

Weekly Market Wrap



ICRA ONLINE LIMITED
A Group ICRA Company

Equity and Debt Market

Report as on July 25, 2014

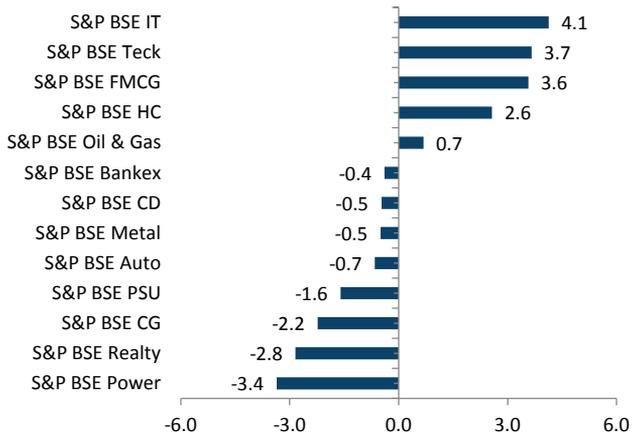
Indian Equity Market - Overview

- Indian equity markets continued with the previous week's rally and touched new record highs amid upbeat quarterly earnings numbers from index heavyweights. Bourses got more support after the monsoon forecast for the next two weeks came in line with expectations. Positive global cues also helped improve investors' risk appetite. Besides, the Cabinet's approval of higher Foreign Direct Investment limit in the insurance sector boosted markets.
- Sentiments improved further after the investment limit for foreign portfolio investors in Government Securities was raised. However, markets fell on the last trading day of the week as investors preferred to book profits. Sentiments dampened further after India blocked the World Trade Organisation's trade facilitation agreement, a move that threatens to hamper a global trade deal.
- On the BSE sectoral front, S&P BSE IT was the top gainer, rising by 4.14% followed by S&P BSE TECK and S&P BSE FMCG, which rose 3.66% and 3.57%, respectively. IT stocks gained on the back of positive economic data from the U.S.

Indian Debt Market - Overview

- Bond yields remained lower during the week on the back of strong foreign funds inflows and after the Government enhanced the investment limit on sovereign debt for Foreign Institutional Investors by \$5 billion to \$25 billion.
- The Central Bank also auctioned the new 10-year bond for which the cut-off yield stood at 8.40%, much lower than the current benchmark bond's yield.
- The 10-year benchmark bond yield moved down 10 bps to close the week at 8.67% compared to the previous week's close of 8.77%.
- Liquidity condition in the banking system remained tight during the week. Banks' net average borrowings under the RBI's Liquidity Adjustment Facility stood at Rs. 18,660.20 crore (for Friday, only repo session considered), compared to the previous week's net average borrowings of Rs. 16,947.40 crore.

Sectoral Indices (%)



Domestic Index	Closing Value	% Returns		
		Weekly	Monthly	Yearly
S&P BSE SENSEX	26126.8	1.9	3.2	31.9
CNX NIFTY INDEX	7790.5	1.7	2.9	31.9
S&P BSE MID CAP	9178.2	-0.8	-0.3	57.2
S&P BSE 200	3161.2	0.9	2.1	34.7

World Market Index	Closing Value	% Returns		
		Weekly	Monthly	Yearly
Dow Jones	17086.6	-0.1	1.3	9.8
Nasdaq 100	3986.2	1.2	4.2	30.2
CAC -40 Index	4376.3	0.9	-1.9	10.6
DAX Index	9753.6	0.3	-1.2	17.5
Hang Seng	24216.0	3.2	5.9	10.6
Nikkei	15457.9	1.6	1.3	6.1

Debt Market	Closing Value	Wk Ago	Mth Ago	Yr Ago
Inflation (%)	5.4	5.4	6.0	5.2
Repo Rate	8.0	8.0	8.0	7.3
Reverse Repo	7.0	7.0	7.0	6.3
91 Days T-Bill	8.5	8.5	8.5	10.6
364 Days T-Bill	8.7	8.7	8.7	9.7
10 Y G-Sec Yield	8.7	8.8	8.7	8.2

Commodity / Currency Details	Closing Value	Value	
		Wk Ago	Mth Ago
Commodity			
Gold(Rs./10gm)	27724.0	28085.0	28193.0
Silver (Rs./kg)	43821.0	44742.0	44225.0
Brent Crude (\$/bbl)	106.8	105.8	112.9
Currency			
US Dollar	60.1	60.3	60.3
Pound Sterling	102.2	103.2	102.3

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

By FIIs				
Nature	Gross Purchase	Gross Sale	Net Weekly	Net Monthly
Equity	16620.3	14209.2	2411.1	13166.0
Debt	8116.1	1555.4	6560.7	17828.8
By MFs				
Nature	Gross Purchase	Gross Sale	Net Weekly	Net Monthly
Equity	3495.5	2920.4	575.1	2328.1
Debt	27901.9	23625.5	4276.4	20488.5

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Mutual Fund

Debt Category returns (%)

	1 year	2 year
Liquid Funds	9.2	8.6
Ultra Short Term	9.7	8.7
Floating Rate Funds	9.7	9.0
Short Term Funds	10.1	8.8
Income Funds(Long Term)	8.4	7.9
Gilt Funds	7.4	7.6

Benchmarks

Crisil Liquid Fund Index	10.2	8.9
Crisil Short Term Bond Fund Index	10.7	9.0
Crisil Composite Bond Fund Index	9.8	7.6

Equity Category returns (%)

	1 year	3 year
Balanced Funds	37.2	12.9
Mid & Small Cap Funds	70.7	18.8
Diversified Funds	43.8	12.8
Large Cap Funds	35.7	12.5
Others		
Gold ETF	1.8	4.7

Benchmarks

Sensex	31.9	11.4
Nifty	31.9	11.1
S&P BSE Mid Cap	57.2	9.0
S&P BSE Small Cap	80.5	5.7
Price of Gold	1.4	5.9

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

- UTI Mutual Fund has announced the merger of UTI – Services Industries Fund and UTI – Contra Fund with UTI – Multi Cap Fund (new scheme). The existing unit holders, who do not approve the above merger, have an option to exit the scheme between July 24 and August 22 without paying any exit load.
- ICICI Prudential Mutual Fund has changed the provisions of ICICI Prudential Fixed Maturity Plan-Series 68 – 369 Days Plan I. Accordingly, the scheme would invest 50-100% of assets in debt instrument, including securitized debt and invest up to 50% of assets in money-market instruments. The tenure of the scheme has been revised to 763 days and will mature on August 2, 2016. The fund will be jointly managed by Rahul Goswami and Mohan Maru.
- Taurus Mutual Fund has announced that Sanjay Parikh, Chief Operations Officer, has resigned from the services of the company and his name no longer figures in the list of key personnel of Taurus Asset Management Company (TAMCO). V. Sasidhar has joined the services of TAMCO and has been designated as Head – Customer Services in place of Chandrakant Gajane, with effect from July 16. He is now the contact person at TAMCO for investor services/ grievances. Ramesh S Kabra, Head – Product Development, has been re-designated as Vice President – Product Development, Marketing & Customer Services.
- HDFC Mutual Fund has decided to roll over HDFC FMP 371D July 2013 (1), which is due for maturity on July 29. The tenure of the scheme has been revised to 763 days and will accordingly mature on August 31, 2016.

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