

Indices Performance				
Global Indices	08-Dec	05-Dec	Abs. Change	% Change [#]
Dow Jones	17,852	17,959	-106	-0.59
Nasdaq	4,741	4,781	-40	-0.84
FTSE	6,672	6,743	-71	-1.05
Nikkei	17,936	17,920	15	0.08
Hang Seng	24,048	24,003	45	0.19
Indian Indices	08-Dec	05-Dec	Abs. Change	% Change [#]
S&P BSE Sensex	28,119	28,458	-339	-1.19
CNX Nifty	8,438	8,538	-100	-1.17
CNX 100	8,418	8,517	-99	-1.17
CNX Bank Index	18,510	18,757	-247	-1.32
SGX Nifty	8,481	8,583	-103	-1.19
S&P BSE Power	2,105	2,133	-29	-1.34
S&P BSE Small Cap	11,375	11,475	-100	-0.87
S&P BSE HC	14,878	14,929	-52	-0.35

P/E Dividend Yield				
Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
8-Dec	19.20	1.21	21.56	1.25
Month Ago	19.02	1.22	21.31	1.27
Year Ago	17.93	1.43	18.58	1.49

Nifty Top 3 Gainers			
Company	08-Dec	05-Dec	% Change [#]
Coal India	365	357	2.26
ITC	398	391	1.65
Asian Paints	794	785	1.13

Nifty Top 3 Losers			
Company	08-Dec	05-Dec	% Change [#]
Infosys	1970	2070	-4.84
Sesa Sterlite	233	242	-3.72
M&M	1249	1294	-3.50

Advance Decline Ratio			
	BSE	NSE	
Advances	1495	471	
Declines	1434	1081	
Unchanged	126	61	

Institutional Flows (Equity)		
Description (Cr)	Inflow/Outflow	YTD
FII Flows*	132	100197
MF Flows**	19	17081

*5th Dec 2014; **4th 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

- Asian markets witnessed a mixed trend. Weakness in Japan's GDP and Chinese trade data weighed on investor sentiments. However, positive cues from the Wall Street on the back of upbeat U.S. jobs report provided some support. Meanwhile, Chinese bourses rose to a three-year high as weak trade data increased expectations of further stimulus measures. Today, (as on Tuesday) bourses traded lower following weak cues from Wall Street overnight. Both Nikkei Average and Hang Seng were trading down by 0.32 % and 0.87%, respectively (as at 8.00 a.m IST).
- As per last closing, European markets fell after a top official at the European Central Bank offered a weak assessment of the region's economy. Moreover, weak industrial output data from Germany for the month of October weighed on investor sentiments.
- As per last closing, U.S. markets dropped as a sharp fall in the crude oil prices weighed heavily on energy stocks. The price of crude oil fell below \$63 a barrel for the first time since July 2009.

Indian Equity Market

- Indian equity markets plunged on the back of selling pressure in an IT major after its founders sold part of their stake in the company. Profit booking and weak cues from the European markets further weighed on sentiments.
- Key benchmark indices, S&P BSE Sensex and CNX Nifty, fell 1.19% and 1.17% to close at 28,119.40 and 8,438.25 points. Meanwhile, S&P BSE Mid-Cap and S&P BSE Small-Cap fell 1.22% and 0.87%, respectively.
- The overall market breadth on BSE was weak with 1,822 scrips declining and 1,137 scrips rising. A total of 104 scrips remained unchanged.
- On the BSE sectoral front, barring S&P BSE FMCG, all other indices closed in red. S&P BSE IT was the major laggard, down 3.18%, followed by S&P BSE TECK and S&P BSE Realty, which fell 2.58% and 1.80%, respectively.
- Among the 30-stock sensitive Sensex pack, Infosys was the major laggard, down 4.88%, followed by Sesa Sterlite and Mahindra & Mahindra, which fell 3.60% and 3.32%, respectively. However, Coal India was the top gainer, up 2.20%.

Domestic News

- India's Current Account Deficit (CAD) for the second quarter of the current financial year widened to \$10.1 billion compared to \$5.2 billion in the previous year and \$7.8 billion in the previous quarter. The CAD now stands at 2.1% of GDP compared to 1.2% in the previous year and 1.7% in the previous quarter. However, the CAD is within the Reserve Bank of India's (RBI) comfort zone of 2.5% of GDP.
- The Current Account deficit widened on account of higher trade deficit and gold imports. While merchandise exports in the second quarter were down 4.9% compared to a growth of 11.9% in the same period of the previous year, merchandise imports were up 8.1% compared to a contraction of 4.8% for the same period in the previous year. Merchandise imports rose due to higher gold imports. However, the balance of payments remained in positive territory. The accretion was \$6.9 billion in the reporting quarter against drawdown of \$ 10.4 billion in same period of the previous year.
- According to the Organisation for Economic Cooperation and Development (OECD), India is the only major economy that continues to witness a "clear pickup in growth momentum" while it predicted mixed trends for developed countries. OECD forecasted that growth would continue to lose momentum in Europe while it maintained an outlook of stable growth momentum for other major economies.
- The Competition Commission of India has approved the merger of Sun Pharma and Ranbaxy, with riders. The commission added that both the companies will have to sell assets of seven drugs to not have a monopoly.
- State-run power equipment maker BHEL commissioned a hydro power project in African country Rwanda.
- Four Infosys founders sold shares worth \$1.1 billion or Rs. 6,484 crore.

