

### Indices Performance

Global Indices	01-Jun	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	17,790	17,787	2	0.01
Nasdaq	4,952	4,948	4	0.08
FTSE	6,192	6,231	-39	-0.62
Nikkei	16,956	17,235	-279	-1.62
Hang Seng	20,761	20,815	-54	-0.26
Indian Indices	01-Jun	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	26,714	26,668	46	0.17
Nifty 50	8,180	8,160	20	0.24
Nifty 100	8,273	8,255	18	0.22
Nifty Bank	17,423	17,621	-197	-1.12
SGX Nifty	8,197	8,189	9	0.10
S&P BSE Power	1,863	1,872	-9	-0.46
S&P BSE Small Cap	11,163	11,142	21	0.18
S&P BSE HC	15,231	15,246	-15	-0.10

### P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
1-Jun	19.50	1.46	22.65	1.31
Month Ago	19.38	1.50	21.24	1.37
Year Ago	20.17	1.35	23.25	1.39

### Nifty 50 Top 3 Gainers

Company	01-Jun	Prev_Day	% Change <sup>#</sup>
Adani Ports & SEZ	202	192	5.28
Asian Paints	1022	985	3.74
Bharti Airtel	363	351	3.37

### Nifty 50 Top 3 Losers

Company	01-Jun	Prev_Day	% Change <sup>#</sup>
SBI	198	205	-3.27
Vedanta	105	109	-3.22
PNB	77	79	-2.91

### Advance Decline Ratio

	BSE	NSE
Advances	1313	873
Declines	1327	684
Unchanged	152	76

### Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	20	15473
MF Flows**	164	8808

\*1<sup>st</sup> Jun 2016; \*\*30<sup>th</sup> 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

- Most of the Asian markets closed in the red as final reading of a private survey showed that Chinese manufacturing activity continued to contract for the 15 consecutive months in May 2016. Japanese bourses were hit as latest survey from Nikkei showed that manufacturing activities in Japan contracted for a third consecutive month in May. Today, (as on June 02) Asian indices were mostly trading down ahead of the European Central Bank meeting and U.S. ADP jobs report. While Nikkei Average was trading down 1.79%, Hang Seng was up 0.03% (as at 8.00 a.m IST).
- As per the last close, European markets fell for the second consecutive day on concerns over Brexit from the European Union (EU). The latest poll showed a surprise lead by participants favouring exit from EU ahead of the referendum.
- As per the last close, U.S. markets were little changed after recovering from the initial fall. The recovery was supported by surprisingly better than expected U.S. ISM manufacturing activity in May. Crude oil prices recovered from intraday losses, further contributed to the upside. However, downbeat China's manufacturing data offset the gains.

### Indian Equity Market

- Indian equity market closed in the green amid a series of encouraging macro economic data. GDP data for the fourth quarter and financial year ended Mar 31, 2016 was better than market expectation, while the fiscal deficit of 3.9% (as a % of GDP) for FY16 was as per expectations.
- Growth in the eight core sectors jumped in Apr 2016, owing to jump in refinery products sector and a rise in electricity generation. Final reading of a private survey showed steady growth in the Indian manufacturing sector in May 2016.
- However, gains were restricted as market participants maintained a cautious stance ahead of the Reserve Bank of India's upcoming policy review meeting, scheduled on June 7.
- Key benchmark indices S&P BSE Sensex and Nifty 50 went up 0.17% and 0.24% to close at 26,713.93 points and 8,179.95 points, respectively. S&P BSE Mid-Cap slipped 0.30%, while S&P BSE Small-Cap went up 0.18%.
- The overall market breadth on BSE was weak with 1,327 scrips declining and 1,313 scrips advancing. A total of 152 scrips remained unchanged.

### Domestic News

- India's Nikkei/Markit manufacturing Purchasing Managers' Index (PMI) registered its slowest growth in five months to stand at 50.7 in May 2016, compared with 50.5 in April 2016. New orders increased slightly, mostly driven by the domestic market while new business from abroad fell for the first time since Sep 2013.
- The Union government has included Krishi Kalyan Cess of 0.5% on all taxable services, effective from Jun 1. With this, total service tax will add up to 15%. The proceeds will be exclusively used for financing in the agricultural sector, for the welfare of farmers.
- The government has increased price of non-subsidised cooking gas by Rs. 21 per cylinder, which became effective from the midnight of May 31. Earlier, price hike of Rs. 14.2 per cylinder was seen on Nov 2015.
- The oil marketing companies has increased the petrol prices by Rs. 2.58 a litre and diesel prices by Rs. 2.26 per litre. The hike was made in order to bring the domestic rates of the automobile fuels in line with global prices.
- The Reserve Bank of India gave its approval to Axis Bank for raising foreign shareholding to up to 62% in the company, from the earlier limit of 49%.
- ONGC Videsh Ltd. announced completion of acquisition of a 15% stake in Russia's second biggest oil field of Vankor from Rosneft for \$1.268 billion. According to media reports, this is its fourth biggest acquisition.
- Maruti Suzuki India has reported increase in domestic sales of 10.6% YoY in May 2016. Sales increased due to high demand for new launches. Sales of small cars declined whereas demand for compact cars increased.
- Mahindra & Mahindra reported 11% YoY increase in net sales in May 2016. Domestic sales grew 10% and overseas sales grew 21% in the month under review.

