

Indices Performance

Global Indices	13-May	Prev_Day	Abs. Change	% Change [#]
Dow Jones	17,535	17,721	-185	-1.05
Nasdaq	4,718	4,737	-20	-0.41
FTSE	6,139	6,104	34	0.56
Nikkei	16,412	16,646	-234	-1.41
Hang Seng	19,719	19,915	-196	-0.99
Indian Indices	13-May	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	25,490	25,790	-301	-1.17
Nifty 50	7,815	7,900	-86	-1.08
Nifty 100	7,942	8,026	-85	-1.06
Nifty Bank	16,717	16,924	-207	-1.22
SGX Nifty	7,819	7,915	-96	-1.21
S&P BSE Power	1,835	1,850	-15	-0.80
S&P BSE Small Cap	11,113	11,141	-27	-0.25
S&P BSE HC	15,432	15,543	-111	-0.71

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
13-May	18.80	1.51	21.10	1.38
Month Ago	19.37	1.43	21.56	1.42
Year Ago	19.66	1.39	22.17	1.43

Nifty 50 Top 3 Gainers

Company	13-May	Prev_Day	% Change [#]
Asian Paints	944	929	1.60
Idea Cellular	114	112	1.43
HCL Tech	723	715	1.18

Nifty 50 Top 3 Losers

Company	13-May	Prev_Day	% Change [#]
Vedanta	98	103	-4.76
Hindalco	89	93	-4.39
Adani Ports & SEZ	189	195	-3.38

Advance Decline Ratio

	BSE	NSE
Advances	1033	564
Declines	1523	992
Unchanged	166	71

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	51	12733
MF Flows**	345	3195

*13th 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 mostly traded lower as investors were waiting for economic data from China, U.S., and Europe. Today (As on May 16), Asian stocks opened on a mixed note. Weak industrial production and retail sales data from China that grew less than expected in Apr renewed concerns regarding the Chinese economy which weighed on the market sentiment. Nikkei Average was trading up 1.05% and Hang Seng was trading up 0.29% (as at 8.00 a.m IST).
- As per the last close, European markets closed higher after the German economy registered its fastest growth in two years in the first quarter of 2016 on the back of domestic demand and investment. This pacified the investors to some extent who were worried about a slowdown in global growth. However, volatility in global crude oil prices capped the gains.
- As per the last close, U.S. equities closed lower amid uncertainty over the interest rate outlook in the U.S. region. Uncertainty grew after retail sales grew more than expected in Apr while consumer sentiment jumped to an eleven-month high in May which increased the possibility of an interest rate hike next month.

Indian Equity Market

- Indian equity market closed in the red as investors' hope for rate cut by the Reserve Bank of India dampened following higher than expected retail price inflation for Apr 2016. A decline in the growth pace of industrial production in Mar 2016 added to the investor woes.
- Key benchmark indices S&P BSE Sensex and Nifty 50 slipped 1.17% and 1.08% to close at 25,489.57 points and 7,814.90 points, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap dropped 0.58% and 0.25%, respectively.
- On the BSE sectoral front, all the indices closed in the red. S&P BSE Realty was the major laggard, down 2.07%, followed by S&P BSE Metal and S&P BSE Capital Goods, which slipped 2.04% and 1.57%, respectively. S&P BSE Consumer Durables and S&P BSE Basic Materials dropped 1.43% and 1.32%, respectively. Rate sensitive sectors witnessed selling pressure amid fading hopes of rate cut by RBI. FMCG stocks went down on concerns that rise in consumer price inflation could hurt spending, resulting in lower volume growth going forward.

Domestic News

- Government data showed that India's trade deficit narrowed for the fourth consecutive month to \$4.84 billion in Apr 2016 from \$5.07 billion in the previous month. Trade deficit figure marked the lowest level since Mar 2011. Exports fell for the 17th consecutive month by 6.74% to \$20.57 billion in Apr, while imports fell 23.10% to \$25.41 billion. Subdued gold demand due to jewellers' strike and a sharp rise in prices led to a 60.47% fall in gold imports to \$1.24 billion. On the other hand, fall in global crude oil prices reduced the oil import bill by 24.01% to \$5.66 billion in Apr.
- The Reserve Bank of India (RBI) has proposed to tighten up lending to debt-laden companies. Banks will have to set aside more money if they provide extra loans to these companies with effect from FY18. The total exposure per borrower is capped at Rs. 25,000 crore, Rs. 15,000 crore, and Rs. 10,000 crore in FY18, FY19, and FY20, respectively. Any additional exposure to a single borrower above this limit during the given time frame will attract higher provisions and require additional capital.
- SEBI is likely to tighten the norms for participatory notes (P-notes) as part of efforts to check the flow of black money into stock markets. SEBI has also proposed that issuers should be required to identify and verify those who hold P-Notes in excess of a predefined threshold - 25% in the case of companies and 15% for partnership firms or trusts. The regulator has further decided to propose that offshore derivative instruments be transferred only to subscriber entities eligible to invest in them as per Indian regulations.
- Aurobindo Pharma has received approval from the U.S. Food and Drug Administration to manufacture and sell Zolmitriptan Tablets, which would be used to treat migraine.
- Eicher Motors Ltd. said that two of its promoters and Eicher Goodearth Trust have sold 4.2% stake in the company for Rs. 2,100 crore.

