

Indices Performance				
Global Indices	11-May	Prev_Day	Abs. Change	% Change [#]
Dow Jones	17,711	17,928	-217	-1.21
Nasdaq	4,761	4,810	-49	-1.02
FTSE	6,162	6,157	6	0.09
Nikkei	16,579	16,565	14	0.08
Hang Seng	20,055	20,243	-187	-0.93
Indian Indices	11-May	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	25,597	25,773	-176	-0.68
Nifty 50	7,849	7,888	-39	-0.49
Nifty 100	7,970	8,002	-32	-0.40
Nifty Bank	16,754	16,785	-31	-0.18
SGX Nifty	7,852	7,909	-57	-0.72
S&P BSE Power	1,838	1,852	-14	-0.75
S&P BSE Small Cap	11,038	11,042	-4	-0.03
S&P BSE HC	15,438	15,532	-93	-0.60

P/E Dividend Yield				
Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
11-May	18.91	1.50	21.19	1.37
Month Ago	18.97	1.47	21.07	1.45
Year Ago	19.87	1.38	22.41	1.42

Nifty 50 Top 3 Gainers			
Company	11-May	Prev_Day	% Change [#]
Zee Entertainment	448	418	7.27
Axis Bank	498	488	2.10
Hindalco	92	90	1.95

Nifty 50 Top 3 Losers			
Company	11-May	Prev_Day	% Change [#]
PNB	80	83	-3.69
Bharti Airtel	359	369	-2.70
SBI	185	190	-2.37

Advance Decline Ratio			
	BSE	NSE	
Advances	1075	601	
Declines	1483	939	
Unchanged	161	79	

Institutional Flows (Equity)		
Description (Cr)	Inflow/Outflow	YTD
FII Flows*	383	13005
MF Flows**	345	3195

*11th May 2016; **9th 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 witnessed a mixed trend after taking weak cues from overnight U.S. market. However, rise in crude oil prices had a positive bearing on markets. Meanwhile, Chinese market gained after the country's Cabinet approved measures to reverse an export decline. Today (As on May 12), Asian stocks were trading down following decline in Wall Street overnight. Both Nikkei Average and Hang Seng were trading down 0.50% and 0.56% (as at 8.00 a.m IST).
- As per the last close, most of the European markets fell marginally due to mixed set of corporate quarterly earnings. Weakness in the banking sector further affected the markets. Germany's DAX index was much weaker particularly due to fall in prices of big automakers.
- As per the last close, U.S. markets declined on profit booking after rising sharply in the previous session. Rise in crude oil prices due to better than expected inventory data did little to restrict the fall in the markets. Disappointing quarterly result from an entertainment giant further weighed on the market sentiments.

Indian Equity Market

- Indian equity market fell as investors feared that a huge outflow of foreign capital could occur as an impact of the modified Indo-Mauritius treaty.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.68% and 0.49% to close at 25,597.02 points and 7,848.85 points, respectively. S&P BSE Mid-Cap gained 0.17% while S&P BSE Small-Cap lost 0.03%.
- The overall market breadth on BSE was weak with 1,483 scrips declining and 1,075 scrips advancing. A total of 161 scrips remained unchanged.
- On the BSE sectoral front, most indices except for S&P BSE Basic Materials (0.41%) and S&P BSE Discretionary Goods & Services (0.34%) closed in the red. S&P BSE Telecom (-2.34%) was the highest loser, followed by S&P BSE Realty (-0.88%), S&P BSE Power (-0.75%), S&P BSE IT (-0.72%), and S&P BSE Teck (-0.65%).

Domestic News

- The Reserve Bank of India, in its monthly bulletin, has reported that net buying from the spot currency markets stood at \$4.7 billion in Mar 2016, whereas net sales stood at \$3.3 billion in Feb 2016. In FY16, Central Bank purchased a cumulative of \$10.2 billion. These purchases helped the rupee gain almost 2.3% against the U.S. dollar in a month when capital flows were strong.
- As per the finance ministry, evasion of Rs. 50,000 crore of indirect taxes and undisclosed income of Rs. 21,000 crore had been found in the past two years. Therefore, to keep a check on black money, a new Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 has come into force.
- As per media reports, an agreement is signed between India and Mauritius where the government will tax capital gains of Mauritius investor's in Indian companies from Apr 2017. The tax will be limited to half of the Indian tax rate until FY20 after which the full tax rate will be applicable. Similar to Mauritius treaty, Singapore treaty is the next in line.
- National Aluminium Company (Nalco) has reached the milestone of becoming the cheapest alumina producer in the world, reducing the cost of producing by \$30-\$40 per tonne. The cost of the Nalco alumina lowered to \$190 a tonne compared with the global benchmark of \$220-\$230 per tonne.
- Sterlite Technologies announced that it has won the Jaipur Smart City Phase - II Project. The project would be completed within six months and the date of the contract is already under implementation.
- According to media reports, Cairn Energy intends to pay Rs 1,537 crore, which is 15% of the principal amount of Rs 10,247 crore imposed by the Income-Tax Department. In return, the company expects the government to withdraw the stay imposed on the 9.8% ownership in its former subsidiary, Cairn India.

