

Indices Performance

Global Indices	19-May	Prev_Day	Abs. Change	% Change [#]
Dow Jones	17,435	17,527	-91	-0.52
Nasdaq	4,713	4,739	-27	-0.56
FTSE	6,053	6,166	-112	-1.82
Nikkei	16,647	16,645	2	0.01
Hang Seng	19,694	19,826	-132	-0.67
Indian Indices	19-May	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	25,400	25,705	-305	-1.19
Nifty 50	7,783	7,870	-87	-1.10
Nifty 100	7,900	7,989	-89	-1.11
Nifty Bank	16,565	16,729	-164	-0.98
SGX Nifty	7,774	7,865	-91	-1.16
S&P BSE Power	1,800	1,818	-19	-1.03
S&P BSE Small Cap	11,056	11,169	-113	-1.01
S&P BSE HC	15,491	15,563	-73	-0.47

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
19-May	18.58	1.53	21.33	1.38
Month Ago	19.51	1.28	21.68	1.41
Year Ago	20.04	1.34	22.55	1.41

Nifty 50 Top 3 Gainers

Company	19-May	Prev_Day	% Change [#]
BPCL	943	933	1.09
Lupin	1655	1638	1.06
Power Grid	144	143	0.94

Nifty 50 Top 3 Losers

Company	19-May	Prev_Day	% Change [#]
Adani Ports & SEZ	172	183	-6.36
Vedanta	95	99	-4.33
SBI	173	180	-4.03

Advance Decline Ratio

	BSE	NSE
Advances	901	436
Declines	1644	1105
Unchanged	171	74

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-5	14365
MF Flows**	40	4800

*19th May 2016; **18th May 2016

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	0.34% (Apr-16)	-1.07% (Jan-16)	-2.43% (Apr-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 continued with the downward trend following weakness in commodity prices and strengthening of the U.S. dollar. Today (As on May 20), Asian stocks opened on mixed note. Comments from New York Fed President increased the possibility of an interest rate hike by the Fed in June which weighed on the bourses. Nikkei Average was trading down 0.04% and Hang Seng was trading up 0.32% (as at 8.00 a.m IST).
- As per the last close, European markets closed lower after the minutes of the Fed's monetary policy meeting held in Apr and comments from New York Fed President increased the possibility of an interest rate hike by the U.S. central bank in June. Reports of disappearance of an Egyptian aircraft travelling from Paris to Cairo also hit investor sentiments. Lower commodity prices weighed on mining and energy stocks and kept markets under pressure.
- As per the last close, U.S. equities fell after comments from New York Fed President and the minutes of the Fed's monetary policy meeting held in Apr increased the possibility of an interest rate hike by the U.S. central bank in June.

Indian Equity Market

- Indian equity market fell for the second consecutive session amid weak global cues. Fall in the crude oil prices and weakness in the Asian peers following the release of minutes of the U.S. Federal Reserve's policy meeting raised concerns of an interest rate hike in the near future, which dampened the sentiment.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 1.19% and 1.10% to close at 25,399.72 points and 7,783.40 points, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap fell 1.12% and 1.01%, respectively.
- The overall market breadth on BSE was weak with 1,644 scrips declining and 901 scrips advancing. A total of 171 scrips remained unchanged.
- On the BSE sectoral front, all the indices closed in the red. S&P BSE Capital Goods (-2.38%) stood as the major laggard followed by S&P BSE FMCG (-1.74%) and S&P BSE Metal (-1.61%). Sectors including Energy, Finance, Industrials, and Telecom fell in the range of -1.74% to -1.35%.

Domestic News

- According to a global rating agency, India's economic growth is expected to grow by 7.9% in FY17 and 8% in the next financial year. The economy is expected to remain insulated from the developments in the Chinese economy. It is necessary for the government to carry out structural reforms to take the economy to through the targeted growth path, the rating agency said.
- According to another global rating agency, India's economic growth is projected to grow close to 7.5% in 2016 and 2017. The rating agency added that prevailing low consumer inflation is expected to get support from good monsoon, which will allow the Central Bank to continue its accommodative stance. The report said India has a strong GDP growth. But for a sustainable growth, improvement in domestic private investment is required.
- Foreign Direct Investment (FDI) proposals worth Rs. 60.73 crore have been approved by the government. All the proposals were approved in the pharmaceutical sector. However, Axis Bank's FDI proposal worth Rs. 12,973.14 crore was referred to the Cabinet Committee on Economic Affairs (CCEA). Axis Bank wants to enhance the foreign investment from 62% to 74%. FDI proposals above Rs. 5,000 crore are referred to the CCEA. This apart, 8 proposals have been deferred, while one proposal was rejected.
- Aviation company SpiceJet's net profit grew more than three-fold to Rs. 73 crore in the quarter ended Mar 2016, from Rs. 22.5 crore in the year ago quarter. The improvement was due to lower fuel prices and rise in passengers.
- Tata Communications has announced to sell a majority stake (74%) in its 17 data centres based in India and Singapore to the Singapore Technologies Telemedia. Total consideration of the deal has been settled for around Rs. 4,221 crore (\$630 million).

