

Indices Performance

Global Indices	06-May	Prev_Day	Abs. Change	% Change [#]
Dow Jones	17,741	17,661	80	0.45
Nasdaq	4,736	4,717	19	0.40
FTSE	6,126	6,117	8	0.14
Nikkei	16,107	Closed	NA	NA
Hang Seng	20,110	20,450	-340	-1.66
Indian Indices	06-May	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	25,229	25,262	-34	-0.13
Nifty 50	7,733	7,736	-2	-0.03
Nifty 100	7,859	7,855	5	0.06
Nifty Bank	16,297	16,281	16	0.10
SGX Nifty	7,749	Closed	NA	NA
S&P BSE Power	1,836	1,825	11	0.58
S&P BSE Small Cap	10,899	10,921	-21	-0.20
S&P BSE HC	15,363	15,496	-133	-0.86

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
6-May	19.07	1.51	20.91	1.39
Month Ago	18.80	1.48	20.91	1.47
Year Ago	19.45	1.42	21.71	1.47

Nifty 50 Top 3 Gainers

Company	06-May	Prev_Day	% Change [#]
GAIL	384	366	4.95
BHEL	127	123	3.26
Tata Power	72	70	2.70

Nifty 50 Top 3 Losers

Company	06-May	Prev_Day	% Change [#]
Dr Reddys Lab	2866	2930	-2.16
Wipro	533	543	-1.84
Adani Ports & SEZ	195	198	-1.74

Advance Decline Ratio

	BSE	NSE
Advances	1102	675
Declines	1421	857
Unchanged	182	90

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-328	12137
MF Flows**	144	2741

*6th May 2016; **4th May 2016

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	-0.85% (Mar-16)	-1.06% (Dec-15)	-2.33% (Mar-15)
IIP	2.00% (Feb-16)	-3.40% (Nov-15)	4.80% (Feb-15)
GDP	7.30 (Dec-15)	7.70 (Sep-15)	6.60 (Dec-14)

Global Indices

- Most of the Asian markets closed in the red after taking lower cues from overnight U.S. markets. Investors also preferred to be on the sidelines ahead of the U.S. jobs data. Chinese market fell on worries over rising bond defaults and concerns over the nation's commodities market. Today (As on May 9), majority of the Asian stocks were positive following rally in crude oil prices. Nikkei Average was trading down 0.34% and Hang Seng was trading down 0.45% (as at 8.00 a.m IST).
- As per the last close, European markets closed mostly in green after remaining in the negative territory during most part of the session. Disappointing U.S. job data increased expectations that the U.S Federal Reserve will hold interest rates in June meeting. Due to this, markets rebounded and closed in green.
- As per the last close, U.S. markets closed on a positive note after an initial fall. Markets fell on the opening session following lower than expected nonfarm payroll data and unemployment rate for Apr. But later on, markets recovered significantly on bargain buying and on hopes that the U.S. Fed will kept rates steady in June meeting.

Indian Equity Market

- Indian equity markets closed on a flattish note amid caution ahead of the release of U.S. jobs data for Apr, which may provide further cues on the U.S. Federal Reserve's stance on interest rate hike. Selling of domestic stocks by foreign portfolio investors also weighed on the markets.
- Key benchmark indices S&P BSE Sensex and Nifty 50 slipped 0.13% and 0.03% to close at 25,228.50 points and 7,733.45 points, respectively. While, S&P BSE Mid-Cap gained 0.37%, S&P BSE Small-Cap dropped 0.20%.
- The overall market breadth on BSE was weak with 1,421 scrips declining and 1,102 scrips advancing. A total of 182 scrips remained unchanged.
- On the BSE sectoral front, majority of the indices closed in the green. S&P BSE Utilities was the top gainer (0.91%) followed by S&P BSE Consumer Durables (0.70%) and S&P BSE Oil & Gas (0.69%). S&P BSE Auto and S&P BSE Power gained 0.61% and 0.58%, respectively. S&P BSE Healthcare was the major laggard, down 0.86%, followed by S&P BSE IT and S&P BSE Teck, which dropped 0.75% and 0.56%, respectively.

Domestic News

- According to the Minister of State for Finance, Foreign Direct Investment (FDI) inflows stood at \$40.82 billion in the first nine months of the FY16, compared with \$44.29 billion in FY15.
- The Reserve Bank of India (RBI) has proposed rules for approving on-tap licence to new universal banks in the private sector. License would be issued to experienced professionals or big non-banking finance firms if they can amass minimum capital of Rs. 500 crore. According to the rule, industrial houses and conglomerates generating more than 40% of total business from non-financial activities will be barred from promoting banks. But, conglomerates with total assets of Rs. 5,000 crore and having 60% of their business in financial services can apply for a banking licence. The universal banks can function as high-street lenders by offering loans, accepting deposits, and carrying out fee-based services.
- The government has disbursed Rs. 9,367.19 crore to the drought-stricken states so far in the FY17, under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA). Total disbursement in the last fiscal stood at Rs. 18,715.01 crore. The government has also relaxed norms under MGNREGA to provide additional employment of 50 days per household over and above the 100 days in areas affected by natural calamities during FY16.
- The Expenditure Management Commission (EMC) was set up by the government to formulate ways to streamline subsidies on food, fertiliser, and oil. According to the Minister of State for Finance, the committee has finally submitted its report, which is currently under scrutiny.
- ICICI Bank has signed a Memorandum of Understanding (MoU) with New Development Bank (NDB). Both the banks will take advantage of their resources and expertise to investigate in the field of bond issuances, co-financing, treasury management, and human resources. ICICI Bank will be the first Indian bank to sign a MoU with NDB.

