

Indices Performance

Global Indices	15-Dec	Prev_Day	Abs. Change	% Change [#]
Dow Jones	19,852	19,793	60	0.30
Nasdaq	5,457	5,437	20	0.37
FTSE	6,999	6,949	50	0.72
Nikkei	19,274	19,254	20	0.10
Hang Seng	22,059	22,457	-397	-1.77
Indian Indices	15-Dec	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	26,519	26,603	-84	-0.31
Nifty 50	8,154	8,182	-29	-0.35
Nifty 100	8,370	8,397	-27	-0.32
Nifty Bank	18,401	18,342	60	0.33
SGX Nifty	8,172	8,178	-6	-0.07
S&P BSE Power	2,004	2,004	-1	-0.03
S&P BSE Small Cap	12,143	12,118	25	0.21
S&P BSE HC	15,212	15,422	-210	-1.36

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
15-Dec	20.63	1.48	21.41	1.35
Month Ago	20.87	1.50	21.37	1.36
Year Ago	19.76	1.47	20.82	1.50

Nifty 50 Top 3 Gainers

Company	15-Dec	Prev_Day	% Change [#]
TCS	2259	2208	2.34
Axis Bank	478	467	2.33
HCL Tech	832	821	1.38

Nifty 50 Top 3 Losers

Company	15-Dec	Prev_Day	% Change [#]
Sun Pharma	650	678	-4.19
Tata Motors-DVR	296	305	-2.74
Grasim Indus	831	851	-2.29

Advance Decline Ratio

	BSE	NSE
Advances	1280	781
Declines	1317	805
Unchanged	181	87

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-477	28006
MF Flows**	-222	39061

*15th Dec 2016; **12th Dec 2016

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	3.15% (Nov-16)	3.85% (Aug-16)	-2.04% (Nov-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

- Asian markets witnessed selling pressure, as the outcome of U.S. Federal Reserve's (Fed's) latest policy meeting raised concerns over foreign fund outflow from the emerging markets. The U.S. Fed raised its key interest rate for the first time in the year and also hinted at three likely rate hikes in 2017. However, Japanese market bucked the trend following weakness in yen against the U.S. dollar. Today (As on Dec 16), most of the Asian markets opened higher following rise in Wall Street overnight. Both Nikkei Average and Hang Seng traded higher by 0.68% and 0.12%, respectively (as at 8.00 a.m IST).
- As per the last close, European market gained after the U.S. Fed raised rates, in line with market expectation and Bank of England kept interest rates and monetary stimulus unchanged. Banks were among the strongest gainers after the Fed decision.
- As per the last close, the U.S. market rose initially but gave up some gains at the end. Market participants digested the rate hike decision by the U.S. Fed. While U.S. consumer prices in Nov rose in line with expectations, initial jobless claims data came better than forecast.

Indian Equity Market

- Indian equity market fell, amid volatility, after the U.S. Federal Reserve went in for its first rate hike in 2016 at its latest monetary policy review meeting. Concerns over foreign fund outflow from the domestic market, following Fed's decision, weighed on investor sentiments. The Fed's hawkish outlook on future rate hikes also dragged the bourses.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.31% and 0.35% to close at 26,519.07 points and 8,153.60 points, respectively. Meanwhile, S&P BSE Mid-Cap closed flat, whereas S&P BSE Small-Cap gained 0.21%.
- The market breadth on BSE was weak with 1,317 scrips declining and 1,280 scrips advancing. A total of 181 scrips remained unchanged.
- On the BSE sectoral front, majority of the indices closed in the red. S&P BSE Healthcare was the major laggard, down 1.36%, followed by S&P BSE Telecom and S&P BSE FMCG, which slipped 0.89% and 0.80%, respectively. S&P BSE Consumer Durables and S&P BSE Energy dropped 0.79% and 0.33%, respectively. Meanwhile, S&P BSE IT was the top gainer, up 0.59%, followed by S&P BSE Bankex and S&P BSE Bankex, which rose 0.29% and 0.25%, respectively.

Domestic News

- Government data showed that India's trade deficit widened to \$13.00 billion in Nov from a provisional \$10.34 billion in the previous month. Merchandise exports grew 2.29% on a yearly basis to \$20.01 billion in Nov, while imports expanded 10.44% on a yearly basis to \$33.02 billion.
- According to the chief economic adviser at the Ministry of Finance, India is well prepared than its other emerging market peers to absorb the effects of U.S. Federal Reserve's decision of rate hike. This is because of India's stronger economic growth and high foreign exchange reserves of more than \$300 billion.
- The Ministry of Finance has issued a detailed report stating the efforts being made to reach a consensus on support legislations for timely implementation of the Goods and Service Tax (GST) by Apr 1, 2017. The report was issued after the failure of last GST Council meeting for the third time.
- According to a major credit rating agency, the government's demonetisation move has led to decline of prices of cements in the southern and western markets, while volume growth has been adversely affected in all regions in Nov 2016.
- The government has announced to launch two schemes, named Lucky Grahak Yojana and the Digi-Dhan Vyapari Yojana, on Dec 25, which aims to give cash prizes to consumers and merchants who use digital modes of payments. The mentioned schemes will be run by the National Payment Corporation of India for 100 days and will cost Rs. 340 crore to the government.
- IVRCL, an infra company, has posted a net loss of Rs. 354.47 crore during second quarter of FY17 as compared with loss of Rs. 306.54 crore in the same quarter last year. The overall income from operations declined 22% to stand at Rs. 501.45 crore as on Sep 30, 2016. Accumulated losses stood at a hefty Rs. 2,517.56 crore during the quarter.

