

Indices Performance

Global Indices	10-May	Prev_Day	Abs. Change	% Change [#]
Dow Jones	17,928	17,706	222	1.26
Nasdaq	4,810	4,750	60	1.26
FTSE	6,157	6,115	42	0.68
Nikkei	16,565	16,216	349	2.15
Hang Seng	20,243	20,157	86	0.43
Indian Indices	10-May	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	25,773	25,689	84	0.33
Nifty 50	7,888	7,866	22	0.28
Nifty 100	8,002	7,983	19	0.24
Nifty Bank	16,785	16,686	99	0.59
SGX Nifty	7,889	7,909	-20	-0.25
S&P BSE Power	1,852	1,861	-9	-0.50
S&P BSE Small Cap	11,042	11,030	12	0.11
S&P BSE HC	15,532	15,451	81	0.53

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
10-May	19.05	1.49	21.30	1.36
Month Ago	18.68	1.49	20.75	1.48
Year Ago	19.59	1.41	21.92	1.45

Nifty 50 Top 3 Gainers

Company	10-May	Prev_Day	% Change [#]
Dr Reddys Lab	2924	2840	2.97
Axis Bank	488	477	2.27
HUL	862	846	2.00

Nifty 50 Top 3 Losers

Company	10-May	Prev_Day	% Change [#]
Tata Motors	389	403	-3.57
Vedanta	101	104	-2.99
Cairn India	135	138	-2.46

Advance Decline Ratio

	BSE	NSE
Advances	1254	757
Declines	1351	778
Unchanged	159	94

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	295	12622
MF Flows**	15	2890

*10th May 2016; **6th 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

- Asian markets gained after Chinese consumer price inflation remained steady for Apr 2016. Producer price index in China continued to fall, but was better than expected due to improving aggregate demand. Weak Yen and steady oil prices buoyed market sentiments. Today (As on May 11), Asian stocks were trading mixed with Nikkei witnessing gains following rise in Wall Street overnight due to weaker yen. While Nikkei Average was trading up 0.29%, Hang Seng was down 0.88% (as at 8.00 a.m IST).
- As per the last close, European markets went up for the second consecutive day on positive quarterly earnings of few companies and rise in commodity prices. Expectations for a resolution to the Greek debt crisis further boosted the markets.
- As per the last close, U.S. markets gained strongly partially due to rebound in commodity prices. On Monday, commodity prices declined sharply after downbeat China's trade data for Apr. Upside was also contributed by the fall in safe haven yen against the U.S. dollar, which eased concerns about the outlook of the global economy.

Indian Equity Market

- Indian equity market reversed its early losses to close in the green. Initially, selling pressure in the metal sector weighed on investor sentiments. Bourses recovered later during the session amid firm cues from the Asian and European markets.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.33% and 0.28% to close at 25,772.53 points and 7,887.80 points, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap gained 0.20% and 0.11%, respectively.
- The overall market breadth on BSE was weak with 1,351 scrips declining and 1,254 scrips advancing. A total of 159 scrips remained unchanged.
- On the BSE sectoral front, indices traded in mixed. S&P BSE Capital Goods (1.48%) topped the chart followed by S&P BSE Consumer Durables (0.68%) and S&P BSE Bankex (0.62%). Meanwhile, S&P BSE Metal (-1.16%) stood as the major laggard followed by S&P BSE Auto (-0.87%) and S&P BSE Oil & Gas (-0.74%).

Domestic News

- According to the Environment Ministry, government has drafted a policy requiring small housing projects of area about 5,000 to 20,000 square metres to comply with environmental conditions like installation of natural drainage, water conservation, rainwater harvesting, and solid waste management. The draft policy will amend the Environment Impact Assessment notification, 2006.
- As per the Revenue Secretary, indirect tax collection of India rose 41% to Rs. 64,394 crore in Apr 2016 following high excise collections, indicating improvement in economic activity. Also, excise duty increased 70% YoY to Rs. 28,252 crore. Custom duty and service tax collections grew 22% and 27%, respectively.
- The Finance Ministry will nominate three independent directors to Monetary Policy Committee (MPC) who will then be selected by a search-cum-selection committee under Cabinet Secretary with the Reserve Bank of India Governor, Economic Affairs Secretary, and three experts in the field of economics, banking, finance or monetary policy as its members. The MPC committee consisting of RBI Governor, Deputy Governor, Executive Director and the three nominated independent directors will fix the benchmark interest rate of RBI and set inflation targets.
- Kotak Mahindra Prime is planning to issue secured, redeemable, non-convertible debentures on a private placement basis to raise Rs. 50 crore with the face value of Rs. 10.
- JSW Steel has been selected as one of the seven prospective buyers who will bid for Tata Steel's UK operations.
- Tata Steel has received a Special Economic Zone (SEZ) status for its industrial park, being developed at Gopalpur in south Odisha. The SEZ approval will help the company draw investments for the ongoing project.

