

Monthly Market Update: August, 2013

Highlights of the Issue

- ➡ Global Market Connect
- ➡ Indian Market Connect
- ➡ MCX-SX Corner – Equity and Derivatives Segment
- ➡ MCX-SX Corner – Currency Derivatives Segment
- ➡ MCX-SX Corner –SX40
- ➡ MCX-SX Circulars
- ➡ Regulatory Developments
- ➡ Key Market Developments
- ➡ Key Indian Economic Indicators
- ➡ Economic Calendar – September 2013
- ➡ Branch Offices

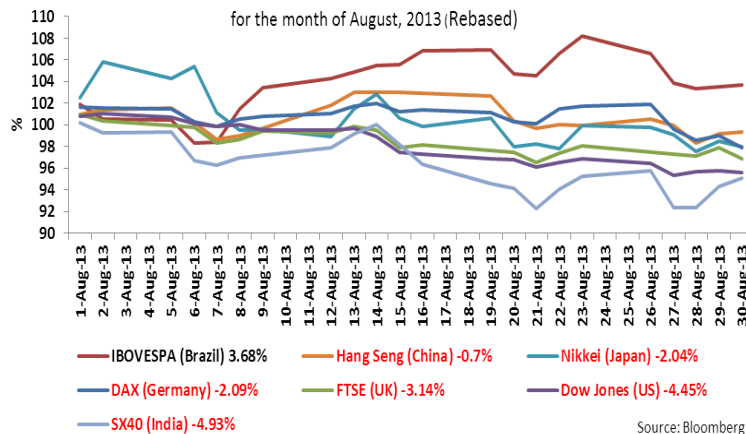
Mail box

*Appreciate your feedback at
yourviews@mcx-sx.com*

Global Market Connect

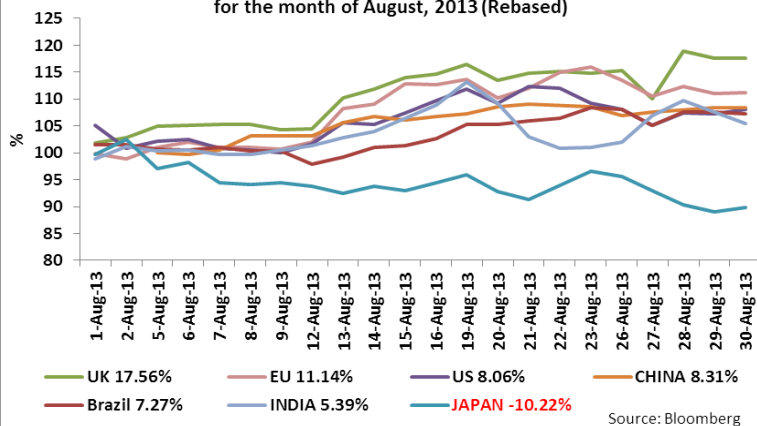
Performance of Global Indices

for the month of August, 2013 (Rebased)



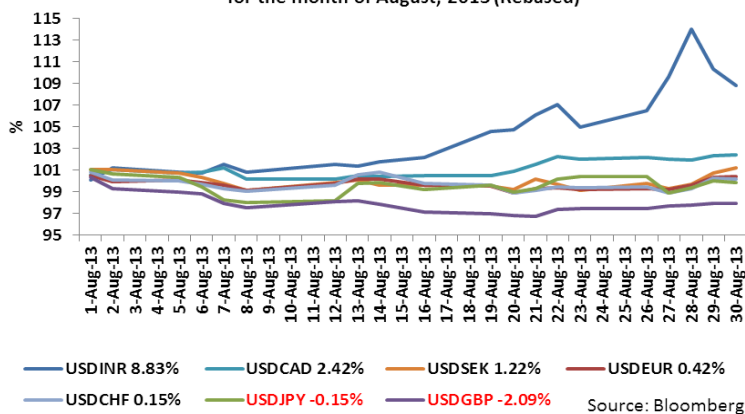
Performance of Global Bond Markets

for the month of August, 2013 (Rebased)



Performance of Major Currencies against USD

for the month of August, 2013 (Rebased)



Issuance Volume of Local Currency Bonds for June 2013 (USD Billions)

