

Weekly Market Wrap



ICRA ONLINE LIMITED
A Group ICRA Company

Equity and Debt Market

Report as on June 27, 2014

Indian Equity Market - Overview

• Indian equity markets closed the week on a flat note. Bourses witnessed a brief recovery initially on the back of value buying after downturn in the previous week. Fall in global crude oil prices also provided support to the bourses. However, markets could not hold on to gains as persistent tensions in Iraq weighed on investor sentiments. Bourses got further hit after the Government deferred its decision on gas-price hike. Weak cues from U.S. markets further triggered selling pressure.

• On the BSE sectoral front, majority of the indices closed in green. S&P BSE Healthcare was the top gainer rising by 4.09%. Pharma stocks witnessed buying on the last trading session of the week after a major company from the sector got U.S. regulator's approval to sell the generic version of a key medicine. Meanwhile, Consumer Durables, Auto and Capital Goods sectors also witnessed heavy buying after the Government extended excise duty cuts by six months to December 31. However, S&P BSE FMCG was the major laggard as the sector was weighed down by concerns over a probable excise duty hike on tobacco.

Indian Debt Market - Overview

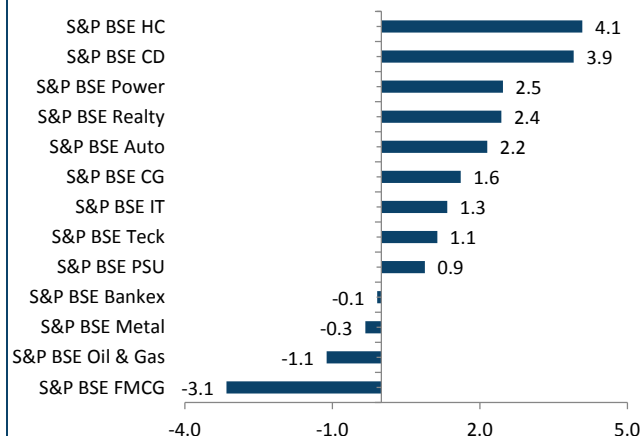
• Bond yields eased in the first half of the week tracking fall in global crude oil prices. Thereafter, it rose as investors trimmed their large bond holdings and looked forward to the Budget to be presented by the new Government. Concerns regarding high inflation also weighed on market sentiment.

• The benchmark 10-year bond yield rose 3 bps to 8.75% compared to the previous week's close of 8.72%. Bond yields rose for the third consecutive week.

• Banks' net average borrowings under the Liquidity Adjustment Facility stood at Rs. 15,491.40 crore (for Friday, only repo session considered), compared to the previous week's average borrowing of Rs. 13,107.80 crore.

• Banks' average borrowings through the RBI's Marginal Standing Facility window stood at Rs. 1,115 crore till Thursday at 9% compared to Rs. 463 crore borrowed during the previous week.

Sectoral Indices (%)



Domestic Index	Closing Value	% Returns		
		Weekly	Monthly	Yearly
S&P BSE SENSEX	25099.9	0.0	2.2	33.0
CNX NIFTY INDEX	7508.8	0.0	2.6	32.1
S&P BSE MID CAP	9205.2	2.7	9.2	57.8
S&P BSE 200	3080.5	0.6	3.5	35.9

World Market Index	Closing Value	% Returns		
		Weekly	Monthly	Yearly
Dow Jones	16851.8	-0.6	1.1	12.2
Nasdaq 100	3844.4	1.1	3.3	32.3
CAC -40 Index	4437.0	-2.3	-2.0	17.9
DAX Index	9815.2	-1.7	-1.3	22.8
Hang Seng	23221.5	0.1	1.2	13.6
Nikkei	15095.0	-1.7	3.1	14.2

Debt Market	Closing Value	Wk Ago	Mth Ago	Yr Ago
Inflation (%)	6.0	6.0	5.2	4.6
Repo Rate	8.0	8.0	8.0	7.3
Reverse Repo	7.0	7.0	7.0	6.3
91 Days T-Bill	8.4	8.5	8.6	7.6
364 Days T-Bill	8.7	8.7	8.7	7.5
10 Y G-Sec Yield	8.7	8.7	8.7	7.6

Commodity / Currency Details	Closing Value	Value	
		Wk Ago	Mth Ago
Commodity			
Gold(Rs./10gm)	28086.0	28147.0	27476.0
Silver (Rs./kg)	44481.0	44126.0	40649.0
Brent Crude (\$/bbl)	112.7	115.0	110.6
Currency			
US Dollar	60.1	60.3	59.1
Pound Sterling	102.4	102.8	99.6

