

Indices Performance				
Global Indices	13-Dec	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	19,911	19,796	115	0.58
Nasdaq	5,464	5,413	51	0.95
FTSE	6,969	6,890	78	1.13
Nikkei	19,251	19,155	95	0.50
Hang Seng	22,447	22,433	14	0.06
Indian Indices	13-Dec	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	26,698	26,515	183	0.69
Nifty 50	8,222	8,171	51	0.62
Nifty 100	8,444	8,406	37	0.44
Nifty Bank	18,466	18,393	73	0.40
SGX Nifty	8,208	8,202	7	0.08
S&P BSE Power	2,020	2,021	-1	-0.07
S&P BSE Small Cap	12,223	12,231	-8	-0.07
S&P BSE HC	15,512	15,473	38	0.25

P/E Dividend Yield				
Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
13-Dec	20.78	1.47	21.59	1.34
Month Ago	20.03	1.48	22.02	1.33
Year Ago	19.62	1.48	20.57	1.52

Nifty 50 Top 3 Gainers			
Company	13-Dec	Prev_Day	% Change <sup>#</sup>
Tata Motors	471	454	3.58
Tech Mahindra	485	469	3.23
BPCL	629	612	2.75

Nifty 50 Top 3 Losers			
Company	13-Dec	Prev_Day	% Change <sup>#</sup>
Ultratech Cem	3367	3462	-2.76
Hindalco	177	182	-2.75
Zee Entertainment	442	452	-2.32

Advance Decline Ratio			
	BSE	NSE	
Advances	1281	786	
Declines	1304	824	
Unchanged	191	81	

Institutional Flows (Equity)		
Description (Cr)	Inflow/Outflow	YTD
FII Flows*	334	29215
MF Flows**	-222	39061

\*13<sup>th</sup> Dec 2016; \*\*12<sup>th</sup> Dec 2016

Economic Indicator			
YoY(%)	Current	Quarter Ago	Year Ago
WPI	3.39% (Oct-16)	3.72% (Jul-16)	-3.70% (Oct-15)
IIP	-1.90% (Oct-16)	2.50% (July-16)	9.90% (Oct-15)
GDP	7.30 (Sep-16)	7.10 (Jun-16)	7.60 (Sep -15)

### Global Indices

- Most of the Asian markets closed in the green ahead of the widely anticipated Federal Reserve meeting, scheduled on Dec 13-14. Investors are gradually factoring in a probable rate hike by the U.S. central bank in its upcoming meeting. Today (As on Dec 14), most of the Asian markets opened higher following rise in Wall Street overnight. While Nikkei Average traded down 0.16%, Hang Seng was up 0.58% (as at 8.00 a.m IST).
- As per the last close, European market gained as surge in the share prices of Italian Banks pushed other European banks higher. Italian banks rose following the announcement of restructuring plan by one of its country's bank. Meanwhile, market participants remained cautious ahead of the U.S. Federal Reserve (Fed) policy review decision on Dec 14.
- As per the last close, the U.S. market closed higher continuing with its uptrend witnessed in the past several weeks on optimism following President-elect surprise victory last month. Market participants are looking ahead of the U.S. Fed policy review decision on Dec 14, which is widely expected to see 25 bps interest rate rise.

### Indian Equity Market

- The Indian equity market gained ahead of the Federal Open Market Committee (FOMC) meet and consumer price index (CPI)-based retail inflation data. Market took positive cues from the other regional peers, which got support from higher-than-expected Chinese economic data. Meanwhile, Asian Development Bank lowered its 2016 growth estimate for India to 7.0% from 7.4% on account of weak investment, agricultural slowdown, and the government's recent demonetisation move.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.69% and 0.62% to close at 26,697.82 points and 8,221.80 points, respectively. However, S&P BSE Mid-Cap and S&P BSE Small-Cap slipped 0.43% and 0.07%, respectively.
- On the BSE sectoral front, most of the sectoral indices closed in the green, barring S&P BSE Realty (-1.1%), S&P BSE Basic Materials (-1.09%), S&P BSE Metal (-1%), S&P BSE Utilities (-0.13%), S&P BSE Consumer Discretionary Goods & Services (-0.1%), S&P BSE Power (-0.07%) and S&P BSE CD (-0.04%). S&P BSE Auto (0.98%) topped the chart followed by S&P BSE Industrials (0.9%) and S&P BSE IT (0.85%).

### Domestic News

- Government data showed that Consumer Price Index (CPI) based inflation or retail inflation plunged to a two-year low in Nov at 3.63% from 4.20% in Oct and 5.41% in the same period of the previous year. The fall in retail inflation is attributed to the effects of demonetisation, which adversely impacted buying power and demand. Consumer food price index also came down to 2.11% from 3.32% in the previous month and 6.07% in the same month of the previous year. While retail inflation fell 10.29% for vegetables, it grew 22.49% for sugar and confectionary.
- Data from Reserve Bank of India (RBI) showed that India's current account deficit (CAD) narrowed to \$3.4 billion (0.6% of GDP) in Q2 of 2016-17 from \$8.5 billion (1.7% of GDP) in Q2 of 2015-16. However, CAD was higher than \$0.3 billion (0.1% of GDP) in the preceding quarter. CAD contracted on account of a lower trade deficit, which can be attributed to a larger decline in merchandise imports than exports. India's trade deficit narrowed to \$49.5 billion in the first half of 2016-17 from \$71.3 billion in the first half of 2015-16.
- The Asian Development Bank (ADB) downgraded its 2016 growth forecast for India to 7% from the previous 7.4% on account of demonetisation, weak investment, and agricultural slowdown. However, ADB retained its growth forecast for 2017 at 7.8%. ADB is of the view that the government's demonetisation move will affect India's cash-based sectors in the country, including small- and medium-scale businesses.
- Gail India limited received approval from the oil regulator Petroleum and Natural Gas Regulatory Board to complete the 1104-km Kochi-Koottanad-Bangalore-Mangalore natural gas pipeline, for the second time.

