

### Indices Performance

Global Indices	06-Sep	Prev_Day	Abs. Change	% Change#
Dow Jones	18,538	Closed	NA	NA
Nasdaq	5,276	Closed	NA	NA
FTSE	6,826	6,879	-53	-0.78
Nikkei	17,082	17,038	44	0.26
Hang Seng	23,788	23,650	138	0.58
Indian Indices	06-Sep	Prev_Day	Abs. Change	% Change#
S&P BSE Sensex	28,978	28,532	446	1.56
Nifty 50	8,943	8,810	133	1.51
Nifty 100	9,160	9,022	138	1.53
Nifty Bank	20,426	19,883	543	2.73
SGX Nifty	8,959	8,841	119	1.34
S&P BSE Power	2,121	2,092	29	1.39
S&P BSE Small Cap	12,764	12,644	120	0.95
S&P BSE HC	16,339	16,233	106	0.65

### P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
6-Sep	21.37	1.34	24.52	1.20
Month Ago	20.78	1.39	23.74	1.26
Year Ago	20.09	1.46	21.21	1.54

### Nifty 50 Top 3 Gainers

Company	06-Sep	Prev_Day	% Change#
Tata Motors	589	550	7.07
Tata Motors -DVR	374	352	6.14
Axis Bank	636	599	6.12

### Nifty 50 Top 3 Losers

Company	06-Sep	Prev_Day	% Change#
TCS	2484	2515	-1.22
Coal India	329	332	-1.04
Tata Power	79	79	-0.63

### Advance Decline Ratio

	BSE	NSE
Advances	1619	1033
Declines	1146	595
Unchanged	191	72

### Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	246	41637
MF Flows**	182	12539

\*6<sup>th</sup> Sep 2016; \*\*2<sup>nd</sup> Sep 2016

### Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	3.55% (Jul-16)	0.79% (Apr-16)	-4.00% (Jul-15)
IIP	2.10% (Jun-16)	0.30% (Mar-16)	4.20% (Jun-15)
GDP	7.10 (Jun-16)	7.90 (Mar-16)	7.50 (Jun -15)

### Global Indices

- All Asian markets closed higher as the investors got optimistic over a stabilization in the crude oil price. The fact that the Reserve Bank of Australia kept rates on hold also contributed to the positive sentiment. Today (As on Sep 07), Asian market opened mixed. Release of U.S. non-manufacturing data for Aug was taken positively by the investors, since it reduced the possibility of rate hike by the U.S. Fed. Strengthening of yen against dollar had negative impact on Japanese market. Nikkei Average traded down 0.76% and Hang Seng traded up 0.07%, respectively (as at 8.00 a.m IST).

- As per the last close, European market closed mixed. Investors remained cautious ahead of the European Central Bank Sep policy meeting scheduled on Sep 09. Also, weaker than expected U.S. non-manufacturing data for Aug which was lowest since Feb 2010 and decrease in crude oil prices weighed on investor's sentiments.

- As per the last close, the U.S. market closed higher even after disappointing service sector data for the month of Aug 2016. This was because investors reacted to the report in a positive way since the report will lead the Federal Reserve to refrain from raising interest rates.

### Indian Equity Market

- Market touched a record high in more than a year after lower-than-expected U.S. non-farm payroll data reduced the possibility of imminent rate hike by the U.S. Federal Reserve. Improved service sector Purchasing Managers' Index (PMI) data also supported gains. The Nikkei India Services PMI stood at 54.7 in Aug, up significantly from 51.9 in Jul marking the 14 consecutive months of rise.

- Key benchmark indices S&P BSE Sensex and Nifty 50 surged 1.56% and 1.51% to close at 28,978.02 points and 8,943.00 points, respectively. The S&P BSE Sensex touched this level after Apr 13, 2015, when the index closed at 29,044.44 points. S&P BSE MidCap and S&P BSE SmallCap moved up 1.84% and 0.95%, respectively.

- On the BSE sectoral front, all the indices closed in the positive zone. S&P BSE Bankex (2.96%) stood as the top gainer followed by S&P BSE Consumer Durables (2.94%) and S&P BSE Auto (2.83%). Rate sensitive sectors gained on expectations of a rate-cut by the new Reserve Bank of India governor. Investors are now waiting for CPI data scheduled to release in the coming week.

### Domestic News

- Data from a private survey showed that India's services activity grew in Aug on the back of upbeat domestic and foreign demand. The Nikkei India Services Business Activity Index rose to 54.7 in Aug from 51.9 in Jul. The seasonally adjusted Nikkei India Composite Purchasing Managers' Index climbed to 54.6 in Aug from 52.4 in Jul implying notable improvement in private sector economic activity.

- According to the Chief Economic Advisor, Universal Basic Income may feature in the next economic survey. Universal Basic Income is a single unconditional income that lowers government efforts to ensure delivery of individual social security schemes. The Chief Economic Advisor added that Universal Basic Income promises every citizen unconditional cash transfer in place of the many benefits like in case of health and subsidies.

- The Modified Special Incentive Package Scheme or M-SIPS is set for a major overhaul after the Ministry of Finance raised concerns regarding a lack of clarity in the quantum of subsidy outgo under the given framework till 2020. The M-SIPS policy aims to give incentives to companies for manufacturing locally by providing them a 20% to 25% subsidy on their capital expenditure.

