

Indices Performance

Index	16-Jul-14	Previous Close	% Change [#]
S&P BSE Sensex	25550	25229	1.27
CNX Nifty	7624	7527	1.30
CNX Midcap	10917	10759	1.46
CNX 500	6148	6067	1.33
S&P BSE Smallcap	10057	9856	2.04

Global Markets

Index	16-Jul-14	Previous Close	% Change [#]
Dow Jones [§]	17103	17044	0.34
Nasdaq [§]	4432	4409	0.53
S&P 500 [§]	1978	1971	0.37
FTSE [§]	6777	6711	0.99
CAC [§]	4362	4309	1.23

Nifty Top 5 Gainers

Company	16-Jul-14	Previous Close	% Change [#]
IDFC	163	150	8.83
DLF	225	213	5.80
ICICI Bank	1461	1395	4.75
Hindalco	182	175	4.35
Axis Bank	1964	1899	3.42

Nifty Top 5 Losers

Company	16-Jul-14	Previous Close	% Change [#]
Bajaj Auto	2137	2156	-0.87
GAIL	457	460	-0.65
Asian Paints	580	583	-0.45
Ultratech Cem	2513	2519	-0.24
HDFC	976	978	-0.16

Trading Turnover

Description	16-Jul-14	Change	% Change [#]
NSE	17702	3213	22.17
BSE	3541	856	31.91
Index Fut	17036	1816	11.93
Stock Fut	31814	5194	19.51
Index Opt	155472	13594	9.58
Stock Opt	13334	2191	19.66
F&O Total	217658	22786	11.69

Institutional Flows (Equity)

Description (INR Cr)	Purchases	Sales	Net
FII Flows*	3025	3025	-1
MF Flows**	950	353	597

*16th Jul 2014; **15th Jul 2014 [§] as at 20 00 hrs

[#] % change is the change over the previous days close

Financial Market & Economic Update

- Government data showed that India's trade deficit jumped to an 11 month high of \$11.76 billion in June from \$11.23 billion in May and \$11.28 billion in June 2013. This can be attributed to a 65% annual rise in gold imports. Imports posted an increase of 8.33% at \$38.24 billion compared to the previous year. Oil imports during June 2014 were 10.90% higher at \$13.34 billion compared to the same period in the previous year. However, exports of merchandise rose 10.22% to \$26.47 billion compared to the same period in the previous year.

- The Government is working on a national food grid to connect deficient areas with producing regions. This is a part of a plan to reduce wastage of fruits and vegetables while ensuring stable food prices so as to reign in high inflation rates. The Government is also developing a food map and a national cold chain grid for the same purpose.

- According to media reports, the Government could suggest the Reserve Bank of India (RBI) to ease interest rates if domestic inflation rates remain stable. The Government is alert to food inflation and may consider importing onions to control domestic inflation.

Equity Market Update

- Indian equity markets rose for the second consecutive session as strong buying interest was seen in banking, realty and infrastructure stocks after the Reserve Bank of India exempted the mandatory reserve requirements on funds raised through long-term bonds for extending credit to housing and infrastructure sectors. Meanwhile, the country's trade deficit widened in June to \$11.76 billion from \$11.23 billion in May boosted by a 65% annual rise in gold imports.

- Key benchmark indices, S&P BSE Sensex and CNX Nifty, rose 1.27% and 1.30%, respectively to close at 25,549.72 and 7,624.40, respectively. Meanwhile, S&P BSE Small-Cap and S&P BSE Mid-Cap rose 2.04% and 1.34%, respectively.

- The overall market breadth on BSE was positive with 1,981 scrips advancing and 957 scrips declining. A total of 107 scrips remained unchanged.

- On the BSE sectoral front, all the indices closed in green. S&P BSE Realty was the top gainer and rose 4.28%, followed by S&P BSE Bankex and S&P BSE Metal, which rose 2.50% and 2.20%, respectively. S&P BSE Capital Goods and S&P BSE Auto rose 1.51% and 1.44%, respectively.

Derivatives Market

- Nifty July 2014 Futures were at 7,643.05 points, a premium of 18.65 points over the spot closing of 7,624.40 points. The turnover on NSE's Futures and Options segment rose from Rs. 1,94,872.44 crore on July 15 to Rs. 2,17,658.19 crore on July 16.

- The Put-Call ratio stood at 0.90 compared to the previous session's close of 0.72.

- The Nifty Put-Call ratio stood at 0.78 against the previous session's close of 0.68.

- India VIX fell 0.25% from 14.7675 in the previous trading session to 14.7300.

- The open interest on Nifty Futures rose from 15.72 million recorded in the previous trading session to 16.15 million.

