

# MCX Stock Exchange Weekly Financial Market Update

6<sup>th</sup> January to 11<sup>th</sup> January 2014

## International Regulatory & Market Developments

- Office of Financial Research/US Treasury sees abatement of financial risks in 2013....[Summary](#)....[Report](#)
- Bank Prop Trading - EU Proposal to be less burdensome for banks than US Volcker Rule?....[more](#)
- FINRA to continue scrutiny of complex products....[more](#)
- CFTC poised to require more swaps be conducted on SEFs....[more](#)
- FINRA to monitor Algo Trading Systems....[more](#)
- Activist Investors' shaking boards of US corporates....[more](#)
- Hedge funds call on CFTC to remove advertising hurdle....[more](#)
- CME moves backup data center to New York to reduce risks of large-scale disruptions....[more](#)
- Global central bankers to set right the leverage ratio instrument....[more](#)
- European officials to discuss bank-resolution plan....[more](#)
- Derivatives exchanges raise the stakes - Future and Options Intelligence....[more](#)
- What will Central Banking look like in 2014? ....[more](#)
- UAE sets rules to develop covered bonds market fees ....[more](#) ....[Press Release](#)
- Pushing back, HFTs form own trade group....[more](#)

## Trends in Global Indices

Global Indices	As on 03/01/14	As on 10/01/14	% Change (W-o-W)
SX40(MCX-SX, INDIA)	12,384.67	12,423.34	0.31%
Dow Jones Industrial Average	16,469.99	16,437.05	-0.20%
S& P 500 Index	1,831.37	1,842.37	0.60%
NASDAQ Composite Index	4,131.91	4,174.665	1.03%
FTSE 100 Index	6,730.67	6,739.94	0.14%
Nikkei 225	16,291.31	15,912.06	-2.33%

Source: Bloomberg

## Key Currency Pairs

Currency Rates	As on 03/01/14	As on 10/01/14	% Change (W-o-W)
USD-GBP	0.6092	0.6067	-0.41%
USD-JPY	104.86	104.18	-0.65%
EUR-USD	1.3589	1.3670	0.60%
USD-INR	62.155	61.905	-0.40%
EUR-INR	84.8174	84.1835	-0.75%
JPY-INR	0.594	0.59	-0.67%
GBP-INR	102.3256	101.667	-0.64%
USD-CNY	6.0517	6.0521	0.01%

Source: Bloomberg

## Yields on 10 Year Government Bond

Country	As on 03/01/14	As on 10/01/14	% Change (W-o-W)
United States	2.994	2.8579	-4.57%
United Kingdom	3.024	2.873	-4.99%
Japan	0.741	0.702	-5.26%
Germany	1.944	1.843	-5.20%
China	4.670	4.610	-1.28%
India	8.837	8.763	-0.84%
EU	1.944	1.843	-5.20%
Brazil	4.855	4.999	2.97%

Source: Bloomberg

## ➤ Indian Regulatory & Market Developments

- RBI Research papers (Financial Stability, Economic Growth, Inflation and Monetary Policy Linkages in India; Measures of Core Inflation in India - An Empirical Evaluation and Corporate Bond Market in India: Issues and Challenges....[Press Release](#)....[Papers](#)
- RBI Circular: Lending against Security of Single Product – Gold Jewellery....[Notification](#)
- RBI: Regulation must keep pace with Changing Dynamics of Commodities Market....[Press Release](#)....[Report](#)
- RBI: Report of the Committee on Comprehensive Financial Services for Small Business and Low Income Households....[Press Release](#)....[Report](#)
- RBI relaxes FDI regulations by permitting optionality clause....[Press Release](#)
- SEBI: Trades in Securitised Debt Instruments be reported in trade reporting platforms; Clearing and Settlement of trades to be done through Clearing Corporations....[Circular](#)
- SEBI: Operational Guidelines for Designated Depository Participants....[Circular](#)
- SEBI: Delivery Instruction Slip (DIS) Issuance and Processing....[Circular](#)
- SEBI: Notifies rules for using IPEF for refunding investors....[more](#)....[Notification](#)

### Cumulative Mutual Fund Activity – Net Investment

Week Ending (Rs. Cr)	Equity	Debt
03/01/14	-190.00	13,672.40
08/01/14	-459.50	214.20
% Change (W-o-W)	<b>-141.84%</b>	<b>-98.43%</b>

*Source: SEBI, data available till 08/01/14 as on 11/01/14*

### Cumulative FII & DII Trading Activity

Week Ending (Rs. Cr)	FII(Net)	DII(Net)
03/01/14	3,197.80	-1,179.68
10/01/14	1,336.50	-87.97
% Change (W-o-W)	<b>-58.21%</b>	<b>92.54%</b>

*Source: SEBI and Exchange website.*

### Average Daily Trading Volume Statistics

Week Ending (Rs. Cr)	Equity	Equity Derivatives	Index Derivatives	Currency Derivatives
03/01/14	11,341.17	21,781.40	70,911.22	12,863.84
10/01/14	14,137.49	31,180.25	103,327.17	13,011.86
% Change (W-o-W)	<b>24.66%</b>	<b>43.15%</b>	<b>45.71%</b>	<b>1.15%</b>

*Source: Exchange websites*

### Turnover in Government Securities Market – (Face Value in Rs. Crs)

Week Ending (Rs. Cr)	Central Govt. Sec	State Govt. Sec	91- Day	182-Day	364-Day
03/01/14	197,554	4,301	20,108	14,021	22,308
10/01/14	336,000	6,200	15,400	4,700	15,200
% Change (W-o-W)	<b>70.08%</b>	<b>44.15%</b>	<b>-23.41%</b>	<b>-66.48%</b>	<b>-31.86%</b>

*Source: RBI*

### Cumulative Weekly Corporate Bond Trading Activity

Week Ending (Rs. Cr)	No. of Trades on the Exchange	Amount (Rs. Cr)	Average Value Per Trade (Rs. Cr)	No. of Trades on the FIMMDA	Amount (Rs. Cr)	Average Value Per Trade (Rs. Cr)
03/01/14	544	7,836.17	14	802	11,845.24	15
09/01/14	531	7,082.78	13	653	9,579.65	15

*Source: SEBI, data available till 09/01/14 as on 11/01/14*

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