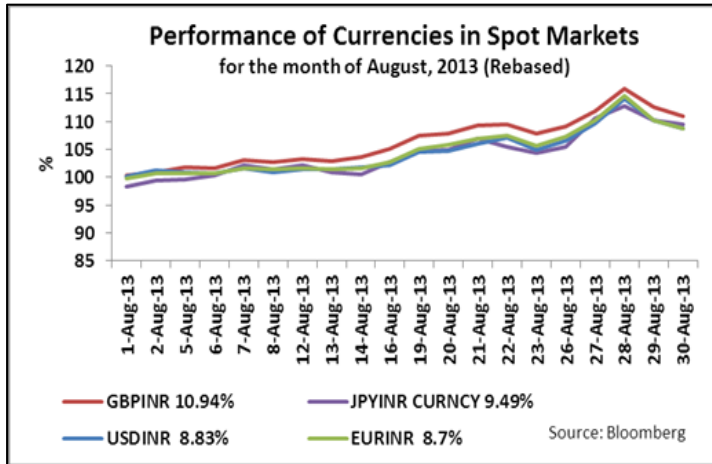
Market	Govt. Bonds	Corp. Bonds	Total
China	194.50 (81%)	46.01 (19%)	240.49
Indonesia	6.65 (77%)	1.96 (23%)	8.62
Japan	502.82 (92%)	43.41 (8%)	546.23
Korea	66.77 (46%)	79.68 (54%)	146.44
Malaysia	31.98 (83%)	6.53 (17%)	38.51
Philippines	2.80 (90%)	0.32 (10%)	3.13
Singapore	85.10 (97%)	2.98 (3%)	88.08
Thailand	57.38 (73%)	21.59 (27%)	78.97
Viet Nam	2.54 (100%)	-	2.54

Source: Asian Bonds Online

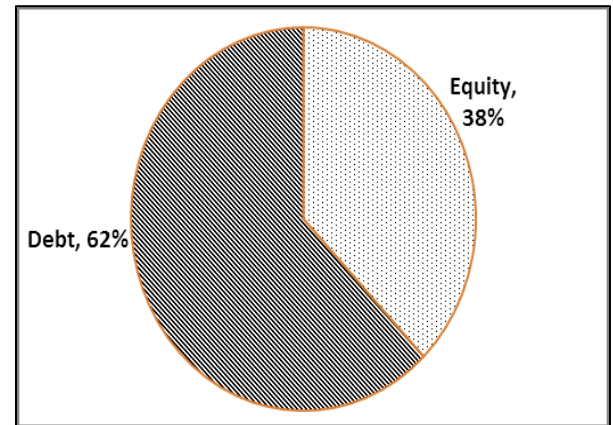
Countries arranged in alphabetical order

