

Indices Performance

Global Indices	02-Dec	01-Dec	Abs. Change	% Change [#]
Dow Jones	17,880	17,777	103	0.58
Nasdaq	4,756	4,727	28	0.60
FTSE	6,742	6,656	86	1.29
Nikkei	17,663	17,590	73	0.42
Hang Seng	23,654	23,367	287	1.23
Indian Indices	02-Dec	01-Dec	Abs. Change	% Change [#]
S&P BSE Sensex	28,444	28,560	-116	-0.40
CNX Nifty	8,525	8,556	-31	-0.36
CNX 100	8,494	8,513	-19	-0.22
CNX Bank Index	18,556	18,525	31	0.16
SGX Nifty	8,578	8,569	9	0.11
S&P BSE Power	2,121	2,117	3	0.15
S&P BSE Small Cap	11,251	11,190	62	0.55
S&P BSE HC	15,139	14,998	141	0.94

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
2-Dec	19.51	3.06	21.77	3.60
Month Ago	19.05	3.04	21.58	3.51
Year Ago	17.80	2.63	18.51	2.95

Nifty Top 3 Gainers

Company	02-Dec	01-Dec	% Change [#]
Jindal Steel	142	136	4.68
Hindalco	171	167	2.18
NMDC Ltd.	137	134	2.16

Nifty Top 3 Losers

Company	02-Dec	01-Dec	% Change [#]
Infosys	2127	4350	-51.11
BPCL	713	744	-4.27
Asian Paints	770	797	-3.39

Advance Decline Ratio

	BSE	NSE
Advances	1495	821
Declines	1434	705
Unchanged	126	75

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	2456	98489
MF Flows**	235	16806

*2nd Dec 2014; **1st Dec 2014

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	1.77% (Oct-14)	5.41% (Jul-14)	7.24% (Oct-13)
IIP	2.51% (Sep-14)	4.31% (Jun-14)	2.70% (Sep-13)
GDP	5.30 (Sep-14)	5.70 (Jun-14)	5.20 (Sep-13)

Global Indices

- Most of the Asian markets closed in green following rebound in crude oil and other commodity prices. Meanwhile, the statement of the IMF Chief that lower fuel costs would boost the world economy also supported sentiments. Today (As on Wednesday), Asian stocks rose following a record close on Wall Street overnight, with Japan's benchmark index hitting a new seven-year high. Nikkei Average was trading up 1.16% and Hang Seng was trading up 0.49% (as at 8.00 a.m IST).
- As per last closing, European equities closed higher as overnight gains in oil prices boosted energy stocks. Hopes of stimulus measures from the European Central Bank, which is scheduled to meet later this week, also boosted market sentiment.
- As per last closing, U.S. bourses ended higher as investors cheered better-than-expected U.S. automobile sales in November. Positive construction spending data for October also supported market sentiment.

Indian Equity Market

- Indian equity markets closed in red for the second consecutive session amid fall in IT stocks. The strength in the domestic currency, following the RBI's indication to cut key rates early next year, weighed on IT stocks.
- Key benchmark indices, S&P BSE Sensex and CNX Nifty, fell 0.40% and 0.36% to close at 28,444.01 and 8,524.70 points, respectively. However, S&P BSE Mid Cap and S&P BSE Small Cap bucked the trend and rose 0.91% and 0.55%, respectively.
- The overall market breadth on BSE was positive with 1,508 scrips advancing and 1,419 scrips falling. A total of 127 scrips remained unchanged.
- On the BSE sectoral front, the indices closed on a mixed note. S&P BSE IT was the major laggard, down 1.48%, followed by S&P BSE Auto and S&P BSE TECK, which fell 1.05% and 0.93%, respectively. However, S&P BSE Metal was the top gainer, up 1.20%, followed by S&P BSE Healthcare and S&P BSE FMCG, which rose 0.94% and 0.65%, respectively.

Domestic News

- The Reserve Bank of India (RBI) kept interest rates unchanged for the fifth time in a row, awaiting firm signals that consumer price inflation will come down convincingly and remain low for a considerable period of time.
- The Government has increased excise duty on petrol and diesel by Rs. 2.25 and Re. 1 a litre, respectively. However, retail pump rates will not be increased as oil firms have decided to absorb the duty change for the time being.
- The RBI Governor gave strong indications that rate cuts could come early in 2015. According to him, a change in the monetary policy stance at the current point of time would be premature. However, if the current inflation momentum and changes in inflationary expectations continue as expected and fiscal developments remain encouraging, a change in the monetary policy stance is likely early next year which may take place outside the policy review cycle.
- According to the Finance Minister, the Government is considering to reduce its stake to up to 52% in public sector banks in a phased manner. The move is expected to help public sector banks raise capital and mobilise Rs. 89,120 crore approximately on the basis of current market price on November 21.
- The RBI Governor clarified that it is not asking banks to cut rates. However, he opined that some easing of monetary conditions has already taken place which is yet to be transmitted by banks into lower lending rates. The Central Bank Governor also advocated the need to create a framework to achieve sustainable growth in the long run.
- JSW Steel has put on hold its decision to set up a steel plant in Eastern India due to uncertainty in sourcing key raw materials such as iron ore and coal.
- United Bank of India has identified United Breweries Holdings, the guarantor of grounded airline Kingfisher, as wilful defaulter.

