

Equity and Debt Market

Report as on April 04, 2014

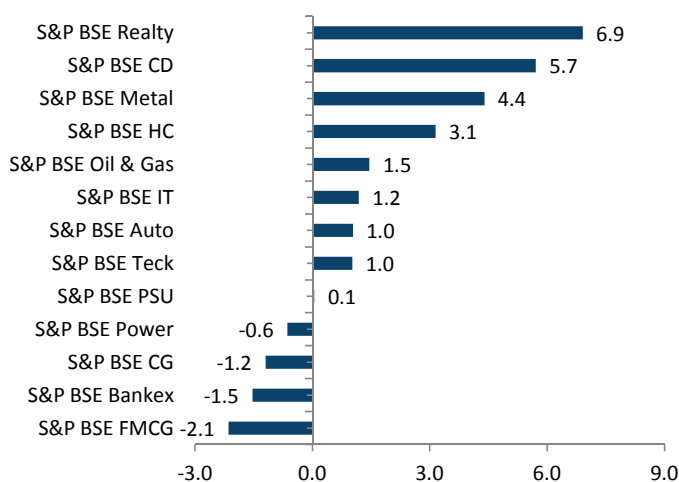
Indian Equity Market - Overview

- Indian equity markets continued to extend their rising streak on the back of sustained buying of Indian stocks by Foreign Institutional Investors. Bourses ended the financial year 2013-14 on a positive note with the key benchmark indices scaling all-time highs.
- Bourses rose further after the Reserve Bank of India kept its key policy rates unchanged at its first bi-monthly monetary policy review. Positive global cues also provided support to the market.
- However, weakness emerged towards the end of the week, following disappointing HSBC Services PMI data for March. Bourses came under further pressure after investors preferred to book profits in some recent outperformers.
- Most of the sectoral indices on the BSE closed in the green. S&P BSE Realty was the top gainer, rising by 6.91%. S&P BSE Capital Goods and S&P BSE Metal rose by 5.71% and 4.40%, respectively.
- Metal stocks rose on hopes that any move by China to boost infrastructure spending would increase demand for industrial metals.

Indian Debt Market - Overview

- Bond yields rose as investors grew concerned regarding tightening cash conditions after the Reserve Bank of India (RBI) in its bi-monthly monetary policy review, reduced the amount that banks can borrow from the emergency Marginal Standing Facility (MSF) from 0.50% to 0.25% of total bank deposits. A higher underwriting fee for this week's bond auction as prescribed by the RBI further hit bond yields, setting off concerns about weak demand in the forthcoming auctions.
- Bond yields rose further after the Central Bank's first debt auction of the new fiscal year was under-subscribed for one of the tranches.
- The yield on the benchmark 10-year bond closed up 27 bps at 9.07% compared to the previous close of 8.80%.
- Banks' net average borrowings under the Liquidity Adjustment Facility stood at Rs. 5,380 crore, compared to the previous week's net borrowing of Rs. 24,439.60 crore.

Sectoral Indices (%)



Domestic Index	Closing Value	% Returns		
		Weekly	Monthly	Yearly
S&P BSE SENSEX	22359.5	0.1	5.4	20.8
CNX NIFTY INDEX	6694.4	0.0	6.3	20.1
S&P BSE MID CAP	7197.6	2.7	9.6	17.2
S&P BSE 200	2684.4	0.5	7.1	19.0

World Market Index	Closing Value	% Returns		
		Weekly	Monthly	Yearly
Dow Jones	16412.7	0.5	0.1	12.4
Nasdaq 100	3539.4	-0.9	-4.9	26.6
CAC -40 Index	4484.6	1.7	2.0	20.4
DAX Index	9695.8	1.1	1.1	24.0
Hang Seng	22510.1	2.0	-0.7	0.8
Nikkei	15063.8	2.5	2.3	19.2

Debt Market	Closing Value	Wk Ago	Mth Ago	Yr Ago
Inflation (%)	4.7	4.7	5.0	7.3
Repo Rate	8.0	8.0	8.0	7.5
Reverse Repo	7.0	7.0	7.0	6.5
91 Days T-Bill	8.8	8.6	9.1	7.7
364 Days T- Bill	8.9	8.7	9.1	7.7
10 Y G-Sec Yield	9.1	8.8	8.8	8.0