Figures in parenthesis indicates Percentage to Total bond issuance

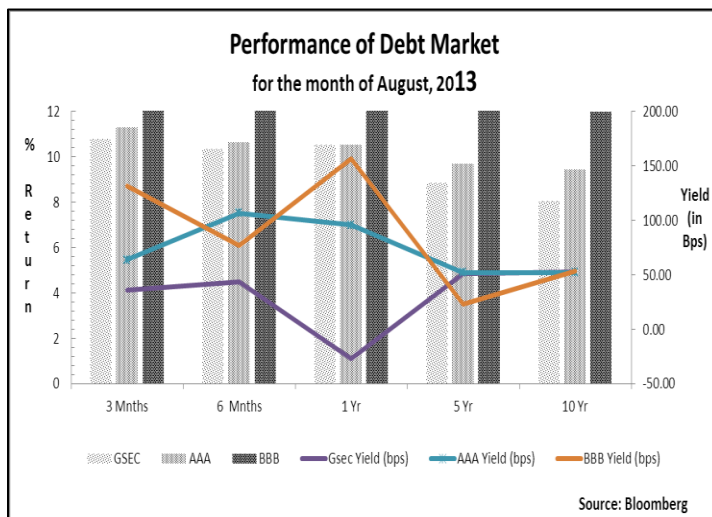
Indian Market Connect



FII Net Investments Composition for the month of August, 2013



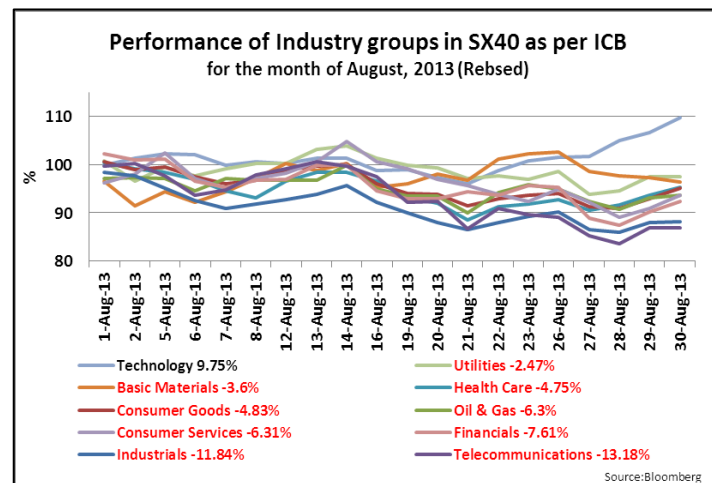
Source: SEBI



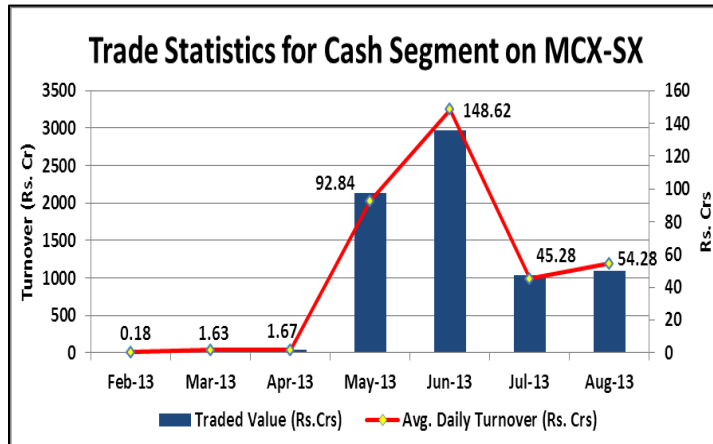
FII Investments Route for the month of August, 2013

Debt /Equity	Investment Route	Net Investment (Rs Crore)	Net Investment USD million
Equity	Stock Exchange	-5,839.50	-887.61
	Primary market & others	-82.70	-14.90
	Sub-total	-5,922.50	-902.51
Debt	Stock Exchange	-12,999.70	-2,052.34
	Primary market & others	3,226.80	497.93
	Sub-total	-9,772.90	-1,554.43
Total		-15,695.40	-2,456.94