FII Derivative Trade Statistics-Dec 02

(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1918.03	2221.66	18047.83
Index Options	11284.45	11277.58	57892.07
Stock Futures	2708.48	2358.21	52890.78
Stock Options	1426.57	1424.27	1522.64
Total	17337.53	17281.72	130353.32

Derivative Statistics- Nifty Options

	02-Dec	01-Dec	Change
Put Call Ratio (OI)	0.89	0.91	0.02
Put Call Ratio(Vol)	1.02	0.91	-0.11

Debt Watch

	02-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	7.92%	7.86%	7.78%	7.61%
CBLO	8.00%	8.06%	6.93%	7.49%
Repo	8.00%	8.00%	8.00%	7.75%
Reverse Repo	7.00%	7.00%	7.00%	6.75%
91 Day T-Bill	8.17%	8.25%	8.34%	8.70%
364 Day T-Bill	8.23%	8.29%	8.40%	8.70%
10 Year Gilt	7.97%	8.16%	8.28%	8.74%
G-Sec Vol. (Rs.Cr)	93968	45221	50289	19009
1 Month CP Rate	8.20%	8.40%	8.45%	8.86%
3 Month CP Rate	8.30%	8.59%	8.71%	9.34%
5 Year Corp Bond	8.52%	8.65%	8.80%	9.61%
1 Month CD Rate	8.20%	8.09%	8.26%	8.55%
3 Month CD Rate	8.30%	8.35%	8.48%	9.05%
1 Year CD Rate	8.66%	8.66%	8.79%	9.29%

Currency Market

Currency	02-Dec	01-Dec	Change
USD/INR	61.93	62.14	0.21
GBP/INR	97.39	97.05	-0.34
EURO/INR	77.21	77.37	0.15
JPY/INR	0.52	0.52	0.00

Commodity Prices

Currency	02-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	66.99	74.04	80.53	93.61
Brent Crude(\$/bl)	71.83	77.87	84.52	112.19
Gold(oz/\$)	1198	1201	1174	1220
Gold(Rs./10 gm)	26248	26450	25871	30357

Source: ICRON Research

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Derivatives Market

- Nifty December 2014 Futures were at 8,575.35 points, a premium of 50.65 points over the spot closing of 8,524.70 points.
- The Put-Call ratio stood at 0.97 compared to the previous session's close of 0.99.
- The Nifty Put-Call ratio stood at 0.89 compared to the previous session's close of 0.91.
- India VIX fell 6.12% from 13.2025 in the previous trading session to 12.3950.
- The open interest on Nifty Futures fell from 23.17 million recorded in the previous trading session to 22.64 million.

Indian Debt Market

- Bond yields fell after the Reserve Bank of India in its fifth bi-monthly monetary policy review indicated that it may cut interest rates early next year if changes in inflationary expectations continue as expected and fiscal developments remain encouraging.
- The yield on the 10-year benchmark bond fell by 9 bps to close at 7.97% compared to the previous close of 8.06%. Earlier during the trading session, bond yields fell to 7.95%, its lowest level since July 19, 2013. Bond yields rose by 3 bps immediately after the monetary policy review.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility stood at Rs. 4,193 crore (gross) against Rs. 13,568 crore recorded on December 1. Sale of securities by the RBI under the reverse repo window stood at Rs. 3,215 crore on December 1

Currency Market Update

- The Indian rupee rose after the Reserve Bank of India in its fifth bi-monthly monetary policy review indicated that it could ease monetary policy by early next year, raising optimism about accelerating economic growth. The rupee closed at 61.88 to the dollar against previous close of 62.02
- The euro weakened as investors remained cautious ahead of the European Central Bank's (ECB) monetary policy review on December 4 amid increasing possibility that the ECB will adopt fresh easing measures.

Commodity Market Update

- Gold prices fell following recent strength in the dollar.
- Brent Crude prices remained steady after hitting a 5-year low as huge supply of high quality, light oil from North America outweighed demand.

International News

- A report by the Institute for Supply Management (ISM) showed that activity in the U.S. manufacturing sector grew at a slightly slower rate in November. The ISM Purchasing Managers' Index edged down to 58.7 in November from 59.0 in October, with a reading above 50 indicating continued growth in the manufacturing sector.
- Latest figures from ISTAT showed that Italy's economy returned to recession in the third quarter as consumption remained unchanged and investments declined. GDP fell 0.1% from the previous quarter, when it decreased 0.2%. The economy has not registered growth since the third quarter of 2011.