported its fourth-quarter 2016 consolidated net profit of Rs. 563 crore, which grew 39.39% YoY.

FII Derivative Trade Statistics	31-May		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1867.42	1311.48	17794.41
Index Options	20743.96	19502.39	50482.78
Stock Futures	4190.67	4568.80	49012.95
Stock Options	3051.85	2962.86	2395.60
Total	29853.90	28345.53	119685.74

Derivative Statistics- Nifty Options	31-May	Prev_Day	Change
Put Call Ratio (OI)	1.02	1.03	-0.01
Put Call Ratio(Vol)	0.99	0.98	0.01

Debt Watch	31-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.41%	6.48%	6.55%	7.56%
CBLO	6.45%	6.60%	5.37%	7.54%
Repo	6.50%	6.50%	6.50%	7.50%
Reverse Repo	6.00%	6.00%	6.00%	6.50%
91 Day T-Bill	6.80%	6.81%	6.78%	7.74%
364 Day T-Bill	6.90%	6.81%	6.88%	7.75%
10 Year Gilt	7.47%	7.47%	7.44%	7.64%
G-Sec Vol. (Rs.Cr)	19799	37909	68963	64611
1 Month CP Rate	7.75%	7.74%	7.88%	8.10%
3 Month CP Rate	7.98%	7.98%	8.16%	8.23%
5 Year Corp Bond	8.10%	8.08%	8.07%	8.41%
1 Month CD Rate	6.88%	6.99%	7.12%	7.87%
3 Month CD Rate	7.20%	7.19%	7.32%	7.97%
1 Year CD Rate	7.48%	7.51%	7.46%	8.27%

Currency Market	31-May	Prev_Day	Change
USD/INR	67.20	67.34	-0.14
GBP/INR	98.65	98.44	0.22
EURO/INR	74.79	74.84	-0.05
JPY/INR	0.60	0.60	0.00

Commodity Prices	31-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	49.10	48.04	49.87	60.25
Brent Crude(\$/bl)	48.96	48.62	49.98	62.86
Gold(\$/oz)	1215	1227	1214	1190
Gold(Rs./10 gm)	28615	29493	28615	26843

Source: ICRON Research

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Derivatives Market

- Nifty Jun 2016 Futures were at 8,190.90 points, a premium of 30.80 points, over the spot closing of 8,160.10. The turnover on NSE's Futures and Options segment moved up from Rs. 1,62,042.69 crore on May 30 to Rs. 1,86,577.16 crore on May 31.
- The Put-Call ratio remained unchanged from the previous session's close and stood at 0.90.
- The Nifty Put-Call ratio remained unchanged from the previous session's close and stood at 1.03.
- The open interest on Nifty Futures stood at 22.94 million, compared with the previous session's close of 22.88 million.

Indian Debt Market

- Bonds yields rose as investors remained on the sidelines ahead of the Reserve Bank of India's (RBI) monetary policy review due next week. Investors also awaited the arrival of annual monsoon rainfall, which could provide further cues on the inflationary situation going forward.
- Yield on 10-year benchmark bond (7.59% GS 2026) rose 1 bps to close at 7.47%, compared with the previous day's close of 7.46%. During the session, bond yields traded in the region of 7.46% to 7.48%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility stood at Rs. 8,785 crore (gross), compared with borrowings of Rs. 9,946 crore (gross) on May 30. Sale of securities by RBI under reverse repo stood at Rs. 3,232 crore on May 30.

Currency Market Update

- The Indian rupee weakened against the U.S. dollar following losses in the domestic equity market. Month-end dollar demand from oil importers expanded the rupee's loss. The rupee fell 0.15% to close at 67.26 per dollar from the previous day's close of 67.16.
- The euro gained against the U.S. dollar following weaker than expected U.S. Chicago PMI data for May 2016. However, gains were capped after the U.S. personal spending data came better than expected in Apr 2016. Euro was trading at \$1.1167, up 0.21% from the previous day's close of \$1.1144.

Commodity Market Update

- Gold prices inched higher as the greenback weakened against the euro following lower than expected U.S. Chicago PMI data for May 2016.
- Brent crude prices, though hovering around the \$50-per barrel mark, dropped as investors expected supply from the Middle East to go up.

International News

- According to Eurostat, eurozone jobless rate stood unchanged at 10.2% in Apr 2016, in line with expectations. The number of unemployed in the eurozone declined by 63,000 to 16.42 million in Apr as compared with the decline of 1.309 million during the same period last year.
- As per the flash estimate by Eurostat, eurozone consumer prices fell 0.1% YoY in May 2016 as compared with 0.2% decline in Apr 2016, registering the second consecutive decline in prices.
- According to the data from Destatis, Germany's retail sales fell unexpectedly by 0.9% in Apr 2016 as compared with fall of 1.4% in Mar 2016. However, on a yearly basis, retail sales increased 2.3% in Apr, faster than the 0.6% increase in Mar.