Source: SEBI



MCX-SX Corner- Equity & Equity Derivatives Segment

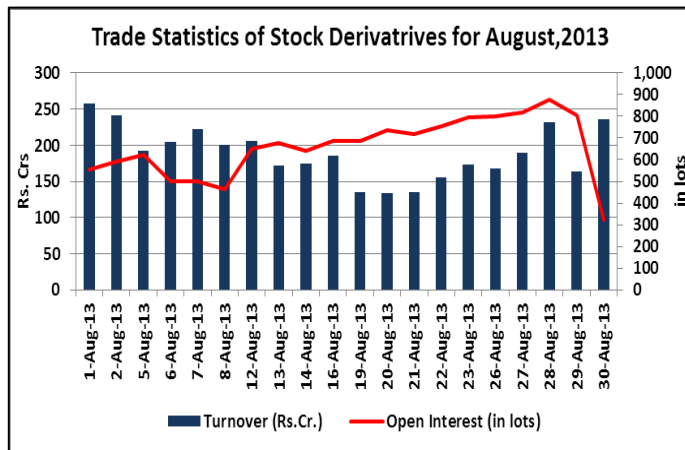


Source: MCX-SX website

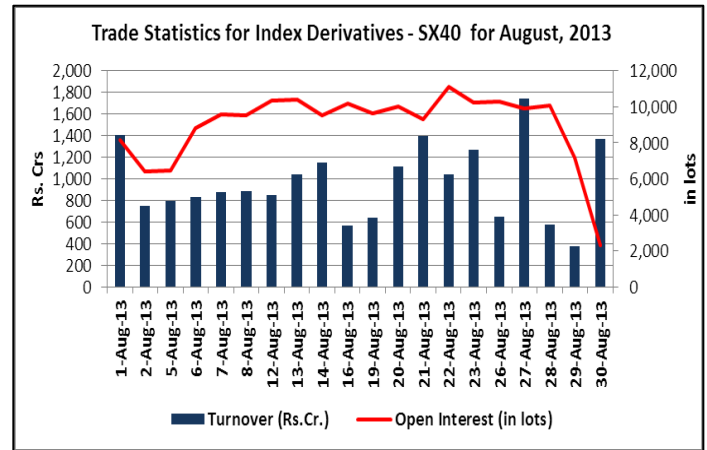
MCX-SX Cash Segment Turnover Increases:
Average Daily turnover on MCX-SX Cash segment rose to Rs. 54.2 Crs in month of August 2013 as compared to Rs. 45.28 Crs in the month of July 2013.

Modified Liquidity Enhancement Scheme:
With reference to Circular No. MCX-SX/BD/1324/2013; dated August 16th, 2013 (namely SX-LES-ECM; SX-LES-EDS SX-LES-EDS Secondary Quoting and SX-LES - Additional Incentive) the exchange has announced additional incentive measures to enhance participation and generate liquidity

Trade Statistics for Stock Derivatives and Index Derivatives for August 2013



Source: MCX-SX website



Source: MCX-SX website

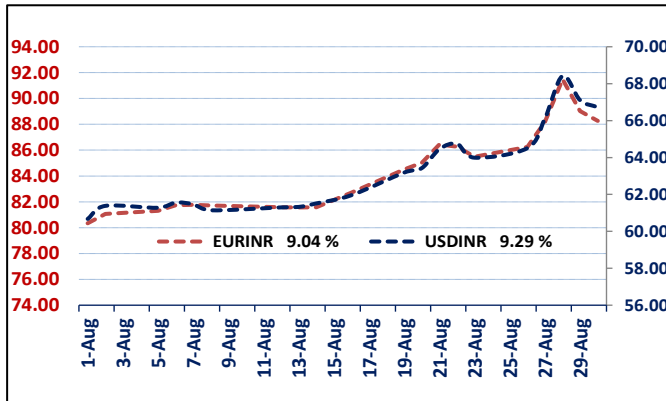
Membership base on MCX-SX (as on 31st August, 2013)

Cash Segment	Currency Derivatives Segment	Equity Derivatives Segment
528	849	529

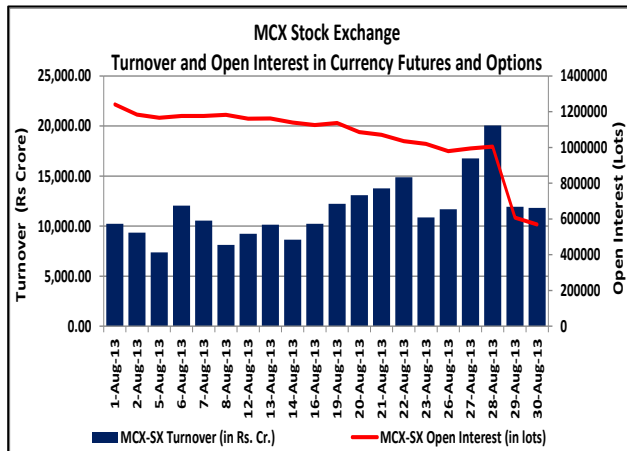
Source: MCX-SX Membership

MCX-SX Corner- Currency Segment

The Rupee depreciated against the Dollar, with the close price of USDINR for August 2013 moving from Rs. 61.055 to Rs. 66.7275 during the period, experiencing a high of Rs. 68.4175 and a low of Rs. 60.6725

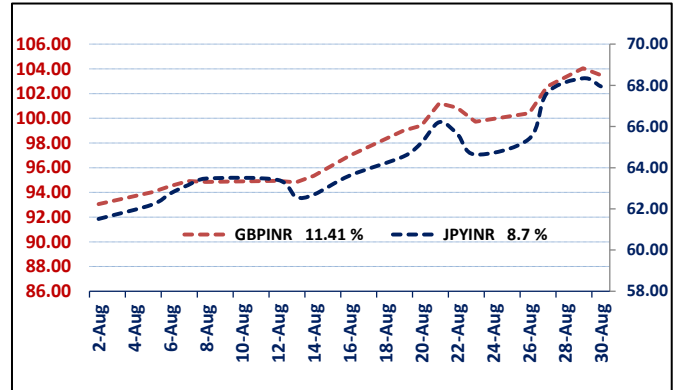


The Rupee depreciated against the EURO, with the close price of EURINR for August 2013 moving from Rs. 80.9425 to Rs. 88.2625 during the period, experiencing a high of Rs. 91.4825 and a low of Rs. 80.3375

