

Indices Performance

| Global Indices | 16-Jun | Prev_Day | Abs. Change | % Change [#] |
|-------------------|--------|----------|-------------|-----------------------|
| Dow Jones | 17,733 | 17,640 | 93 | 0.53 |
| Nasdaq | 4,845 | 4,835 | 10 | 0.21 |
| FTSE | 5,950 | 5,967 | -16 | -0.27 |
| Nikkei | 15,434 | 15,920 | -485 | -3.05 |
| Hang Seng | 20,038 | 20,468 | -429 | -2.10 |
| Indian Indices | 16-Jun | Prev_Day | Abs. Change | % Change [#] |
| S&P BSE Sensex | 26,525 | 26,726 | -201 | -0.75 |
| Nifty 50 | 8,141 | 8,207 | -66 | -0.80 |
| Nifty 100 | 8,244 | 8,301 | -58 | -0.70 |
| Nifty Bank | 17,671 | 17,918 | -247 | -1.38 |
| SGX Nifty | 8,141 | 8,223 | -82 | -0.99 |
| S&P BSE Power | 1,951 | 1,961 | -10 | -0.49 |
| S&P BSE Small Cap | 11,402 | 11,464 | -62 | -0.55 |
| S&P BSE HC | 14,962 | 15,025 | -63 | -0.42 |

P/E Dividend Yield

| Date | Sensex | | Nifty | |
|-----------|--------|------------|-------|------------|
| | P/E | Div. Yield | P/E | Div. Yield |
| 16-Jun | 19.42 | 1.48 | 22.35 | 1.28 |
| Month Ago | 18.93 | 1.50 | 21.54 | 1.37 |
| Year Ago | 21.34 | 1.27 | 22.30 | 1.48 |

Nifty 50 Top 3 Gainers

| Company | 16-Jun | Prev_Day | % Change [#] |
|----------|--------|----------|-----------------------|
| PNB | 93 | 90 | 2.89 |
| Hindalco | 119 | 116 | 2.85 |
| Vedanta | 122 | 120 | 2.30 |

Nifty 50 Top 3 Losers

| Company | 16-Jun | Prev_Day | % Change [#] |
|---------------|--------|----------|-----------------------|
| ICICI Bank | 239 | 248 | -3.59 |
| Maruti | 4084 | 4210 | -2.98 |
| Ultratech Cem | 3282 | 3364 | -2.43 |

Advance Decline Ratio

| | BSE | NSE |
|-----------|------|------|
| Advances | 542 | 940 |
| Declines | 1036 | 1650 |
| Unchanged | 69 | 176 |

Institutional Flows (Equity)

| Description (Cr) | Inflow/Outflow | YTD |
|------------------|----------------|-------|
| FII Flows* | -81 | 19848 |
| MF Flows** | 211 | 9482 |

*16th Jun 2016; **15th Jun 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 closed in the red after the Bank of Japan (BoJ) refrained from taking further stimulus measures in its latest monetary policy review. Concerns over Britain's exit from the European Union and fall in crude oil prices further weighed on sentiment. The overnight U.S. market remained muted as the investors were worried due to Brexit and a drop in the U.S. industrial production for May 2016. Both Nikkei Average and Hang Seng traded higher by 1.44% and 0.93%, respectively (as at 8:00 am IST).

• As per the last close, European markets dropped as continued pull back in crude oil prices and concerns over a potential "Brexit" weighed on investor sentiments. Buying interest was also impacted by the policy decision of Bank of England, which unanimously decided to maintain the monetary policy as they keenly await the outcome of the referendum on EU membership.

• As per the last close, U.S. markets went up as investors bought stocks at reduced levels after the major indices hit their lowest intraday levels in almost a month.

Indian Equity Market

• In line with other Asian markets, Indian equity market fell after the Bank of Japan refrained from taking further stimulus steps. Concerns over Britain's potential exit from the European Union also weighed on sentiment.

• Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.75% and 0.80% to close at 26,525.46 points and 8,140.75 points, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap also fell 0.37% and 0.55%, respectively.