FII Derivative Trade Statistics-Dec 04

(Rs Cr)	Buy	Sell	Open Int.
Index Futures	862.22	561.91	16257.41
Index Options	8707.99	8587.59	62808.93
Stock Futures	2150.99	2281.33	53355.52
Stock Options	1453.22	1457.64	2185.03
Total	13174.42	12888.47	134606.89

Derivative Statistics- Nifty Options

	08-Dec	05-Dec	Change
Put Call Ratio (OI)	0.95	0.93	0.02
Put Call Ratio(Vol)	0.92	1.06	-0.14

Debt Watch

	08-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	7.94%	7.90%	7.79%	7.51%
CBLO	8.01%	7.85%	7.82%	7.67%
Repo	8.00%	8.00%	8.00%	7.75%
Reverse Repo	7.00%	7.00%	7.00%	6.75%
91 Day T-Bill	8.25%	8.18%	8.15%	8.55%
364 Day T-Bill	8.24%	8.20%	8.30%	8.76%
10 Year Gilt	7.92%	8.06%	8.21%	8.85%
G-Sec Vol. (Rs.Cr)	48570	48546	45742	13029
1 Month CP Rate	8.41%	8.33%	8.36%	8.89%
3 Month CP Rate	8.51%	8.53%	8.59%	9.14%
5 Year Corp Bond	8.52%	8.59%	8.66%	9.63%
1 Month CD Rate	8.25%	8.19%	8.17%	8.69%
3 Month CD Rate	8.27%	8.30%	8.38%	8.83%
1 Year CD Rate	8.59%	8.65%	8.74%	9.21%

Currency Market

Currency	08-Dec	05-Dec	Change
USD/INR	61.93	61.85	0.07
GBP/INR	96.37	96.73	-0.35
EURO/INR	76.10	76.53	-0.43
JPY/INR	0.51	0.52	-0.01

Commodity Prices

Currency	08-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	63.13	68.98	78.71	97.48
Brent Crude(\$/bl)	66.92	71.12	83.60	112.10
Gold(oz/\$)	1194	1210	1176	1228
Gold(Rs./10 gm)	26241	25851	25457	30220

Source: ICRON Research

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Derivatives Market

- Nifty December 2014 Futures were at 8,489.75 points, a premium of 51.50 points over the spot closing of 8,438.25 points. The turnover on NSE's Futures and Options segment rose from Rs. 1,28,609.87 crore on December 5 to Rs. 2,06,424.80 crore on December 8.
- The Put-Call ratio stood at 0.89 compared to the previous session's close of 1.00.
- The Nifty Put-Call ratio stood at 0.95 compared to the previous session's close of 0.93.
- The open interest on Nifty Futures rose from 21.47 million recorded in the previous trading session to 22.81 million.

Indian Debt Market

- Bond yields fell to a sixteen-and-a-half-month low on the back of a continued fall in global crude oil prices. Expectations that the Reserve Bank of India would lower interest rates earlier in the next year supported market sentiments.
- The yield on the 10-year benchmark bond closed down 2 bps at 7.92% compared to the previous close of 7.94%. Earlier during the trading session, bond yields fell to 7.91%, its lowest level since July 15, 2013.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility stood at Rs. 11,157 crore (gross) against Rs. 2,201 crore recorded on December 5. Sale of securities by the RBI under the reverse repo window stood at Rs. 2,166 crore on December 5.
- Banks borrowed Rs. 3,800 crore under the RBI's Marginal Standing Facility window on December 5 compared to borrowing of Rs. 420 crore on December 4.

Currency Market Update

- The Indian rupee fell after robust U.S. non-farm payroll data for November renewed concerns that interest rates in the U.S. may be hiked earlier than expected. Weakness in domestic equity markets hit the domestic currency further. The rupee closed at 61.83 to the dollar against the previous close of 61.77.
- The euro weakened after the ECB Governing Council Member Ewald Nowotny expressed concerns over considerable weakening in the Euro zone economy.

Commodity Market Update

- Gold prices recovered following weakness in European equity markets. However, gains were capped following strong U.S. employment data.
- Brent crude prices fell to a new five-year low after a global investment bank cut its oil price forecast for 2015, citing oversupply.

International News

- Data released by the General Administration of Customs of China showed that China's trade surplus reached a record high in November. The trade surplus rose to a record \$54.5 billion against \$45.5 billion in October. Exports advanced only 4.7% on a yearly basis in November which was slower than 11.6% rise in October.
- According to the Cabinet Office of Japan, the country's Gross Domestic Product declined a downwardly revised 1.9% on a yearly basis in the third quarter of 2014 which was more than 1.6% decline in last month's preliminary estimate.
- A report by the U.S. Commerce Department revealed that factory orders in the U.S. fell by 0.7% in October following a revised 0.5% decrease in September.