Policy Rates

Key Rates (%)	16-Jul-14	1 Week Ago	1 Month Ago
Reverse Repo	7.00	7.00	7.00
Repo	8.00	8.00	8.00
CRR	4.00	4.00	4.00
SLR	22.50	22.50	22.50
Bank Rate	9.00	9.00	9.00

Daily Rates

Key Rates (%)	16-Jul-14	Previous Close	% Change [#]
NSE MIBOR	8.29	8.38	-1.07
CALL	7.81	8.23	-5.10
CBLO	8.35	8.41	-0.71
OIS- 1 Yr	8.40	8.41	-0.12
OIS- 5 Yr	7.87	7.90	-0.38

Liquidity Indicators

Description (INR Cr)	16-Jul-14	1 Week Ago	1 Month Ago
Govt Securities	30,986	27,348	33,321
Call Money	7,658	12,709	17,750
CBLO	63,839	63,570	67,891
LAF	21,313	20,329	17,640
Treasury Bills	7,846	7,024	914

Top 5 traded G - Sec

Security	Maturity	% Closing Yield	% Change [#]
08.83 GS 2023	25-Nov-23	8.72	-0.13
08.60 GS 2028	02-Jun-28	8.62	-0.03
08.27 GS 2020	09-Jun-20	8.59	-0.48
08.28 GS 2027	21-Sep-27	8.76	-0.14
08.35 GS 2022	14-May-22	8.76	-0.07

Commodity Market

Commodity (INR)	16-Jul-14	Gain+/Loss-	% Change [#]
Gold (10 gm)	27,808	-177.00	-0.63
Silver (1 kg)	44,250	-484.00	-1.08
Crude Oil (1 barrel)	6,020	-35.00	-0.58
Aluminium (1 kg)	118	2.00	1.72
Copper (1 kg)	431	1.60	0.37

Currency Market

Currency	16-Jul-14	Gain+/Loss-	% Change [#]
USD/INR	60.19	-0.03	-0.05
EURO/INR	81.66	-0.30	-0.36
GBP/INR	103.14	0.34	0.33
JPY/INR	0.59	0.00	-0.14

[#] % change is the change over the previous days close

Debt Market Update

- Bond yields fell for the second consecutive session as fall in consumer and wholesale based-index inflation rates for June continued to boost investor sentiments. If domestic inflation continues to follow the downward trend, RBI may ease interest rates in the coming months which may boost the Indian economy in the long run.
- However, gains were capped after India's trade deficit widened in June in comparison to the previous month. This led to concerns about the Current Account Balance of the country and that too at a time when markets remain uncertain regarding the global crude oil prices.
- The benchmark 10-year bond yield dropped 2 bps to close at 8.72% compared to 8.74% on the previous day. During the session, bond yields traded in the range of 8.71% to 8.75%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility stood at Rs. 21,313 crore (gross) compared to Rs. 20,388 crore (gross) recorded on July 14. Sale of securities by the RBI under the reverse repo window stood at Rs. 6,420 crore as on July 15.
- Banks borrowed Rs. 329 crore under the RBI's Marginal Standing Facility window on July 15 much less than the borrowing of Rs. 6,837 crore on July 14.

Mutual Fund & Insurance Update

- According to the Government, as many as 33 mutual fund houses were found to have violated '20-25 rule' which requires a minimum of 20 investors and a cap of 25% investment by an individual investor in a particular scheme.
- The change in taxation rules for debt mutual funds may hit the corporate bond markets. About 70% of the total assets of the mutual fund sector, or about Rs. 7 lakh crore, is invested in corporate debt securities across the rating spectrum and yield curves. In a letter to SEBI Chairman U K Sinha, AMFI has argued that under the new tax laws, the cost of funds for companies will rise 75-100 basis points.
- SBI Mutual Fund has decided to cancel the launch of New Fund Offers of SBI Debt Fund Series A-39 (369 Days) and SBI Debt Fund Series A-40 (369 Days).
- HDFC Life is expected to double its revenue from its online insurance sales by 2016. The company is seeing 10% of its new insurance business coming from the online sales in just about two years. For HDFC Life, online channel is making insurance premium underwriting quicker, less prone to error and increasing the chances of higher renewals.

Commodity Market Update

- Gold prices moved up but gains were capped amid fears that the Federal Reserve could hike U.S. interest rates sooner than expected if labor market continues to improve more quickly than anticipated. Gold prices were last seen trading at \$1,300.96 compared to the previous close of \$1,294.10.
- Brent crude prices rose on signs of improving demand from China after data showed Chinese economy grew faster than expected in the second quarter. Brent crude prices were last seen trading at \$104.42 compared to the previous close of \$103.21.

Currency Market Update

- The Indian rupee ended flat as dollar demand from state-run banks probably due to oil-and defence-related payments offset the gains made in the currency owing to strong domestic equity markets. The rupee closed flat at 60.12.
- The euro fell against the dollar after the Federal Reserve Chief in its testimony to the U.S. Congress said that interest rates may rise earlier than expected if U.S. labour market continues to improve. The euro was last seen trading at \$1.3533 compared to the previous close of \$1.3571.

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Note: Data last updated at 20 00 hrs