• The overall market breadth on BSE was weak with 1,036 scrips declining and 542 scrips advancing. A total of 69 scrips remained unchanged.

• On the BSE sectoral front, S&P BSE Telecom (-2.21%) stood as the major laggard followed by S&P BSE Bankex (2.21%) and S&P BSE Capital Goods (-1.02%). S&P BSE Finance and S&P BSE Auto fell 0.93% and 0.92%, respectively. S&P Metal was the top gainer closing higher with 0.41%.

Domestic News

• Government data showed that India's current account deficit (CAD) narrowed sharply to \$0.3 billion (0.1% of GDP) in Q4 of FY16 from \$7.1 billion (1.3% of GDP) in Q3 of FY16 and marginally lower than \$0.7 billion (0.1% of GDP) in Q4 of FY15. The contraction in CAD came as trade deficit narrowed to \$24.8 billion in Q4 of FY16 from \$31.6 billion in the same period of last year and \$34.0 billion in the previous quarter. CAD narrowed to 1.1% of GDP in FY16 from 1.8% in FY15 as the trade deficit narrowed to \$130.1 billion in FY16 from \$144.9 billion in FY15.

• The government announced measures in order to provide support to the chemicals and petrochemicals sector. The measures include setting up of chemical hubs across the country, giving early environment clearances for brownfield expansion in existing clusters, providing adequate infrastructure in coordination with states, and establishment of an institute for addressing issues related to human resources.

• The government has decided to import more pulses from Myanmar and Africa so as to restrict rising prices following a weak start to the monsoon. The government is also keeping a tab on prices of sugar, wheat, tomato, and other essential food items as retail inflation rose to nearly a two-year high level in May 2016.

• The government is monitoring the situation that may arise following Britain's possible exit from the European Union. India has significant trade with Britain and the European Union and receives substantial investment from Europe. According to the Indian government, "Brexit" may have adverse implications on global financial markets and exchange rates.

• A global rating agency has revised Tata Power's outlook to negative from stable on the Ba3 corporate family rating and senior unsecured rating following the company's decision to buy Welspun Renewables Energy's shares for Rs. 9,250 crore.

| FII Derivative Trade Statistics | 16-Jun | | |
|---------------------------------|----------|----------|-----------|
| (Rs Cr) | Buy | Sell | Open Int. |
| Index Futures | 1260.67 | 1899.40 | 14562.88 |
| Index Options | 21642.03 | 20838.03 | 67547.69 |
| Stock Futures | 4186.60 | 4413.75 | 53569.97 |
| Stock Options | 2838.25 | 2786.18 | 5427.67 |
| Total | 29927.55 | 29937.36 | 141108.21 |

| Derivative Statistics- Nifty Options | 16-Jun | Prev_Day | Change |
|--------------------------------------|--------|----------|--------|
| Put Call Ratio (OI) | 1.09 | 1.14 | -0.05 |
| Put Call Ratio(Vol) | 0.96 | 0.97 | -0.01 |

| Debt Watch | 16-Jun | Wk. Ago | Mth. Ago | Year Ago |
|--------------------|--------|---------|----------|----------|
| Call Rate | 6.37% | 6.42% | 6.41% | 6.96% |
| CBLO | 6.48% | 6.48% | 6.55% | 7.21% |
| Repo | 6.50% | 6.50% | 6.50% | 7.25% |
| Reverse Repo | 6.00% | 6.00% | 6.00% | 6.25% |
| 91 Day T-Bill | 6.74% | 6.79% | 6.67% | 7.71% |
| 364 Day T-Bill | 6.89% | 6.92% | 6.88% | 7.71% |
| 10 Year Gilt | 7.51% | 7.49% | 7.45% | 7.88% |
| G-Sec Vol. (Rs.Cr) | 36979 | 24157 | 23334 | 30818 |
| 1 Month CP Rate | 7.66% | 7.71% | 7.76% | 7.98% |
| 3 Month CP Rate | 7.83% | 7.91% | 8.05% | 8.14% |
| 5 Year Corp Bond | 8.09% | 8.10% | 8.08% | 8.63% |
| 1 Month CD Rate | 6.92% | 7.02% | 7.06% | 7.75% |
| 3 Month CD Rate | 6.94% | 7.01% | 7.32% | 7.81% |
| 1 Year CD Rate | 7.46% | 7.47% | 7.46% | 8.15% |