FII Derivative Trade Statistics	13-Dec		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1090.96	1151.64	13171.40
Index Options	25080.08	25289.72	65581.96
Stock Futures	4643.86	5486.16	53977.58
Stock Options	3015.75	2973.01	5017.53
Total	33830.65	34900.53	137748.47

Derivative Statistics- Nifty Options			
	13-Dec	Prev_Day	Change
Put Call Ratio (OI)	1.09	1.07	0.02
Put Call Ratio(Vol)	0.90	1.02	-0.12

Debt Watch				
	13-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.06%	6.11%	6.23%	6.72%
CBLO	5.63%	6.14%	6.13%	6.45%
Repo	6.25%	6.25%	6.25%	6.75%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.17%	5.95%	6.30%	7.13%
364 Day T-Bill	6.10%	5.85%	6.35%	7.17%
10 Year Gilt	6.42%	6.20%	6.72%	7.77%
G-Sec Vol. (Rs.Cr)	61921	67576	61598	41453
1 Month CP Rate	6.57%	6.45%	6.61%	7.68%
3 Month CP Rate	6.64%	6.49%	6.78%	7.88%
5 Year Corp Bond	7.17%	6.80%	7.25%	8.35%
1 Month CD Rate	6.31%	6.09%	6.39%	7.31%
3 Month CD Rate	6.29%	6.06%	6.45%	7.36%
1 Year CD Rate	6.56%	6.33%	6.85%	7.67%

Currency Market			
Currency	13-Dec	Prev_Day	Change
USD/INR	67.49	Closed	Closed
GBP/INR	85.55	Closed	Closed
EURO/INR	71.77	Closed	Closed
JPY/INR	0.59	Closed	Closed

Commodity Prices				
Commodity	13-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	52.99	50.95	43.39	35.65
Brent Crude(\$/bl)	52.68	51.88	40.86	36.99
Gold(\$/oz)	1158	1170	1226	1075
Gold(Rs./10 gm)	27844	28249	30389	25231

Source: ICRON Research

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### Derivatives Market

- Nifty Dec 2016 Futures were at 8,227.45 points, a premium of 5.65 points, over the spot closing of 8,221.80 points. The turnover on NSE's Futures and Options segment went down from Rs. 2,24,798.61 crore on Dec 12 to Rs. 2,07,343.79 crore on Dec 13.
- The Put-Call ratio stood at 0.87, compared with the previous session's close of 0.92.
- The Nifty Put-Call ratio stood at 1.09, compared with the previous session's close of 1.07.
- The open interest on Nifty Futures stood at 18.86 million compared with the previous session's close of 18.34 million.

### Indian Debt Market

- Bond yields declined ahead of the consumer inflation data to be released after market hours. Investors expect that the retail inflation will ease in the current month.
- Yield on the 10-year benchmark bond (6.97% GS 2026) fell 2 bps to close at 6.42% compared with the previous close of 6.44%. During the session, bond yields moved in the region of 6.41% to 6.47%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility stood at Rs. 2,383 crore (gross) on Dec 13, compared with gross borrowing of Rs. 9,061 crore on Dec 9. Sale of securities under Reserve Bank of India (RBI)'s reverse repo window stood at Rs. 51,974 crore on Dec 9.
- Banks borrowed Rs. 295 crore under the central bank's Marginal Standing Facility on Dec 9, compared with Rs. 790 crore borrowed on Dec 8.

### Currency Market Update

- The Indian rupee declined against the U.S. dollar as investors remained cautious ahead of the result of Federal Reserve's two-day policy meeting to be announced on Dec 14. The rupee fell 0.18% to close at 67.54 per dollar from the previous close of 67.42.
- Euro weakened against the greenback as investors were waiting for the outcome of the U.S. Federal Reserve's monetary policy meeting on Dec 14. Euro was trading at \$1.0612 compared with the previous close of \$1.0634.

### Commodity Market Update

- Gold prices lowered, ahead of a two-day meeting of the U.S. Federal Reserve that is expected to deliver the second interest rate rise in a decade.
- Brent crude moved up after U.S. President-elect chose a major oil-producing company's CEO to serve as secretary of state.

### International News

- According to Organization for Economic Co-operation and Development (OECD) unemployment rate declined 6.2% in Oct from 6.3% in Sep. In the United States, the jobless rate eased to 4.9%, while in euro area, unemployment rate declined 0.1% in Oct. In Japan, unemployment rate fell 3%.
- Inflation in the U.K. accelerated 1.2% in Nov from 0.9% in the previous month. As per the report, core inflation that excludes energy, food, alcoholic beverages, and tobacco, also increased to 1.4% from 1.2% in Nov.
- Germany consumer price index rose 0.8% YoY in Nov, while on MoM basis, prices edged up 0.1%. The increase in inflation was led by growth in prices of food and non-alcoholic beverages by 1.2% YoY.