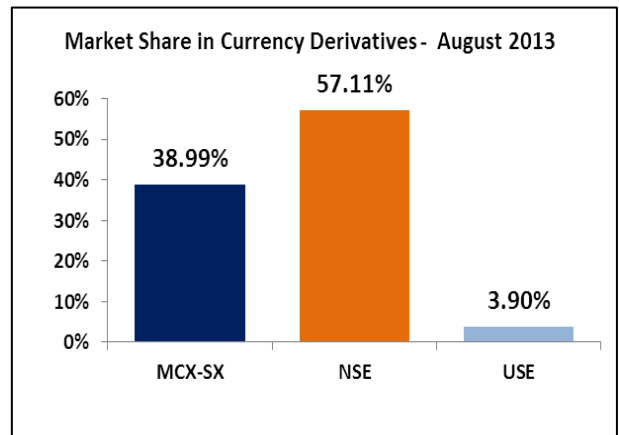


Source: MCX-SX website

The Rupee depreciated against the British Pound, with the close price of GBPINR for August 2013 moving from Rs. 92.8875 to Rs. 103.485 during the period, experiencing a high of Rs. 104.0625 and a low of Rs. 92.41



The Rupee depreciated against the Japanese Yen, with the close price of JPYINR for June 2013 moving from Rs. 60.29 to Rs. 62.5125 during the period, experiencing a high of Rs. 62.5125 and a low of Rs. 59.1125



Source: Exchanges website

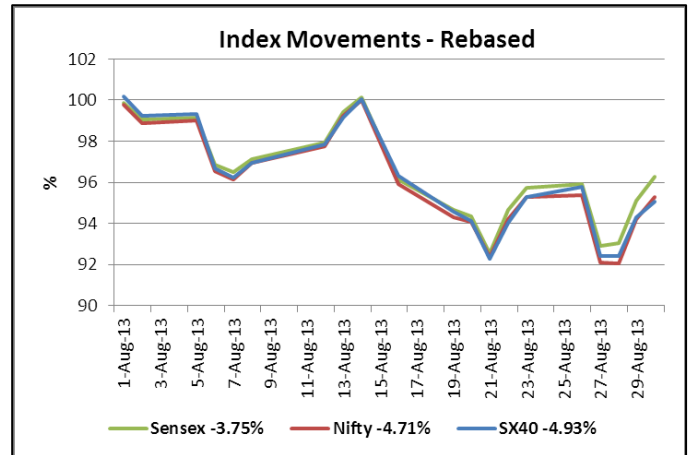
During August 2013, the market share of the Exchange in the Currency derivatives segment stood at 38.99% in the Currency Futures and Options segment. The average daily turnover in MCX-SX across Currency Futures and Options segment was Rs. 11,650.35 with average daily volume of 1,766,477.90 lots during the same period.

MCX-SX Corner- SX40

Index Returns and Movements for the month of August, 2013

Return of SX40 v/s Nifty and Sensex			
Index	As on 1st August, 2013	As on 30th August, 2013	Return (%)
SX40	11,526.59	10,938.49	-5.10%
Sensex	19,317.19	18,619.72	-3.61%
Nifty	5,727.85	5,471.80	-4.47%

Source: Exchange Websites



MCX-SX Circulars

- List of Approved Securities CDS, ECM, EDS and Debt; dated August 1st, 2013
Ref. No: MCX-SX/C&S/1362, 1363, 1364 & 1365/2013
- CDS & Debt Market Segment –Trading on September 30, 2013; dated August 1st, 2013
Ref. No: MCX-SX/CDS/TRD/1360/2013 & MCX-SX/DM/TRD/1361/2013
- Settlement schedule for September 2013 for ECM, EDS, CDS and DMS; dated August 8th, 2013
Ref.No: MCX-SX/C&S/1370, 1371, 1372 & 1373/2013
- Liquidity Enhancement Scheme; dated August 16th, 2013
Ref.No: MCX-SX/BD/1385/2013
- Trade to Trade Settlement; dated August 12, 2013 and August 26, 2013
Ref. No: MCX-SX/SURV/1379 & 1402/2013
- General Guidelines for dealing with Conflicts of Interest of Intermediaries, Recognised Stock Exchanges, Recognised Clearing Corporations, Depositories and their Associated Persons in Securities Market; dated August 29th, 2013
Ref. No: MXC-SX/INSP/1411/2013