| Currency Market | 16-Jun | Prev_Day | Change |
|-----------------|--------|----------|--------|
| USD/INR | 67.21 | 67.16 | 0.05 |
| GBP/INR | 95.24 | 95.11 | 0.13 |
| EURO/INR | 75.82 | 75.29 | 0.53 |
| JPY/INR | 0.65 | 0.63 | 0.01 |

| Commodity Prices | 16-Jun | Wk Ago | Mth. Ago | Year Ago |
|--------------------|--------|--------|----------|----------|
| NYMEX Crude(\$/bl) | 46.14 | 50.52 | 47.72 | 60.01 |
| Brent Crude(\$/bl) | 45.06 | 50.44 | 48.49 | 59.30 |
| Gold(\$/oz) | 1279 | 1268 | 1273 | 1181 |
| Gold(Rs./10 gm) | 30598 | 29154 | 29998 | 26846 |

Source: ICRON Research

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Derivatives Market

- Nifty Jun 2016 Futures were at 8,158.75 points, a premium of 18.00 points, over the spot closing of 8,140.75. The turnover on NSE's Futures and Options segment went up from Rs. 2,52,993.31 crore on Jun 15 to Rs. 4,10,601.86 crore on Jun 16.
- The Put-Call ratio stood at 0.87, compared with the previous session's close of 0.93.
- The Nifty Put-Call stood at 1.10, compared with the previous session's close of 1.15.
- The open interest on Nifty Futures stood at 20.69 million, compared with the previous session's close of 19.29 million.

Indian Debt Market

- Bond yields fell after the U.S. Federal Reserve maintained status quo on interest rates and indicated lower chances of interest rates hikes in the near future.
- Yield on 10-year benchmark bond (7.59% GS 2026) fell 1 bps to close at 7.51% compared with the previous close of 7.52%. During the session, bond yields traded in the region of 7.50% to 7.51%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility stood at Rs. 5,245 crore (gross), compared with net borrowings of Rs. 13,884 crore on Jun 15. Sale of securities by the Reserve Bank of India (RBI) under the reverse repo window stood at Rs. 2,300 crore on Jun 15.
- Banks did not borrow under the central bank's Marginal Standing Facility on Jun 15, compared with Rs. 40 crore borrowed on Jun 14.

Currency Market Update

- The Indian rupee weakened against the U.S. dollar following losses in the domestic equity market. Demand of the greenback from banks and importers further weighed on the domestic currency. The rupee fell marginally 0.09% to close at 67.21 from the previous close of 67.15.
- The euro plunged to a two-week low level against the greenback amid persisting worries over Britain's possible exit from the eurozone. Euro was trading down 0.99% at \$1.1145 compared with the previous close of \$1.12576.

Commodity Market Update

- Gold prices increased as the U.S. Federal Reserve hinted that it could be less stringent in fixing its fiscal policy next year.
- Brent crude prices dropped because investors feared that the U.K. might opt out of the European Union.

International News

The U.S. Federal Reserve kept interest rates unchanged in its monetary policy review following weak jobs report for May 2016, and worries over Britain's potential exit from the European Union. Fed lowered the interest rate projections for 2017 and 2018 and reduced the 2016 GDP forecast to 2% from 2.2%. The Fed chief expressed hopes of a pickup in wage growth and opined that the slowdown in first quarter growth was temporary. The central bank refrained from providing any timeline for raising interest rates.

- In the monetary policy review, Bank of Japan (BoJ) has kept its monetary stimulus unchanged and decided to maintain the -0.1% interest rate on current accounts. It added that the annual inflation might be slightly negative or about 0%, due to the decline in energy prices and growing inflation.