

Indices Performance

Global Indices	02-Jun	Prev_Day	Abs. Change	% Change [#]
Dow Jones	17,839	17,790	49	0.27
Nasdaq	4,971	4,952	19	0.39
FTSE	6,186	6,192	-6	-0.10
Nikkei	16,563	16,956	-393	-2.32
Hang Seng	20,859	20,761	98	0.47
Indian Indices	02-Jun	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	26,843	26,714	129	0.48
Nifty 50	8,219	8,180	39	0.48
Nifty 100	8,314	8,273	42	0.51
Nifty Bank	17,568	17,423	144	0.83
SGX Nifty	8,221	8,197	24	0.29
S&P BSE Power	1,869	1,863	6	0.33
S&P BSE Small Cap	11,196	11,163	33	0.29
S&P BSE HC	15,168	15,231	-63	-0.42

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
2-Jun	19.64	1.45	22.76	1.31
Month Ago	19.28	1.50	21.25	1.38
Year Ago	19.61	1.39	22.71	1.43

Nifty 50 Top 3 Gainers

Company	02-Jun	Prev_Day	% Change [#]
Coal India	307	297	3.42
Yes Bank	1049	1018	3.06
Hindalco	106	103	2.86

Nifty 50 Top 3 Losers

Company	02-Jun	Prev_Day	% Change [#]
Wipro	540	555	-2.54
HCL Tech	721	735	-1.80
Cairn India	141	144	-1.50

Advance Decline Ratio

	BSE	NSE
Advances	1230	767
Declines	1400	785
Unchanged	157	77

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	344	15817
MF Flows**	16	8824

*2nd Jun 2016; **1st Jun 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

- Asian markets were mostly mixed. Investors preferred to be on the sidelines ahead of the European Central Bank's (ECB) meeting, U.S. government's official jobs report, and ADP payroll data. The jobs data is expected to provide clues whether the Federal Open Market Committee would raise interest rates at the upcoming meeting. Chinese bourse gained despite unimpressive economic data. Strong yen weighed on Japanese bourse. Today, (as on June 03) Asian indices were mostly trading up ahead of the U.S. jobs data. While Nikkei Average was trading steady, Hang Seng was up 0.39% (as at 8.00 a.m IST).
- As per the last close, European markets closed on a mixed note after hovering between gains and losses. Energy companies were in pressure after the OPEC meeting failed to result in an agreement to restrict output. The European Central Bank kept interest rate unchanged.
- As per the last close, U.S. markets gained after falling initially. Initial fall was due to decline in crude oil prices after OPEC meeting failed to arrive at an agreement to restrict output. However, markets ended higher on hopes of upbeat U.S. jobs data for May to be announced on Friday.

Indian Equity Market

- Indian equity market recouped early losses to close in the green. Investors remained cautious ahead of the meetings of the European Central Bank and Organization of the Petroleum Exporting Countries, scheduled later during the day. Nevertheless, encouraging GDP numbers and core sector data acted as positive catalysts for the market.
- Both the key benchmark indices S&P BSE Sensex and Nifty 50 went up 0.48% each to close at 26,843.14 points and 8,218.95 points, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap gained 0.66% and 0.29%, respectively.
- The overall market breadth on BSE was weak 1,400 scrips declining and 1,230 scrips advancing. A total of 157 scrips remained unchanged.
- On the BSE sectoral front, barring S&P BSE Consumer Durables and S&P BSE Healthcare, all the indices closed in the green. S&P BSE Metal was the top gainer, up 1.99%, followed by S&P BSE Finance and S&P BSE Bankex, which went up 0.93% and 0.92%, respectively. S&P BSE Capital Goods and S&P BSE Basic Materials went up 0.80% and 0.78%, respectively.

Domestic News

- According to the Organisation for Economic Cooperation and Development (OECD), India's growth rate is expected to hover near 7.5% this year as well as in the next year. The growth would come from higher infrastructure spending and robust demand growth. However, the OECD has cautioned against the rising non-performing assets in the banking sector in several countries, including India.
- According to the Economic Affairs Secretary, Indian economy could touch 8% growth rate in FY17 on the back of a good monsoon. He has also mentioned that the overall macroeconomic data and fiscal parameters of the country are very robust.
- According to the finance minister, India's gross domestic product could reach \$5 trillion in few years due to the reformatory measures of the government. He opined that reforms will accelerate India's economic growth and help it evolve as a developed economy.
- The finance minister intends to bring the Goods and Services Tax bill to Rajya Sabha in the next session (starting Jul 2016). He added that all supporting legislations required will be in place by the end of the current financial year.
- Hydel power generator NHPC has reported its fourth-quarter and fiscal 2016 results. Standalone net profit for the full fiscal grew 15% YoY to Rs. 2,440 crore. Net revenue increased 9% YoY to Rs. 7,347 crore, driven by highest ever unit of power generation.
- Yes Bank is planning to raise \$1 billion from foreign investors in the FY17, after receiving the government's approval for increasing foreign investment limit to 74%.