Regulatory Developments and Reports

Securities and Exchange Board of India

- Application for change in category of the Alternative Investment Fund; dated August 7th, 2013 ; Ref. No: [CIR/IMD/DF/12/2013](#)
- Investment by Qualified Foreign Investors (QFIs) in "to be listed" Indian Corporate Debt Securities; dated August 13th, 2013; Ref. No: [CIR/IMD/FIIC/13/2013](#)
- General Guidelines for dealing with Conflicts of Interest of Intermediaries, Recognised Stock Exchanges, Recognised Clearing Corporations, Depositories and their Associated Persons in Securities Market; dated August 27th, 2013; Ref. No: [CIR/MIRSD/5/2013](#)
- Guidelines for dealing with Conflict of Interest for investment/ trading by CRAs, Access Persons and other employees; dated August 28th, 2013; Ref. No: [CIR/MIRSD/6/2013](#)

Reserve Bank of India

- Overseas Direct Investments ; dated August 14th, 2013; Ref. No: [RBI/2013-14/180](#)
- Liberalised Remittance Scheme for Resident Individuals- Reduction of limit from USD 200,000 to USD 75,000; dated August 14th, 2013; Ref. No: [RBI/2013-14/181](#)
- Import of Gold by Nominated Banks /Agencies/Entities; dated August 14th, 2013; Ref. No: [RBI/2013-14/187](#)
- Foreign Investments in Asset Reconstruction Companies (ARC) ; dated August 19th, 2013; Ref. No: [RBI/2013-14/191](#)

International Organization of Securities Commissions

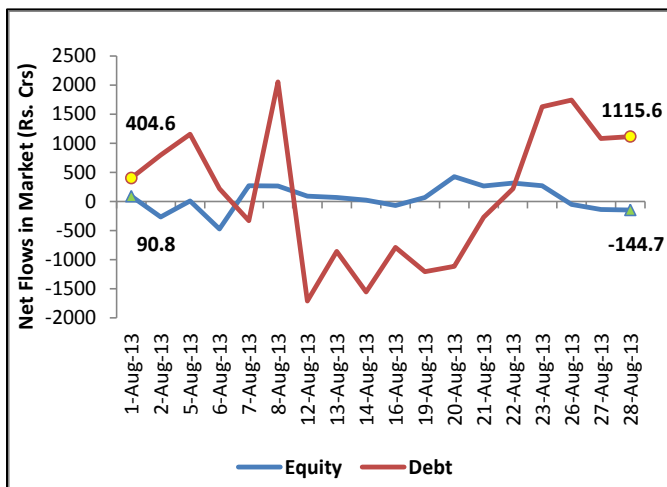
- CPSS and IOSCO issue report on authorities' access to trade repository data; ; dated August 12th, 2013; Ref.No: [IOSCO/MR29/2013](#)
- CPSS and IOSCO issue report on progress towards implementing the Principles for financial market infrastructures; dated August 12th, 2013; Ref.No: [IOSCO/MR31/2013](#)
- Joint Forum publishes consultative papers on longevity risk transfer markets and point of sale disclosure; dated August 15th, 2013; Ref.No: [IOSCO/MR32/2013](#)

Financial Stability Board

- Enhanced Disclosure Task Force (EDTF) Progress Report; dated August 21st, 2013; [Report](#)
- Consultative Document: Assessment Methodology for Key Attributes of Effective Resolution Regimes for Financial Institutions; dated August 21st, 2013; [Report](#)
- Update on financial regulatory factors affecting the supply of long-term investment finance dated August 29th 2013; [Report](#)
- Strengthening Oversight and Regulation of Shadow Banking; dated August 29th, 2013; [Report](#)

