

Indices Performance

Global Indices	12-May	Prev_Day	Abs. Change	% Change [#]
Dow Jones	17,721	17,711	9	0.05
Nasdaq	4,737	4,761	-23	-0.49
FTSE	6,104	6,162	-58	-0.95
Nikkei	16,646	16,579	67	0.41
Hang Seng	19,915	20,055	-140	-0.70
Indian Indices	12-May	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	25,790	25,597	193	0.75
Nifty 50	7,900	7,849	52	0.66
Nifty 100	8,026	7,970	57	0.71
Nifty Bank	16,924	16,754	169	1.01
SGX Nifty	7,915	7,873	43	0.54
S&P BSE Power	1,850	1,838	12	0.64
S&P BSE Small Cap	11,141	11,038	102	0.93
S&P BSE HC	15,543	15,438	105	0.68

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
12-May	19.07	1.49	21.33	1.36
Month Ago	19.03	1.46	21.17	1.45
Year Ago	19.33	1.42	21.92	1.45

Nifty 50 Top 3 Gainers

Company	12-May	Prev_Day	% Change [#]
Bosch	20925	20046	4.39
Dr Reddys Lab	2971	2869	3.58
ICICI Bank	232	224	3.51

Nifty 50 Top 3 Losers

Company	12-May	Prev_Day	% Change [#]
Axis Bank	493	498	-1.13
HUL	853	863	-1.11
M&M	1334	1348	-1.02

Advance Decline Ratio

	BSE	NSE
Advances	1576	996
Declines	1008	543
Unchanged	169	89

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-324	12682
MF Flows**	345	3195

*12th 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	0.10% (Mar-16)	-1.50% (Dec-15)	2.50% (Mar-15)
GDP	7.30 (Dec-15)	7.70 (Sep-15)	6.60 (Dec-14)

Global Indices

- Asian markets witnessed a mixed trend. Most of the indices fell following weak cues from the overnight U.S. market. On the other hand, rise in oil prices, weak yen, and data showing current account surplus in Mar 2016 helped Japanese shares to close higher. The Chinese market reversed early gains to close flat after the government announced plans to invest around 4.7 trillion yuan (\$724 billion) in transport infrastructure projects over the next three years. Today (As on May 13), Asian stocks were trading down following modest finish in Wall Street overnight. Both Nikkei Average and Hang Seng were trading down 0.99% and 0.91% (as at 8.00 a.m IST).
- As per the last close, European markets fell after Bank of England (BoE) unanimously kept interest rates steady. BoE lowered its economic growth forecast considering the uncertainty over Brexit.
- As per the last close, U.S. markets ended on a mixed note after hovering between gains and losses following movement of crude oil prices. However, disappointing data on U.S. jobless claims dampened investor's sentiments.

Indian Equity Market

- Indian equity market went up as the country's first national bankruptcy law was passed in the Rajya Sabha. The law is a crucial step towards simplifying ways to do business in India and making sure financial problems of companies are solved on time.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.75% and 0.66% to close at 25,790.22 points and 7,900.40 points, respectively. S&P BSE Mid-Cap gained 0.69% while S&P BSE Small-Cap lost 0.93%.
- The overall market breadth on BSE was strong with 1,576 scrips advancing and 1,008 scrips declining. A total of 169 scrips remained unchanged.
- On the BSE sectoral front, all indices except for S&P BSE Capital Goods (-0.04%) closed in the positive zone. S&P BSE Consumer Durables (1.41%) was the highest grosser, followed by S&P BSE IT (1.12%), S&P BSE Realty (1.12%), S&P BSE Energy (1.07%), and S&P BSE Teck (1.04%).

Domestic News

- Government data showed that consumer price index (CPI) based inflation rose to 5.39% in Apr 2016 from 4.83% in Mar 2016 and 4.87% in the same month of the previous year. The consumer food price index also grew subsequently to 6.32% in Apr from 5.21% in Mar and 5.11% in the same period of the previous year. CPI under the pulses category stood at 34.13% in Apr, while that under fuel and light stood at 3.03%.
- Government data showed that the index of industrial production (IIP) rose to 0.1% in Mar 2016 compared with 2.0% in Feb 2016 and 2.5% in the same month of the previous year. The cumulative growth for FY16 stood at 2.4%. The manufacturing and mining sectors contracted 1.2% and 0.1%, respectively, while the electricity sector grew 11.3%. The capital goods sector also contracted 15.4% during the same period.
- A United Nation report has projected that the Indian economy will grow 7.3% in 2016. India's economy accounts for more than 70% of South Asia's GDP and had grown by about 7.2% in 2015. South Asia's economic outlook is expected to be favourable for the countries following low crude oil prices. Also, the World Economic Situation and Prospect report has projected a 7.5% growth of the Indian economy in 2017.
- Dr. Reddy's reported consolidated net profit of Rs. 74.6 crore in the 4QFY16, significantly down 85.63% from Rs. 518.8 crore in the 4QFY15. Outstanding receivables from Venezuela of Rs. 264.6 crore and higher income tax expenses impacted company's profit during the quarter. Moreover, global generics revenues registered decline from the emerging markets and Europe and fall in the pharmaceutical services and active ingredients (PSAI) revenues from across the geographies led to decline in revenue.
- Bharti Airtel has announced to set a target of 1.5% for call drops voluntarily, against 2% allowed under Trai's regulations.