FII Derivative Trade Statistics	02-Jun		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1475.96	1762.50	17672.80
Index Options	21995.71	21645.72	53771.42
Stock Futures	5029.87	4469.12	51586.40
Stock Options	2667.55	2618.05	3373.76
Total	31169.09	30495.39	126404.38

Derivative Statistics- Nifty Options			
	02-Jun	Prev_Day	Change
Put Call Ratio (OI)	1.05	1.04	0.01
Put Call Ratio(Vol)	1.05	1.06	0.00

Debt Watch				
	02-Jun	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.28%	6.33%	6.47%	7.24%
CBLO	6.24%	6.52%	6.54%	7.15%
Repo	6.50%	6.50%	6.50%	7.25%
Reverse Repo	6.00%	6.00%	6.00%	6.25%
91 Day T-Bill	6.81%	6.82%	6.75%	7.65%
364 Day T-Bill	6.88%	6.92%	6.88%	7.73%
10 Year Gilt	7.49%	7.47%	7.44%	7.72%
G-Sec Vol. (Rs.Cr)	28491	28271	41946	50101
1 Month CP Rate	7.80%	7.73%	7.84%	8.03%
3 Month CP Rate	7.99%	7.98%	8.16%	8.20%
5 Year Corp Bond	8.13%	8.09%	8.06%	8.46%
1 Month CD Rate	7.03%	6.96%	7.12%	7.85%
3 Month CD Rate	7.15%	7.17%	7.33%	7.89%
1 Year CD Rate	7.47%	7.46%	7.45%	8.21%

Currency Market			
Currency	02-Jun	Prev_Day	Change
USD/INR	67.25	67.35	-0.10
GBP/INR	97.05	97.53	-0.49
EURO/INR	75.30	74.96	0.34
JPY/INR	0.62	0.61	0.00

Commodity Prices				
Currency	02-Jun	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	49.14	49.00	44.75	61.30
Brent Crude(\$/bl)	48.75	49.72	45.08	62.84
Gold(\$/oz)	1210	1220	1291	1193
Gold(Rs./10 gm)	28678	29003	30209	26914

Source: ICRON Research

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Derivatives Market

- Nifty Jun 2016 Futures were at 8,243.25 points, a premium of 24.30 points, over the spot closing of 8,218.95. The turnover on NSE's Futures and Options segment moved up from Rs. 1, 81,000.38 crore on Jun 1 to Rs. 2,30,050.98 crore on Jun 2.
- The Put-Call ratio stood at 0.90, compared with the previous session's close of 0.93.
- The Nifty Put-Call ratio remained unchanged, compared with previous session, at 1.05.
- The open interest on Nifty Futures stood at 23.13 million, compared with the previous session's close of 22.97 million.

Indian Debt Market

- Bonds yields closed unchanged as investors awaited the outcome of the weekly debt auction due on Jun 3. Investors also remained cautious ahead of the U.S. jobs data for May 2016 due on Jun 3.
- Yield on 10-year benchmark bond (7.59% GS 2026) closed unchanged at 7.49%. 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. 2,703 crore (gross) on Jun 1. Sale of securities by the Reserve Bank of India (RBI) under reverse repo stood at Rs. 11,259 crore on Jun 1.
- Banks borrowed Rs. 75 crore under the central bank's Marginal Standing Facility window on Jun 1, compared to that of May 31 when they borrowed none.

Currency Market Update

- The Indian rupee strengthened against the U.S. dollar following gains in most of the Asian counterparts ahead of the U.S. non-farm payrolls data for May due on Jun 3. The rupee gained 0.23% to close at 67.29 per dollar from the previous close of 67.45.
- Euro weakened against the U.S. dollar following unexpected fall in the U.S weekly jobless claims for the week ended May 28. Increase in private employment growth in the U.S. in May, which was in line with expectations, further boosted the greenback. Euro was trading at \$1.1165 down 0.18% compared with the previous close of \$1.1185.

Commodity Market Update

- Gold prices moved up ahead of ECB meeting, U.S. government's official jobs report, and ADP payroll data.
- Brent crude prices increased on expectations that Saudi Arabia and its Gulf allies would propose to set a new production ceiling in an attempt to curb oversupply situation.

International News

- According to data published by the Organization for Economic Cooperation and Development (OECD), consumer prices grew 0.8% YoY in Apr 2016, in the same pace as it was in the previous month.
- According to Federal Reserve's latest Biege Book, the U.S. economy continued to recover at a modest pace. Energy sector continued to decline despite recovery in oil prices. Manufacturing sector lagged but auto sales improved. Labour market tightened across most of the U.S., which resulted in increase of wages for many workers.
- A report from the Institute for Supply Management showed that Purchasing Managers' Index (PMI) of the U.S. manufacturing sector grew unexpectedly. The index inched up to to 51.3 in May 2016 from 50.8 in Apr 2016.