FII Derivative Trade Statistics	06-May		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1358.17	2351.27	13721.38
Index Options	22015.29	21009.22	56238.97
Stock Futures	4588.12	4485.86	46598.60
Stock Options	2323.89	2346.83	2562.91
Total	30285.47	30193.18	119121.86

Derivative Statistics- Nifty Options	06-May	Prev_Day	Change
Put Call Ratio (OI)	0.79	0.82	-0.03
Put Call Ratio(Vol)	0.82	0.83	-0.01

Debt Watch	06-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.39%	6.55%	6.39%	7.33%
CBLO	6.40%	5.37%	6.36%	7.30%
Repo	6.50%	6.50%	6.50%	7.50%
Reverse Repo	6.00%	6.00%	6.00%	6.50%
91 Day T-Bill	6.82%	6.78%	6.82%	7.96%
364 Day T-Bill	6.88%	6.88%	6.80%	7.90%
10 Year Gilt	7.44%	7.44%	7.46%	7.89%
G-Sec Vol. (Rs.Cr)	43090	68963	75849	35808
1 Month CP Rate	7.82%	7.88%	7.65%	8.43%
3 Month CP Rate	8.20%	8.16%	7.78%	8.73%
5 Year Corp Bond	8.08%	8.07%	8.05%	8.50%
1 Month CD Rate	7.13%	7.12%	7.05%	8.20%
3 Month CD Rate	7.35%	7.32%	7.18%	8.34%
1 Year CD Rate	7.46%	7.46%	7.55%	8.42%

Currency Market	06-May	Prev_Day	Change
Currency			
USD/INR	66.58	66.51	0.07
GBP/INR	96.35	96.59	-0.24
EURO/INR	75.93	76.38	-0.45
JPY/INR	0.62	0.62	0.00

Commodity Prices	06-May	Wk Ago	Mth. Ago	Year Ago
Currency				
NYMEX Crude(\$/bl)	44.58	45.98	37.74	60.93
Brent Crude(\$/bl)	44.25	45.29	37.37	66.07
Gold(\$/oz)	1288	1293	1222	1191
Gold(Rs./10 gm)	30003	29918	29080	26784

Source: ICRON Research

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Derivatives Market

- Nifty May 2016 Futures were at 7,760.25 points, a premium of 26.80 points, over the spot closing of 7,733.45. The turnover on NSE's Futures and Options segment moved down from Rs. 1,97,407.61 crore on May 5 to Rs. 1,81,470.48 crore on May 6.
- The Put-Call ratio remained unchanged from the previous session's close of 0.77.
- The Nifty Put-Call ratio stood at 0.80, compared with the previous session's close of 0.82.
- The open interest on Nifty Futures stood at 19.01 million, compared with the previous session's close of 19.62 million.

Indian Debt Market

- Bond yields were little changed after the weekly government auction was fully subscribed. Investors were cautious ahead of the U.S. unemployment and non-farm payroll data for Apr period.
- The Reserve Bank of India conducted the auction of four government securities namely 7.35% Government Stock (GS) 2024, New Government Stock 2030, 7.73% GS, 2034, and 8.13% GS 2045 for a notified amount of Rs. 15,000 crore. The cut-off rates for the securities stood at Rs. 98.52 (7.60%), 7.61%, Rs. 99.65 (7.76%), and Rs. 103.06 (7.86%), respectively.
- RBI announced to conduct open market operations (OMO) to purchase government securities for an aggregate amount of Rs. 10,000 on May 10.
- RBI announced to conduct the auction of 10-year six state government securities for Rs. 9,000 crore on May 10, 2016. Gujarat, Tamil Nadu, and Uttar Pradesh have an option to retain an additional amount of Rs. 300 crore, Rs. 375 crore, and Rs. 600 crore, respectively.

Currency Market Update

- The Indian rupee closed flat against the U.S. dollar for the second consecutive day ahead of the release of key U.S. jobs data due later in the day. The rupee ended same as the previous day's close at 66.55.
- Euro strengthened against the U.S. dollar after data showed that U.S. economy created less jobs during Apr 2016 compared with the previous month, which increased concerns over the strength of the job market. Euro was trading at \$1.1428, up 0.21% from the previous day's close of \$1.1404.

Commodity Market Update

- Gold prices inched higher ahead of the release of the U.S. jobs data scheduled later in the day.
- Brent crude prices went down as the U.S. dollar gained strength and Chinese commodities lost steam. Oil supply disturbances in Canada resulting from a wildfire also contributed to the price fall.

International News

- According to the U.S. Labor Department, initial jobless claims for the week to Apr 30 grew 17,000 to 274,000 from the previous week's unrevised 257,000. This is the second consecutive week of rise.
- Results of a survey by Markit Economics and the Chartered Institute of Procurement & Supply showed that the Markit/CIPS U.K. service Purchasing Managers' Index (PMI) dropped to 52.3 in Apr 2016 from 53.7 in Mar 2016 as slower than expected new business growth and weakened business optimism drove the index down.
- As per the survey by Markit Economics, Japan's service sector activity contracted in Apr 2016. The services PMI dropped to 49.3 in Apr compared with 50.0 in the previous month. The composite index, including both manufacturing and services indexes, also dropped to 48.9 in Apr from 49.9 in Mar 2016.