FII Derivative Trade Statistics		12-May	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1185.68	2147.75	13390.26
Index Options	40189.83	39044.39	65722.83
Stock Futures	4963.08	3891.05	48617.68
Stock Options	2836.70	2879.93	3507.64
Total	49175.29	47963.12	131238.41

Derivative Statistics- Nifty Options			
	12-May	Prev_Day	Change
Put Call Ratio (OI)	0.97	0.92	0.05
Put Call Ratio(Vol)	1.00	1.02	-0.02

Debt Watch				
	12-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.47%	6.34%	6.46%	7.24%
CBLO	6.60%	6.35%	6.53%	7.54%
Repo	6.50%	6.50%	6.50%	7.50%
Reverse Repo	6.00%	6.00%	6.00%	6.50%
91 Day T-Bill	6.81%	6.82%	6.75%	7.90%
364 Day T-Bill	6.92%	6.91%	6.85%	7.89%
10 Year Gilt	7.42%	7.44%	7.42%	7.95%
G-Sec Vol. (Rs.Cr)	39771	49139	102362	33479
1 Month CP Rate	7.83%	7.83%	7.70%	8.43%
3 Month CP Rate	8.15%	8.14%	7.99%	8.73%
5 Year Corp Bond	8.05%	8.06%	7.96%	8.53%
1 Month CD Rate	7.07%	7.13%	7.04%	8.15%
3 Month CD Rate	7.34%	7.35%	7.24%	8.35%
1 Year CD Rate	7.45%	7.45%	7.36%	8.43%

Currency Market			
Currency	12-May	Prev_Day	Change
USD/INR	66.60	66.70	-0.10
GBP/INR	96.15	96.44	-0.28
EURO/INR	76.06	75.97	0.09
JPY/INR	0.61	0.61	0.00

Commodity Prices				
Currency	12-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	46.64	44.33	42.12	60.72
Brent Crude(\$/bl)	46.38	44.04	42.62	64.79
Gold(\$/oz)	1263	1278	1256	1193
Gold(Rs./10 gm)	29735	29925	29080	27100

Source: ICRON Research

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Derivatives Market

- Nifty May 2016 Futures were at 7,928.20 points, a premium of 27.80 points, over the spot closing of 7,900.40. The turnover on NSE's Futures and Options segment moved down from Rs. 2,91,993.21 crore on May 11 to Rs. 2,34,914.76 crore on May 12.
- The Put-Call ratio stood at 0.92, compared with the previous session's close of 0.94.
- The Nifty Put-Call ratio stood at 0.97, compared with the previous session's close of 0.93.
- The open interest on Nifty Futures stood at 18.84 million, compared with the previous session's close of 18.39 million.

Indian Debt Market

- Bond yields fell on hopes that the weekly debt auction, which is due on May 13, will attract strong response. Investors also awaited the retail inflation data for Apr 2016 due later in the day
- Yield on 10-year benchmark bond (7.59% GS 2026) fell 1 bps to close at 7.42% from the previous close of 7.43%. 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. 20,352 crore (gross), compared with borrowings of Rs. 17,214 crore (gross) on May 11. Sale of securities by the Reserve Bank of India under reverse repo stood at Rs. 1,045 crore on May 11.
- Banks borrowed Rs. 520 crore under RBI's marginal standing facility window on May 11, compared with the borrowing of Rs. 450 crore on May 10.

Currency Market Update

- The Indian rupee fell against the U.S. dollar following higher demand for the greenback from oil importers. However, capital inflows from the Foreign Institutional Investors in the domestic market restricted the loss. The rupee dropped 0.10% to close at 66.62 compared with the previous day's close of 66.56.
- The Euro weakened against the U.S dollar as investors awaited the Bank of England's upcoming policy decision as well as U.S. jobless claims data. Euro was trading at \$1.1379, down 0.40% compared with the previous day's close of \$1.1425.

Commodity Market Update

- Gold prices dropped as the U.S. dollar moved up ahead of the U.S. jobless claims data due later in the day.
- Brent crude prices traded near six-month high level as the U.S. crude inventories dropped defying expectations for an increase. An increase in Canada's oil production was expected to stunt gains though.

International News

- The Organization for Economic Co-operation and Development reported that the composite leading index stood at 99.6 in Mar 2016 compared with 99.7 in the Feb 2016. The index reflected stable growth momentum in China and Europe, while easing growth in the U.K. and U.S. It suggested signs of stabilization in Japan.
- The Bank of England, in its unanimous vote, has retained its interest rate at record low of 0.50% and kept the size of its asset purchase unchanged at GBP 375 billion. Moreover, in its inflation report, the bank has downgraded growth outlook for 2016 to 2% from 2.2% estimated in Feb 2016. The projection for 2017 was also cut down to 2.3% from 2.4%.