FII Derivative Trade Statistics	10-May		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2276.84	1581.81	13856.33
Index Options	26087.42	24030.88	62387.71
Stock Futures	3881.38	4738.25	48295.81
Stock Options	2371.23	2356.54	3046.18
Total	34616.87	32707.48	127586.03

Derivative Statistics- Nifty Options	10-May	Prev_Day	Change
Put Call Ratio (OI)	0.92	0.88	0.04
Put Call Ratio(Vol)	0.95	0.89	0.06

Debt Watch	10-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.53%	6.40%	6.36%	7.16%
CBLO	6.56%	6.50%	6.39%	7.63%
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%	6.82%	6.76%	7.90%
364 Day T-Bill	6.91%	6.87%	6.80%	7.90%
10 Year Gilt	7.43%	7.44%	7.45%	7.98%
G-Sec Vol. (Rs.Cr)	25194	32559	96809	47415
1 Month CP Rate	7.78%	7.86%	7.65%	8.58%
3 Month CP Rate	8.11%	8.16%	7.84%	8.78%
5 Year Corp Bond	8.05%	8.06%	7.99%	8.56%
1 Month CD Rate	7.11%	7.14%	7.00%	8.21%
3 Month CD Rate	7.35%	7.36%	7.24%	8.38%
1 Year CD Rate	7.44%	7.45%	7.45%	8.45%

Currency Market	10-May	Prev_Day	Change
Currency			
USD/INR	66.72	66.44	0.28
GBP/INR	96.11	95.77	0.34
EURO/INR	75.96	75.81	0.15
JPY/INR	0.61	0.62	0.00

Commodity Prices	10-May	Wk Ago	Mth. Ago	Year Ago
Currency				
NYMEX Crude(\$/bl)	44.68	43.65	39.74	59.41
Brent Crude(\$/bl)	43.66	42.74	40.31	63.52
Gold(\$/oz)	1266	1286	1240	1188
Gold(Rs./10 gm)	29746	30149	29080	26845

Source: ICRON Research

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Derivatives Market

- Nifty May 2016 Futures were at 7,919.75 points, a premium of 31.95 points, over the spot closing of 7,887.80. The turnover on NSE's Futures and Options segment moved down from Rs. 2,25,505.90 crore on May 9 to Rs. 1,87,013.33 crore on May 10.
- The Put-Call ratio stood at 0.87, compared with the previous session's close of 0.85.
- The Nifty Put-Call ratio stood at 0.92, compared with the previous session's close of 0.88.
- The open interest on Nifty Futures stood at 20.09 million, compared with the previous session's close of 19.79 million.

Indian Debt Market

- Bond yields closed little changed as investors preferred to remain on the sidelines ahead of key retail inflation data due later in the week. However, market sentiment improved after the Reserve Bank of India injected liquidity into the system by purchasing government securities through open market operations (OMO).
- Yield on 10-year benchmark bond (7.59% GS 2026) inched up 1 bps to close at 7.43%, compared with the previous day's close of 7.42%. During the session, bond yields traded in the region of 7.42% to 7.43%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility stood at Rs. 20,533 crore (gross), compared with borrowings of Rs. 21,468 crore (gross) on May 09. Sale of securities by RBI under reverse repo stood at Rs. 2,544 crore on May 09.

Currency Market Update

- The Indian rupee fell to a seven-week low level against the U.S. dollar after the greenback strengthened following Japanese finance minister's promise to intervene in the currency market. The rupee dropped 0.13% to close at 66.67 compared with the previous day's close of 66.58.
- Euro weakened for the sixth consecutive day against the U.S. dollar after German industrial output fell more than expected in Mar 2016. Euro was trading at \$1.1368 compared with the previous close of \$1.1381.

Commodity Market Update

- Gold prices steadied after reaching the lowest level in the past two weeks as the U.S. dollar remained strong.
- Brent crude prices grew as Canadian wildfires and supply outages in Nigeria reduced daily oil production by 2.5 million barrels and arrested the oversupply situation.

International News

- According to the President of Federal Reserve Bank of New York, global financial system will be less volatile if the countries across the globe aim to meet the reserve currency criteria.
- The Office for National Statistics showed that U.K. trade deficit narrowed to GBP 11.2 billion in Mar 2016 from GBP 11.4 billion in Feb 2016 due to higher exports. As per reports, exports increased GBP 0.4 billion while imports rose GBP 0.2 billion.
- As per the Destatis report, Germany's trade balance was a surplus of EUR 26 billion in Mar 2016, better than the surplus of a EUR 20.2 billion in Feb 2016. On a monthly basis, the country's exports climbed 1.9% in Mar, following a 1.3% increase in Feb. Imports declined 2.3% in Mar, after expanding 0.1% in Feb.