FII Derivative Trade Statistics	15-Dec		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1172.42	1252.19	13546.23
Index Options	25893.28	27898.35	66356.09
Stock Futures	5746.97	5634.80	54697.98
Stock Options	2585.75	2644.71	5317.97
Total	35398.42	37430.05	139918.27

Derivative Statistics- Nifty Options	15-Dec	Prev_Day	Change
Put Call Ratio (OI)	1.05	1.08	-0.03
Put Call Ratio(Vol)	1.24	1.11	0.13

Debt Watch	15-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.10%	6.28%	6.04%	6.69%
CBLO	6.19%	6.33%	5.95%	6.93%
Repo	6.25%	6.25%	6.25%	6.75%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.07%	6.21%	6.00%	7.18%
364 Day T-Bill	6.26%	6.00%	6.06%	7.17%
10 Year Gilt	6.54%	6.40%	6.53%	7.79%
G-Sec Vol. (Rs.Cr)	71425	83157	145798	25051
1 Month CP Rate	6.64%	6.54%	6.58%	7.69%
3 Month CP Rate	6.64%	6.71%	6.76%	7.91%
5 Year Corp Bond	7.21%	7.16%	7.14%	8.36%
1 Month CD Rate	6.25%	6.45%	6.18%	7.33%
3 Month CD Rate	6.26%	6.34%	6.21%	7.39%
1 Year CD Rate	6.55%	6.61%	6.73%	7.70%

Currency Market	15-Dec	Prev_Day	Change
USD/INR	67.80	67.56	0.24
GBP/INR	85.12	85.55	-0.43
EURO/INR	71.16	71.92	-0.76
JPY/INR	0.58	0.59	-0.01

Commodity Prices	15-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	50.90	50.84	45.86	37.32
Brent Crude(\$/bl)	51.32	51.15	43.30	37.76
Gold(\$/oz)	1128	1170	1228	1060
Gold(Rs./10 gm)	27335	28131	29949	25250

Source: ICRON Research

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Derivatives Market

- Nifty Dec 2016 Futures were at 8,173.05 points, a premium of 19.45 points, over the spot closing of 8,153.60 points. The turnover on NSE's Futures and Options segment went up from Rs. 2,40,878.08 crore on Dec 14 to Rs. 6,67,913.47 crore on Dec 15.
- The Put-Call ratio stood at 1.00, compared with the previous session's close of 0.99.
- The Nifty Put-Call ratio stood at 1.05, compared with the previous session's close of 1.08.
- The open interest on Nifty Futures stood at 17.74 million compared with the previous session's close of 18.60 million.

Indian Debt Market

- Bond yields rose after the U.S. Federal Reserve, in its monetary policy review, raised policy interest rate for the second time in a decade and indicated a faster pace of increases next year. The U.S. Federal Reserve increased interest rate by 25 basis points to a range of 0.50%-0.75%. Furthermore, the U.S. Fed indicated to raise rates three times in 2017.
- Yield on the 10-year benchmark bond (6.97% GS 2026) rose 14 bps to close at 6.54% compared with the previous close of 6.40%. During the session, bond yields moved in the region of 6.44% to 6.54%.
- Banks' borrowings under the repo window of the LAF stood at Rs. 3,712 crore (gross) on Dec 15, compared with gross borrowing of Rs. 4,062 crore on Dec 14. Sale of securities under Reserve Bank of India (RBI)'s reverse repo window stood at Rs. 2,721 crore on Dec 14.
- Banks borrowed Rs. 200 crore under the central bank's MSF on Dec 14, compared with Rs. 230 crore borrowed on Dec 13.

Currency Market Update

- The Indian rupee declined against the greenback after the U.S. Federal Reserve raised its key interest rate and indicated faster increases next year. However, intervention from the Reserve Bank of India limited the rate of fall.
- Euro weakened against the greenback after the U.S. Federal Reserve raised interest by 25 bps and hinted three rate hikes in 2017, surpassing investor's expectations.

Commodity Market Update

- Gold prices dropped following the U.S. Federal Reserve's announcement of an interest rate hike to a 0.50-0.75% range,
- Brent crude prices went down as the Fed rate hike boosted the U.S. dollar which in turn weighed heavy on oil prices.

International News

- The U.S Federal Reserve (Fed) increased interest rates by 25 bps, which was in line with market expectations. Thus, the Federal Open Market Committee (FOMC) increased the rate to 0.75% from the earlier rate of 0.50%. It also predicts three rate hikes in 2017, two or three in 2018, and three in 2019.
- The Bank of England decided to keep the interest rates unchanged at 0.25% and corporate bond purchase plan at GBP 10 billion. Also, the government bond purchase program was left unchanged at GBP 435 billion.