FII Derivative Trade Statistics	01-Jun		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2939.49	2340.69	17398.05
Index Options	20768.31	20831.65	51512.14
Stock Futures	9428.14	9681.99	50666.28
Stock Options	3269.50	3319.47	2964.75
<b>Total</b>	<b>36405.44</b>	<b>36173.80</b>	<b>122541.22</b>

Derivative Statistics- Nifty Options			
	01-Jun	Prev_Day	Change
Put Call Ratio (OI)	1.02	1.04	-0.02
Put Call Ratio(Vol)	0.99	1.06	-0.07

Debt Watch				
	01-Jun	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.32%	6.49%	6.55%	7.41%
CBLO	6.25%	6.59%	5.37%	7.59%
Repo	6.50%	6.50%	6.50%	7.50%
Reverse Repo	6.00%	6.00%	6.00%	6.50%
91 Day T-Bill	6.75%	6.82%	6.78%	7.76%
364 Day T-Bill	6.90%	6.93%	6.88%	7.75%
10 Year Gilt	7.49%	7.46%	7.44%	7.64%
G-Sec Vol. (Rs.Cr)	29391	21165	68963	29074
1 Month CP Rate	7.74%	7.71%	7.88%	8.09%
3 Month CP Rate	7.96%	7.96%	8.16%	8.25%
5 Year Corp Bond	8.10%	8.08%	8.07%	8.39%
1 Month CD Rate	7.06%	6.97%	7.12%	7.87%
3 Month CD Rate	7.18%	7.18%	7.32%	7.89%
1 Year CD Rate	7.47%	7.48%	7.46%	8.22%

Currency Market			
Currency	01-Jun	Prev_Day	Change
USD/INR	67.35	67.20	0.15
GBP/INR	97.53	98.65	-1.12
EURO/INR	74.96	74.79	0.17
JPY/INR	0.61	0.60	0.01

Commodity Prices				
Currency	01-Jun	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	49.07	49.10	45.98	60.24
Brent Crude(\$/bl)	48.51	49.07	45.29	62.57
Gold( \$/oz)	1212	1224	1293	1189
Gold(Rs./10 gm)	28742	28980	29918	26772

Source: ICRON Research

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### Derivatives Market

- Nifty Jun 2016 Futures were at 8,194.55 points, a premium of 14.60 points, over the spot closing of 8,179.95. The turnover on NSE's Futures and Options segment moved down from Rs. 1,86,577.16 crore on May 31 to Rs. 1,81,000.38 crore on Jun 1.
- The Put-Call ratio stood at 0.93, compared with the previous session's close of 0.90.
- The Nifty Put-Call ratio stood at 1.05, compared with the previous session's close of 1.03.
- The open interest on Nifty Futures stood at 22.97 million, compared with the previous session's close of 22.94 million.

### Indian Debt Market

- Bonds yields rose following weakness in the domestic currency against the greenback. Concerns over potential interest rate hike in the U.S. and speculations that high domestic inflationary pressure will prevent the Reserve Bank of India (RBI) to ease its monetary policy further weighed on investor sentiment.
- Yield on 10-year benchmark bond (7.59% GS 2026) rose 2 bps to close at 7.49%, compared with the previous day's close of 7.47%. During the session, bond yields traded in the region of 7.47% to 7.49%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility stood at Rs. 2,703 crore (gross), compared with borrowings of Rs. 8,785 crore (gross) on May 31. Sale of securities by RBI under reverse repo stood at Rs. 7,790 crore on May 31.

### Currency Market Update

- The Indian rupee rose initially against the U.S. dollar on upbeat domestic economic data. However, the trend reversed due to higher dollar demand from oil importers. But central bank's intervention restricted further losses. The rupee fell 0.28% to close at 67.45 per dollar from the previous day's close of 67.26.
- The euro gained against the U.S. dollar as investors remained cautious ahead of the release of U.S. manufacturing activity data. Euro was trading at \$1.1179, up 0.45% from the previous day's close of \$1.1129.

### Commodity Market Update

- Gold prices moved up since investors awaited the release of crucial U.S. data later in the day.
- Brent crude prices went down as investors chose to wait for the OPEC meeting scheduled to take place in Vienna later this week.

### International News

- According to report released by the Commerce Department, U.S. personal spending has increased more than expected by 1% in Apr 2016 after remaining unchanged in Mar 2016. Real spending increased 0.6% and personal income increased 0.4% in Apr.
- According to a survey from Caixin, manufacturing PMI of China decreased to 49.2 in May 2016, in line with expectations, from 49.4 in Apr 2016. Weak demand conditions in both purchasing activity and inventory holding were the reasons behind the fall. The index dropped for the 15 months in a row.