FII Derivative Trade Statistics	19-May		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1616.64	2898.15	15731.20
Index Options	30558.35	30670.23	72735.41
Stock Futures	4750.02	4464.84	50479.13
Stock Options	3258.33	3358.74	4332.27
Total	40183.34	41391.96	143278.01

Derivative Statistics- Nifty Options			
	19-May	Prev_Day	Change
Put Call Ratio (OI)	0.85	0.95	-0.10
Put Call Ratio(Vol)	0.86	0.86	0.00

Debt Watch				
	19-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.53%	6.47%	6.53%	7.66%
CBLO	6.50%	6.60%	6.48%	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	6.81%	6.81%	6.75%	7.88%
364 Day T-Bill	6.93%	6.92%	6.89%	7.85%
10 Year Gilt	7.47%	7.42%	7.42%	7.86%
G-Sec Vol. (Rs.Cr)	37991	39771	38327	68208
1 Month CP Rate	7.76%	7.83%	7.68%	8.25%
3 Month CP Rate	8.01%	8.15%	7.95%	8.46%
5 Year Corp Bond	8.09%	8.05%	7.97%	8.49%
1 Month CD Rate	7.03%	7.07%	7.08%	8.01%
3 Month CD Rate	7.26%	7.34%	7.27%	8.23%
1 Year CD Rate	7.48%	7.45%	7.38%	8.40%

Currency Market			
Currency	19-May	Prev_Day	Change
USD/INR	67.23	66.91	0.32
GBP/INR	98.05	96.61	1.44
EURO/INR	75.45	75.48	-0.03
JPY/INR	0.61	0.61	0.00

Commodity Prices				
Currency	19-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	48.16	46.64	39.74	57.30
Brent Crude(\$/bl)	47.21	46.38	41.64	63.18
Gold(\$/oz)	1254	1263	1231	1207
Gold(Rs./10 gm)	29667	29735	29098	27441

Source: ICRON Research

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Derivatives Market

- Nifty May 2016 Futures were at 7,785.10 points, a premium of 1.70 points, over the spot closing of 7,783.40. The turnover on NSE's Futures and Options segment moved up from Rs. 2,92,288.03 crore on May 18 to Rs. 3,29,385.66 crore on May 19.
- The Put-Call ratio stood at 0.81, compared with the previous session's close of 0.82.
- The Nifty Put-Call ratio stood at 0.85, compared with the previous session's close of 0.95.
- The open interest on Nifty Futures stood at 19.90 million, compared with the previous session's close of 18.99 million.

Indian Debt Market

- Bond yields increased initially on speculations of an imminent interest rate hike in the U.S. and sell-offs in the domestic equity and currency markets. However, it recovered the loss and fell marginally on increased expectation of Open Market Operation by the Reserve Bank of India (RBI).
- Yield on 10-year benchmark bond (7.59% GS 2026) fell 1 bps to stand at 7.47%, compared with the previous day's close of 7.48%. During the session, bond yields traded in the region of 7.46% to 7.50%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility stood at Rs. 9,976 crore (gross), compared with borrowings of Rs. 5,281 crore (gross) on May 18. Sale of securities by RBI under reverse repo stood at Rs. 3,944 crore on May 18.

Currency Market Update

- The Indian rupee weakened against the U.S. dollar following losses in the Asian counterparts, after minutes of the U.S. Federal Reserve's (Fed) latest policy meeting increased expectations for interest rate hike in Jun 2016. The rupee fell 0.58% to close at 67.36 per dollar from the previous close of 66.97.
- Euro dropped for the third consecutive day against the U.S. dollar after minutes of the U.S. Fed's policy meeting indicated a rate hike in Jun 2016. Euro was trading at \$1.1188 compared with the previous close of \$1.1215.

Commodity Market Update

- Gold prices dropped to a three-week low level after the U.S. Federal Reserve, in the minutes of its latest policy meeting, indicated the possibility of interest rate hike in Jun 2016.
- Brent crude plunged after the U.S. dollar strengthened following the release of the Fed's minutes, and a sudden rise in the U.S. oil inventories.

International News

- According to the minutes of the U.S. Federal Reserve's latest policy meeting, the policymakers might increase interest rates in Jun 2016. As per the minutes, if the economic growth picks up in the second quarter, labor market conditions continue to strengthen, and inflation rate progresses toward the Committee's 2% target, then the Fed might expand the range for the federal funds rate in the upcoming month.
- As per the Cabinet Office, Japan's core machine orders moved up 5.5% MoM in Mar 2016 compared with 9.2% decline in Feb 2016. While, on YoY basis, it increased 3.2% as against 0.7% drop in the previous month.