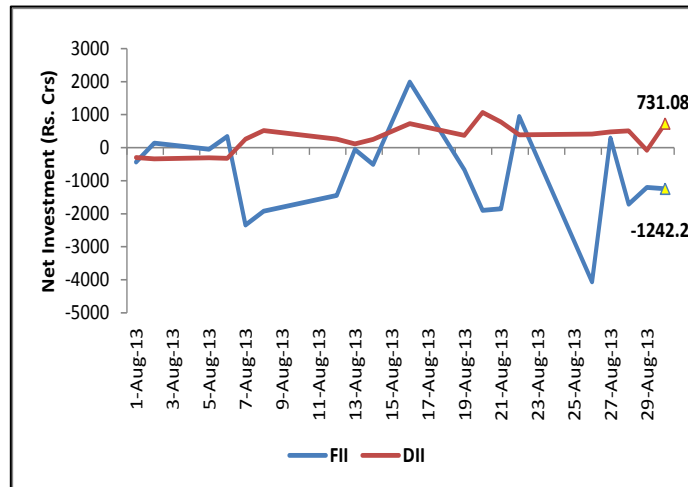
Key Indian Market Developments

Daily trend of Mutual Funds' Investments – August 2013



Source: SEBI Website

Daily trend for FII and FDI – August 2013



Source: SEBI and Exchange Websites

Key Indian Economic Indicators

Key Economic Indicators - India		Percentage Change
Exports in US\$ bn		
June 2013	23.78	8.66%
July 2013	25.84	
Imports in US\$ bn		
June 2013	36.04	5.72%
July 2013	38.10	
International Reserves (as on 23rd August, 2013)	US \$ 277.72 Bn	
Policy Rates		
Bank Rate	10.25%	
Repo Rate	7.25%	
Reverse Repo Rate	6.25%	
Lending/ Deposit Rates		
Base Rate	9.70% - 10.25%	
Term Deposit Rate	8.00% - 9.00%	

Source: Ministry of Finance

Analytical Accounts of RBI (as on 23rd August, 2013)		
Particulars	Rs. Billion	USD bn
Reserve Money	15,606	241.25
Net RBI Credit to General Govt.	6,577	101.67
RBI Credit to Commercial Sector	38	0.59
RBI Claims on Banks	418	6.46
Net Foreign Exchange Assets	17,538	271.12
INR per USD	64.6880	

Economic Calendar – September 2013

Monday	Tuesday	Wednesday	Thursday	Friday
2	3	4	5	6
US: Banking Holidays	EMU:PMI Manufacturing Index EMU:PPI US:PMI Manufacturing Index US:ISM Mfg Index US: Export Inspections	US: Bank Reserve Settlement EMU: Retail Sales US: International Trade US: Quarterly Services Survey US: Beige Book	US:ADP Employment US: Productivity and Costs US:EIA Natural Gas Report & EIA Petroleum Status Report US: Fed Balance Sheet	GB: Industrial Production US: Employment Situation US: Export Sales
9	10	11	12	13
US: Export Inspections US: Crop Progress	US: Redbook US:TD Ameritrade IMX	US: Wholesale Trade US:EIA Petroleum Status Report US: Dairy Products Sales	US: Export Sales US: Import & Export Prices US:EIA Natural Gas Report US: Treasury Budget US: Fed Balance Sheet US: Money Supply	US: Producer Price Index US: Retail Sales US: Business Inventories
16	17	18	19	20
EMU:HICP US: Industrial Production US: Export Inspections Minutes	US:ICSC-Goldman Store Sales US: Redbook US: Treasury International Capital US: Housing Market Index	US: Housing Starts US:EIA Petroleum Status Report US:FOMC Meeting Announcement Products Sales	US: Current Account US: Export Sales US: Bloomberg Consumer Comfort Index US: Leading Indicators US:EIA Natural Gas Report US: Fed Balance Sheet	GB: Public Sector Finances
23	24	25	26	27
EMU:PMI Composite FLASH US: Export Inspections	US: Redbook US: Consumer Confidence US: State Street Investor Confidence Index	US: Durable Goods Orders US:EIA Petroleum Status Report	EMU:M3 Money Supply US: Corporate Profits US: Export Sales US:GDP US:EIA Natural Gas Report US: Fed Balance Sheet	US: Consumer Sentiment
30				
EMU:HICP Flash US: Export Inspections				

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References

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www.bls.gov; www.reuters.com; www.cmegroup.com; www.worldbank.org.in; Bloomberg

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