

### Indices Performance

Global Indices	26-May	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	17,828	17,852	-23	-0.13
Nasdaq	4,902	4,895	7	0.14
FTSE	6,266	6,263	3	0.04
Nikkei	16,772	16,757	15	0.09
Hang Seng	20,397	20,368	29	0.14
Indian Indices	26-May	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	26,367	25,881	486	1.88
Nifty 50	8,070	7,935	135	1.70
Nifty 100	8,159	8,030	129	1.61
Nifty Bank	17,359	16,997	362	2.13
SGX Nifty	8,070	7,955	115	1.44
S&P BSE Power	1,868	1,840	28	1.51
S&P BSE Small Cap	11,048	10,954	94	0.86
S&P BSE HC	15,099	15,099	0	0.00

### P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
26-May	19.33	1.47	22.39	1.33
Month Ago	19.69	1.47	21.60	1.35
Year Ago	19.86	1.40	22.55	1.42

### Nifty 50 Top 3 Gainers

Company	26-May	Prev_Day	% Change <sup>#</sup>
L&T	1474	1292	14.13
SBI	184	175	5.17
BHEL	129	123	4.94

### Nifty 50 Top 3 Losers

Company	26-May	Prev_Day	% Change <sup>#</sup>
HCL Tech	741	749	-1.13
Sun Pharma	779	785	-0.78
NTPC	141	142	-0.46

### Advance Decline Ratio

	BSE	NSE
Advances	1382	916
Declines	1177	627
Unchanged	188	86

### Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	510	13686
MF Flows**	873	7481

\*26<sup>th</sup> May 2016; \*\*24<sup>th</sup> 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

- Most of the Asian markets closed in the green after Brent crude prices surpassed the \$50 per barrel level. Overnight gains in the Wall Street also boosted investor sentiment. However, concerns over slowdown in the Chinese economy restricted the gains. Today, (as on May 27) bourses traded higher as fall in consumer price in Japan for Apr led to expectation that the Bank of Japan may ease its policy measures at its upcoming meeting in June. While Nikkei Average was trading up 0.45%, Hang Seng was down 0.34% (as at 8.00 a.m IST).
- As per the last close, European markets went up, amid volatility, as investors took positive cues from data showing that the U.K. economy expanded as initially estimated in the first quarter.
- As per the last close, most of the U.S. markets went down as latest series of economic data added to the recent uncertainty regarding interest rates outlook. While pending home sales data surged to their highest level in a decade in Apr, the initial jobless claims for the week to May 21 showed bigger than expected drop.

### Indian Equity Market

- Indian equity market extended the previous session's rally with Sensex gaining 486 points and Nifty crossing the 8,000-mark. Investor sentiment boosted following gains in the global crude oil prices and expectations for above-normal monsoon this year. Robust earning numbers by one of the industry heavyweights in the capital goods sector supported the market's gain. The expiry of the contracts for the May futures & options series hardly impacted the bourses.
- Key benchmark indices S&P BSE Sensex and Nifty 50 went up 1.88% and 1.70% to close at 26,366.68 points and 8,069.65 points respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap gained 1.00% and 0.86%, respectively.
- The market breadth on BSE was positive with 1,382 scrips advancing and 1,177 scrips declining. A total of 188 scrips remained unchanged.
- On the BSE sectoral front, all the indices closed in the green. S&P BSE Capital Goods was the top gainer, up 8.78%, followed by S&P BSE Industrials and S&P BSE Bankex, which gained 3.97% and 2.22%, respectively. S&P BSE Finance and S&P BSE Realty went up 1.89% and 1.82%, respectively.

### Domestic News

- The Cabinet Committee on Economic Affairs has approved railway projects worth Rs. 10,736 crore. The objective of the move is to improve infrastructure in various states including Gujarat and Uttar Pradesh.
- Data from a private survey showed that the MNI India Business Sentiment Indicator fell from 62.4 in Apr 2016 to 61.8 in May 2016. This was the lowest level since Dec 2015 and the third consecutive month of decline, led by the manufacturing sector. However, positive sentiments were witnessed in the service and construction sectors. The survey opined that rise in domestic inflationary pressures have limited the scope of Reserve Bank of India (RBI) to lower key interest rates further.
- According to a major global credit rating agency, the new bankruptcy law is credit positive for the Indian banking sector as it will help increase the bargaining power of banks while resolving the problem of distressed assets.
- According to the Securities and Exchange Board of India (SEBI) chief, the capital market regulator is set to restructure regulations that govern credit rating agencies. The move comes amid concerns over limited disclosure of information by the rating agencies while suspending ratings.
- SEBI plans to reduce the number listed companies from the Indian stock exchanges, the stocks of which have been suspended for more than seven years. The authority will also offer an exit option to the investors for such stocks, before delisting. The move will improve the quality of governance and boost investor confidence.
- Dr Reddy's Laboratories stepped into branded consumer health products segment in the U.S. market after acquiring six over-the-counter brands from Ducere Pharma, for an undisclosed amount.
- Oil and Natural Gas Corp. reported its fourth quarter net profit, which grew 12% to Rs. 4,416 crores aided by a non-recurring gain.