FII Derivative Trade Statistics	11-May		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	908.76	1286.34	13985.24
Index Options	19367.21	19079.72	64207.27
Stock Futures	3482.68	4214.77	48982.69
Stock Options	2138.04	2113.03	3256.08
Total	25896.69	26693.86	130431.28

Derivative Statistics- Nifty Options	11-May	Prev_Day	Change
Put Call Ratio (OI)	0.92	0.92	0.01
Put Call Ratio(Vol)	1.02	0.95	0.07

Debt Watch	11-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.56%	6.40%	6.53%	7.62%
CBLO	6.53%	6.47%	6.56%	7.58%
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%	6.83%	6.73%	7.87%
364 Day T-Bill	6.94%	6.88%	6.77%	7.87%
10 Year Gilt	7.43%	7.43%	7.42%	7.89%
G-Sec Vol. (Rs.Cr)	28381	34703	86424	43629
1 Month CP Rate	7.79%	7.79%	7.71%	8.56%
3 Month CP Rate	8.15%	8.18%	7.88%	8.79%
5 Year Corp Bond	8.08%	8.04%	7.98%	8.54%
1 Month CD Rate	7.08%	7.13%	7.05%	8.18%
3 Month CD Rate	7.35%	7.37%	7.20%	8.35%
1 Year CD Rate	7.45%	7.49%	7.43%	8.45%

Currency Market	11-May	Prev_Day	Change
Currency			
USD/INR	66.70	66.72	-0.03
GBP/INR	96.44	96.11	0.33
EURO/INR	75.97	75.96	0.01
JPY/INR	0.61	0.61	0.00

Commodity Prices	11-May	Wk Ago	Mth. Ago	Year Ago
Currency				
NYMEX Crude(\$/bl)	46.21	43.77	40.46	59.23
Brent Crude(\$/bl)	46.03	42.73	41.18	62.52
Gold(\$/oz)	1277	1279	1258	1184
Gold(Rs./10 gm)	29885	29986	29080	26848

Source: ICRON Research

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Derivatives Market

- Nifty May 2016 Futures were at 7,865.85 points, a premium of 17.00 points, over the spot closing of 7,848.85. The turnover on NSE's Futures and Options segment moved up from Rs. 1,87,013.33 crore on May 10 to Rs. 2,91,993.21 crore on May 11.
- The Put-Call ratio stood at 0.94, compared with the previous session's close of 0.87.
- The Nifty Put-Call ratio stood at 0.93, compared with the previous session's close of 0.92.
- The open interest on Nifty Futures stood at 18.39 million, compared with the previous session's close of 20.09 million.

Indian Debt Market

- Bond yields closed unchanged as investors remained on the sidelines ahead of key retail inflation data due on May 12.
- Yield on 10-year benchmark bond (7.59% GS 2026) closed unchanged at 7.43%. During the session, bond yields traded in the region of 7.42% to 7.44%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility stood at Rs. 17,214 crore (gross), compared with borrowings of Rs. 20,533 crore (gross) on May 10. Sale of securities by the Reserve Bank of India under reverse repo stood at Rs. 2,665 crore on May 10.
- Banks borrowed Rs. 450 crore under RBI's marginal standing facility window on May 10, compared with the borrowing of Rs. 625 crore on May 9.

Currency Market Update

- The Indian rupee fell against the U.S. dollar following weakness in the domestic equity market. However, the trend reversed and rupee strengthened following sales of greenback by the exporters and foreign investors. The rupee rose to 66.56 from the previous day's close of 66.67.
- Euro strengthened against the U.S. dollar as investors preferred to cash in the greenback's recent gains following Japan's comment of interfering in the currency market. Euro was trading at \$1.1399, up 0.27% compared with the previous day's close of \$1.1368.

Commodity Market Update

- Gold prices continued with the upward trend as safe haven appeal of the metal gained following weak cues from equity markets.
- Brent crude prices grew following a report from the U.S. Energy Information Administration indicating a rise in fuel consumption.

International News

- As per the report released by the Commerce Department, U.S. wholesale inventories moved up 0.1% in Mar 2016 as against 0.6% decline in the previous month, mainly due to the increase in inventories of non-durable goods by 0.5%.
- As per the Destatis report, German industrial output contracted 1.3% in Mar 2016 following 0.7% decline in Feb 2016, registering fastest pace of decline since Aug 2014.
- The Cabinet Office reported that Japan leading index, which reflects the future economic activity, declined less-than-expected in Mar 2016 to 98.4 from 98.9 in Feb 16.