- The government has set parameters for public sector banks for receiving capital support. Only those state-run banks that will fulfil the criteria post third quarter results would be eligible for funds. According to media reports, the second round of funding would be in addition to the remaining 25% of the Rs. 22,915 crore capital infusion that was announced in Jul.

- Tata Motors has received an order of around 5,000 buses from 25 state/city transport undertakings (STUs) across the country, for a total value worth Rs. 900 crore. The company is planning to execute the order in the current financial year to further strengthen its position in the commercial vehicle passenger space.

FII Derivative Trade Statistics	06-Sep		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1485.52	1884.71	29563.94
Index Options	26409.83	26230.95	70826.62
Stock Futures	6581.64	6180.61	58633.06
Stock Options	3929.79	4004.01	5606.74
Total	38406.78	38300.28	164630.36

Derivative Statistics- Nifty Options			
	06-Sep	Prev_Day	Change
Put Call Ratio (OI)	1.19	1.13	0.06
Put Call Ratio(Vol)	1.31	1.21	0.10

Debt Watch				
	06-Sep	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.39%	6.39%	6.39%	7.08%
CBLO	6.42%	6.48%	5.73%	6.85%
Repo	6.50%	6.50%	6.50%	7.25%
Reverse Repo	6.00%	6.00%	6.00%	6.25%
91 Day T-Bill	6.55%	6.47%	6.53%	7.10%
364 Day T-Bill	6.66%	6.60%	6.68%	7.46%
10 Year Gilt	7.10%	7.11%	7.17%	7.75%
G-Sec Vol. (Rs.Cr)	70696	94910	104867	30876
1 Month CP Rate	6.84%	6.81%	6.84%	7.58%
3 Month CP Rate	6.99%	7.00%	7.09%	7.83%
5 Year Corp Bond	7.52%	7.53%	7.67%	8.41%
1 Month CD Rate	6.52%	6.50%	6.48%	7.43%
3 Month CD Rate	6.64%	6.66%	6.65%	7.51%
1 Year CD Rate	7.24%	7.23%	7.24%	7.83%

Currency Market			
Currency	06-Sep	Prev_Day	Change
USD/INR	66.55	66.84	-0.29
GBP/INR	88.65	88.70	-0.06
EURO/INR	74.17	74.80	-0.63
JPY/INR	0.64	0.65	0.00

Commodity Prices				
Commodity	06-Sep	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	44.85	46.32	41.83	46.02
Brent Crude(\$/bl)	46.31	47.74	42.07	48.04
Gold( \$/oz)	1350	1311	1335	1123
Gold(Rs./10 gm)	31030	31014	31285	26325

Source: ICRON Research

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**Derivatives Market**

- Nifty Sep 2016 Futures were at 8,961.20 points, a premium of 18.20 points, over the spot closing of 8,943.00 points. The turnover on NSE's Futures and Options segment went up from Rs. 2,09,158.21 crore on Sep 2 to Rs. 3,27,270.04 crore on Sep 6.
- The Put-Call ratio stood at 1.05, compared with the previous session's close of 1.02.
- The Nifty Put-Call ratio stood at 1.19, compared with the previous session's close of 1.13.
- The open interest on Nifty Futures stood at 35.63 million compared with the previous session's close of 34.76 million.

**Indian Debt Market**

- Bonds yields fell as weaker-than-expected U.S. jobs data lowered chances of an immediate interest rate hike by the U.S. Federal Reserve.
- Yield on 10-year benchmark bond (7.59% GS 2026) closed down 2 bps at 7.10% compared with the previous close of 7.12%. During the session, bond yields moved in the region of 7.09% to 7.11%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility stood at Rs. 3,260 crore (gross), compared with gross borrowing of Rs. 4,740 crore on Sep 2. Sale of securities under Reserve Bank of India (RBI)'s reverse repo window stood at Rs. 21,643 crore on Sep 2.
- Banks borrowed Rs. 11,238 crore under the central bank's Marginal Standing Facility on Sep 2 comparative with Rs. 200 crore borrowed on Sep 1.

**Currency Market Update**

- Indian rupee strengthened against the greenback following gains in the domestic equity market. The rupee grew 0.45% to close at 66.52 per dollar from the previous close of 66.82.
- The euro rose against the greenback after U.S. jobs data for Aug came weaker than market expectations lowering the possibility of a rate hike by the U.S. Fed later in the month. Euro was trading at \$1.1158, up 0.13% compared with the previous close of \$1.1144.

**Commodity Market Update**

- Gold prices extended the rally amid easing concerns over probable rate hike by the U.S. Federal Reserve in its Sep policy review meeting.
- Brent crude prices traded low as Saudi Arabia energy minister said that there is no need for a production cap on an immediate basis.

**International News**

- According to survey figures from Markit/Chartered Institute of Procurement & Supply, the U.K. service Purchasing Managers' Index (PMI) surged better than forecast at 52.9 in Aug 2016 from 47.4 in Jul 2016. Contraction in the previous month was witnessed following "Brexit" vote. The recent figures indicate that the U.K. economy could avoid an imminent recession.
- According to survey figures from Markit Economics, Germany's construction PMI remained steady at 51.6 in Aug compared with the previous month. Among the three sub components, civil engineering activity expanded at a fastest pace during the reporter period. Meanwhile, commercial building activity expanded, after contracting in the prior two months.