FII's vs MF's - Fund Flow (Amt in Rs. Crores)

By FIIs				
Nature	Gross Purchase	Gross Sale	Net Weekly	Net Monthly
Equity	18876.5	19030.9	-154.4	13763.9
Debt	4146.9	3316.2	830.6	18188.1
By MFs				
Nature	Gross Purchase	Gross Sale	Net Weekly	Net Monthly
Equity	5223.4	3182.2	2041.2	2523.4
Debt	33461.2	19387.7	14073.6	67556.5

Mutual Fund

Debt Category returns (%)			Equity Category returns (%)		
	1 year	2 year		1 year	3 year
Liquid Funds	8.9	8.7	Balanced Funds	36.0	13.1
Ultra Short Term	9.0	8.8	Mid & Small Cap Funds	70.4	20.4
Floating Rate Funds	9.1	9.1	Diversified Funds	44.1	13.0
Short Term Funds	8.2	8.9	Large Cap Funds	36.0	12.3
Income Funds(Long Term)	5.3	8.0	Others		
Gilt Funds	3.8	7.4	Gold ETF	6.6	7.3
Benchmarks			Benchmarks		
Crisil Liquid Fund Index	9.6	8.9	S&P BSE Sensex	33.0	10.9
Crisil Short Term Bond Fund Index	8.9	9.0	CNX Nifty	32.1	10.8
Crisil Composite Bond Fund Index	5.3	7.6	S&P BSE Mid Cap	57.8	11.0
			S&P BSE Small Cap	80.0	7.9
			Price of Gold	8.2	8.5

Returns are SIMPLE ANNUALIZED for <1 yr and COMPOUND ANNUALIZED for >=1 yr

Returns are ABSOLUTE for <1 yr and COMPOUND ANNUALIZED for >=1 yr

Mutual Fund News

- Capital market regulator Securities and Exchange Board of India (SEBI) said debt-oriented mutual funds schemes with a low asset base should collect at least Rs. 20 crore at the time of new fund offer. SEBI has also directed mutual funds to maintain an average Asset Under Management of Rs. 20 crore on half yearly rolling basis for open-ended debt-oriented schemes.
- SEBI wants to implement self-regulation in the Rs. 10 trillion mutual fund industry at the earliest and said it will come out with new rules for distributors and advisors.
- Edelweiss Mutual Fund has announced change in benchmark index of Edelweiss Select Midcap Fund with effect from June 23. Accordingly, the revised benchmark index will be CNX Midcap Index.
- Edelweiss Mutual Fund has announced that Ashish Sahay shall be the co-fund manager of Edelweiss Diversified Growth Equity Top 100 Fund and Edelweiss Absolute Return Fund, open-ended equity schemes of Edelweiss Mutual Fund, along with Paul Parampreet.
- Franklin Templeton Mutual Fund has announced that with effect from August 1, Templeton India Children's Asset Plan – Gift Plan would be merged with FT India Balanced Fund. Templeton India Children's Asset Plan – Education Plan would be merged with FT India Monthly Income Plan.
- Franklin Templeton Mutual Fund has extended the date of merger of Templeton India Government Securities Fund-Treasury Plan (TGSF-TP) with Templeton India Government Securities Fund-Composite Plan (TGSF-CP) from July 18 to July 25.
- Canara Robeco Mutual Fund has announced change in the fund management responsibilities with effect from June 25. Accordingly, Canara Robeco Gilt PGS, Canara Robeco Income Fund and Canara Robeco Dynamic Bond Fund will be managed by Avnish Jain, Canara Robeco Short-Term Fund will be managed by Suman Prasad, Canara Robeco Liquid Fund, Canara Robeco Treasury Advantage Fund, Canara Robeco Floating Rate Fund and Canara Robeco Gilt Fund will be jointly managed by Avnish Jain and Suman Prasad and Canara Robeco Gold Exchange Traded Fund will be jointly managed by Avnish Jain and Kiran Shetty.
- Tata Mutual Fund has announced that Akhil Mittal has been appointed as the fund manager for Tata Floater Fund and co-fund manager with S. Raghupati Acharya for Tata Income Fund, Tata Income Plus Fund, Tata Short-Term Bond Fund, Tata Dynamic Bond Fund, Tata Gilt Securities Fund, Tata Gilt Mid-Term Fund and Tata Gilt Short Maturity Fund with effect from June 26.

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