FII Derivative Trade Statistics	26-May		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	10952.14	7608.73	22504.78
Index Options	48552.77	46160.32	72943.48
Stock Futures	21558.96	21391.33	54593.42
Stock Options	3965.70	4162.00	5403.65
<b>Total</b>	<b>85029.57</b>	<b>79322.38</b>	<b>155445.33</b>

Derivative Statistics- Nifty Options			
	26-May	Prev_Day	Change
Put Call Ratio (OI)	1.44	1.03	0.42
Put Call Ratio(Vol)	0.96	0.96	0.00

Debt Watch				
	26-May	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.33%	6.53%	6.46%	7.49%
CBLO	6.52%	6.50%	6.50%	7.61%
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%	6.81%	6.72%	7.79%
364 Day T-Bill	6.92%	6.93%	6.88%	7.75%
10 Year Gilt	7.47%	7.47%	7.47%	7.67%
G-Sec Vol. (Rs.Cr)	28271	37991	59170	32927
1 Month CP Rate	7.73%	7.76%	7.71%	8.17%
3 Month CP Rate	7.98%	8.01%	8.03%	8.34%
5 Year Corp Bond	8.09%	8.09%	8.07%	8.45%
1 Month CD Rate	6.96%	7.03%	7.09%	7.91%
3 Month CD Rate	7.17%	7.26%	7.33%	8.00%
1 Year CD Rate	7.46%	7.48%	7.45%	8.27%

Currency Market			
Currency	26-May	Prev_Day	Change
USD/INR	67.29	67.45	-0.16
GBP/INR	98.95	98.56	0.39
EURO/INR	75.22	75.21	0.01
JPY/INR	0.61	0.61	0.00

Commodity Prices				
Currency	26-May	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	49.00	48.16	42.52	57.29
Brent Crude(\$/bl)	49.72	47.21	43.59	61.35
Gold(\$/oz)	1220	1254	1243	1187
Gold(Rs./10 gm)	29003	29667	29062	27032

Source: ICRON Research

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### Derivatives Market

- Nifty May 2016 Futures settled at spot closing of 8069.65. Nifty June 2016 Futures also closed at spot closing, neither recording any premium nor discount. The turnover on NSE's Futures and Options segment moved up from Rs. 6,03,352.90 crore on May 25 to Rs. 7,22,909.71 crore on May 26.
- The Put-Call ratio stood unchanged compared with previous session at 0.92.
- The Nifty Put-Call ratio stood at 1.44, compared with the previous session's close of 1.03.
- The open interest on Nifty Futures stood at 27.99 million, compared with the previous session's close of 26.89 million.

### Indian Debt Market

- Bond yields moved in a tight range and closed almost steady as investors remained cautious ahead of the weekly auction of the government securities.
- Yield on 10-year benchmark bond (7.59% GS 2026) inched up 1 bps to close at 7.47%, from the previous day's close of 7.46%. During the session, bond yields traded in the region of 7.46% to 7.47%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility stood at Rs. 14,013 crore (gross), compared with borrowings of Rs. 21,158 crore (gross) on May 24. Sale of securities by Reserve Bank of India (RBI) under reverse repo stood at Rs. 7,423 crore on May 24.
- RBI has set the underwriting cut-off rate for 7.35% GS 2024 at 0.17 paise, 7.61% GS 2030 at 0.34 paise, 7.50% GS 2034 at 0.59 paise, and 7.72% GS 2055 at 1.48 paise, per Rs. 100.

### Currency Market Update

- The Indian rupee rose against the U.S. dollar following gains in the domestic equity market. Gains were extended due to greenback sales by foreign banks. The rupee rose 0.24% to close at 67.17 per dollar from the previous day's close of 67.33.
- The euro rose against the U.S. dollar as investors booked profits from the recent rally in the greenback. Investors were waiting for some key U.S. economic data to be released later in the day. Euro was trading at \$1.1172, up 0.17% from the previous day's close of \$1.1153.

### Commodity Market Update

- Gold prices inched higher due to weakness in the U.S. dollar, after touching a seven-week low level.
- Brent crude prices crossed the \$50-a-barrel mark in almost seven months, as inventory data indicated that global glut was declining.

### International News

- A report from the U.S. Labor Department showed that initial jobless claims in U.S. for the week ended May 21 was 268,000, down 10,000 from the previous week's unrevised level of 278,000.
- A report from the U.S. Commerce Department showed that durable goods orders rose 3.4% in Apr 2016 after growing by a revised 1.9% in Mar 2016.
- Data from the British Bankers' Association showed that U.K. mortgage approvals declined more-than-expected to its lowest level in over a year in Apr 2016. The number of loans approved for house purchase fell sharply to 40,104 in Apr from 43,854 in Mar 2016.
- Gross domestic product of the U.K. economy grew 0.4% in the first quarter of 2016. This was slower than the 0.6% expansion posted in the fourth quarter of 2015.