FII Derivative Trade Statistics	13-May		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1569.02	1148.94	13908.79
Index Options	26834.46	26793.04	67686.81
Stock Futures	4023.15	3683.41	49330.91
Stock Options	2280.03	2245.38	3695.26
Total	34706.66	33870.77	134621.77

Derivative Statistics- Nifty Options			
	13-May	Prev_Day	Change
Put Call Ratio (OI)	0.88	0.97	-0.09
Put Call Ratio(Vol)	0.97	1.00	-0.04

Debt Watch				
	13-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.48%	6.39%	6.38%	7.40%
CBLO	5.55%	6.40%	5.68%	7.62%
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%	6.81%	7.98%
364 Day T-Bill	6.90%	6.88%	6.80%	7.90%
10 Year Gilt	7.45%	7.44%	7.44%	7.96%
G-Sec Vol. (Rs.Cr)	46351	43090	60513	42433
1 Month CP Rate	7.78%	7.82%	7.70%	8.38%
3 Month CP Rate	8.13%	8.20%	8.00%	8.73%
5 Year Corp Bond	8.07%	8.08%	7.94%	8.57%
1 Month CD Rate	7.08%	7.13%	7.03%	8.11%
3 Month CD Rate	7.34%	7.35%	7.26%	8.34%
1 Year CD Rate	7.46%	7.46%	7.39%	8.44%

Currency Market			
Currency	13-May	Prev_Day	Change
USD/INR	66.76	66.60	0.16
GBP/INR	96.16	96.15	0.00
EURO/INR	75.72	76.06	-0.34
JPY/INR	0.61	0.61	0.00

Commodity Prices				
Currency	13-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	46.22	44.58	41.70	60.50
Brent Crude(\$/bl)	47.05	44.25	42.41	66.03
Gold(\$/oz)	1273	1288	1243	1215
Gold(Rs./10 gm)	29880	30003	28901	27041

Source: ICRON Research

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Derivatives Market

- Nifty May 2016 Futures were at 7,830.55 points, a premium of 15.65 points, over the spot closing of 7,814.90. The turnover on NSE's Futures and Options segment moved up from Rs. 2,34,914.76 crore on May 12 to Rs. 2,90,064.31 crore on May 13.
- The Put-Call ratio stood at 0.90, compared with the previous session's close of 0.92.
- The Nifty Put-Call ratio stood at 0.88, compared with the previous session's close of 0.97.
- The open interest on Nifty Futures stood at 18.84 million, compared with the previous session's close of 18.20 million.

Indian Debt Market

- Bond yields went up after retail inflation grew at a faster-than-expected pace in Apr 2016, damping hopes of an immediate rate cut by the RBI.
- Yield on 10-year benchmark bond (7.59% GS 2026) increased 2 bps to 7.45%, compared with the previous day's close of 7.43%. During the session, bond yields traded in the region of 7.44% to 7.46%.
- The Reserve Bank of India conducted the auction of four government securities namely 7.68% Government Stock (GS) 2023, 7.59% GS 2026, 7.50% GS, 2034, and 8.17% GS 2044 for a notified amount of Rs. 15,000 crore. The cut-off rates for the securities stood at Rs. 100.49 (7.59%), Rs. 100.86 (7.46%), Rs. 97.56 (7.75%), and Rs. 103.62 (7.85%), respectively.

Currency Market Update

- The Indian rupee fell nearly to a two-month low level against the U.S. dollar, as the U.S. Federal Reserve officials' comments hinted at interest rate hikes this year. Also, weak domestic data weighed on the rupee. The rupee dropped 0.22% to close at 66.77 compared with the previous day's close of 66.62.
- Euro weakened against the U.S. dollar following less than expected rise in the eurozone's gross domestic product for the first-quarter. Euro was trading at \$1.1351, down 0.21% compared with the previous day's close of \$1.1375.

Commodity Market Update

- Gold prices went up, although strong U.S. dollar capped the gain.
- Brent crude prices slipped as Russia cautioned that global oil glut could continue well into the next year, raising concerns among investors. The strengthening of the U.S. dollar also contributed to the price fall.

International News

- A report from the U.S. Labor Department showed that import prices rose 0.3% in Apr 2016, similar to that of Mar 2016's growth. The increase can be attributed to rise in prices for fuel imports, which grew 3.3% in Apr after increasing 7.6% in Mar.
- A report from the U.S. Labor Department showed that initial jobless claims for the week ended May 7 grew 20,000 to 294,000 from the previous week's unrevised level of 274,000.
- Data from the Office for National Statistics showed that U.K. construction output declined for the third consecutive month in Mar 2016. Construction output fell 3.6% on a monthly basis after easing 0.9% in Feb 2016. On a yearly basis, construction output fell 4.5% following a 0.4% fall in the previous month.