Commodity / Currency Details	Closing Value	Value	
		Wk Ago	Mth Ago
Commodity			
Gold(Rs./10gm)	28554.0	28439.0	30411.0
Silver (Rs./kg)	42882.0	42635.0	46665.0
Brent Crude (\$/bbl)	106.9	107.1	110.0
Currency			
US Dollar	60.3	60.1	61.9
Pound Sterling	100.0	99.8	103.3

FII vs MFs - Fund Flow (Amt in Rs. Crores)

By FIIs				
Nature	Gross Purchase	Gross Sale	Net Weekly	Net Monthly
Equity	22193.7	17301.6	4892.2	4892.2
Debt	4998.7	4740.9	257.9	257.9
By MFs				
Nature	Gross Purchase	Gross Sale	Net Weekly	Net Monthly
Equity	1501.8	2301.8	-800.3	-800.3
Debt	30342.4	12937.0	17405.3	17405.3

Weekly Market Wrap

Mutual Fund

Debt Category returns (%)

	1 year	2 year
Liquid Funds	8.8	8.8
Ultra Short Term	8.7	8.8
Floating Rate Funds	9.1	9.2
Short Term Funds	7.6	8.7
Income Funds(Long Term)	4.5	7.4
Gilt Funds	3.2	6.9
Benchmarks		
Crisil Liquid Fund Index	9.4	8.8
Crisil Short Term Bond Fund Index	8.6	8.9
Crisil Composite Bond Fund Index	3.6	6.5

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

Equity Category returns (%)

	1 year	3 year
Balanced Funds	18.5	7.3
Mid & Small Cap Funds	30.2	10.0
Diversified Funds	22.1	5.5
Large Cap Funds	20.0	5.8
Others		
Gold ETF	-4.6	9.0
Benchmarks		
S&P BSE SENSEX	20.8	4.3
CNX NIFTY INDEX	20.1	4.3
S&P BSE Mid Cap	17.2	0.5
S&P BSE Small Cap	22.7	-5.4
Price of Gold	-1.3	11.2

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

Mutual Fund News

- As per new directives from SEBI, mutual fund houses are now required to make monthly disclosures about assets managed by them as well as explain the rationale behind exercising their voting rights in firms.
- According to the latest data by Association of Mutual Funds in India (AMFI), the total asset base of the entire mutual fund industry grew by over Rs 40,000 crore to about Rs. 8.6 lakh crore at the end of the financial year 2013-14. HDFC Mutual Fund has retained its top position with an average Asset Under Management (AUM) of Rs 1.13 lakh crore, while ICICI Prudential Mutual Fund saw its asset base grow 22% to over Rs 1 lakh crore for the first time ever.
- The Central Public Sector Enterprises (CPSE) exchange-traded fund (ETF), operated by Goldman Sachs Asset Management India Ltd, rose 11.17% to Rs.19.40 over its issue price of Rs.17.45 per unit on the first day of trade.
- ICICI Prudential Mutual Fund has announced that it will change the name of ICICI Prudential Discovery Fund to ICICI Prudential Value Discovery Fund. The change will be effective from April 15.
- IDBI Mutual Fund has announced change in the name of IDBI Tax Savings Fund with effect from April 1. Accordingly, the new name will be IDBI Equity Advantage Fund.
- IDBI Mutual Fund has announced change in the exit load structure under IDBI Nifty Index Fund and IDBI Junior Nifty Index Fund, with effect from April 1. Accordingly, the exit load will be 1% for exit (through redemption/switch out/Systematic Withdrawal Plan / Systematic Transfer Plan) made within 30 days from the date of allotment.
- LIC Nomura Mutual Fund has announced that Surendra Jalani will cease to be the Fund Manager and Key Personnel of LIC Nomura Mutual Fund Asset Management Company Ltd., with effect from April 4. Accordingly, LIC Nomura MF Unit Linked Insurance Scheme will be managed by Nobutaka Kitajima and Sachin Relekar (Co-Fund Manager), LIC Nomura MF Balanced Fund & LIC Nomura MF Children's Fund will be managed by Nobutaka Kitajima and Ramnath Venkateswaran (Co-Fund Manager) and LIC Nomura MF Monthly Income Plan will be managed by Killol Pandya. The changes will be effective from April 7.

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