

Indices Performance

Global Indices	16-Dec	Prev_Day	Abs. Change	% Change [#]
Dow Jones	19,843	19,852	-9	-0.04
Nasdaq	5,437	5,457	-20	-0.36
FTSE	7,012	6,999	13	0.18
Nikkei	19,401	19,274	127	0.66
Hang Seng	22,021	22,059	-39	-0.18
Indian Indices	16-Dec	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	26,490	26,519	-30	-0.11
Nifty 50	8,139	8,154	-14	-0.17
Nifty 100	8,356	8,370	-15	-0.17
Nifty Bank	18,313	18,401	-88	-0.48
SGX Nifty	8,153	8,172	-19	-0.23
S&P BSE Power	1,995	2,004	-9	-0.45
S&P BSE Small Cap	12,114	12,143	-30	-0.25
S&P BSE HC	15,220	15,212	8	0.05

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
16-Dec	20.57	1.49	21.37	1.36
Month Ago	20.88	1.50	21.62	1.36
Year Ago	19.94	1.45	20.96	1.49

Nifty 50 Top 3 Gainers

Company	16-Dec	Prev_Day	% Change [#]
Tata Motors	473	463	2.15
Bharti Infratel	356	351	1.30
Infosys	1005	992	1.29

Nifty 50 Top 3 Losers

Company	16-Dec	Prev_Day	% Change [#]
Hindalco	170	176	-3.35
Ultratech Cem	3178	3265	-2.66
Bharti Airtel	310	318	-2.58

Advance Decline Ratio

	BSE	NSE
Advances	1121	597
Declines	1490	992
Unchanged	164	82

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-406	27600
MF Flows**	-62	38496

*16th Dec 2016; **15th 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

- Most of the Asian markets traded in the green as investors have already factored-in the impact of higher U.S. interest rates which raised concerns of outflows from emerging markets. Weak yen, higher crude oil prices, and positive cues from the overnight U.S. market also supported gains. As on (Dec 19), Asian markets opened mixed following weakness in U.S. equities and some mixed economic reports for the month of Nov from Tokyo and Japan. Nikkie Average and Hang Seng was traded down 0.35% and 0.67% respectively (as at 8.00 a.m IST).
- As per the last close, European stocks closed with modest gains following some better than expected economic reports and as investors continued to digest the interest rate by the Federal Reserve.
- As per the last close, U.S. stocks closed lower following some renewed geopolitical concerns following reports that a Chinese Navy warship seized an underwater drone belonging to a U.S. oceanographic vessel in the South China Sea.

Indian Equity Market

- Indian equity market ended the last trading session of the week in the red. Investors continued to take weak cues from the hawkish note of the U.S. Federal Reserve's outlook on future interest rate hikes. Sale of domestic stocks by foreign portfolio investors also kept bourses under the pressure.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.11% and 0.17% to close at 26,489.56 points and 8,139.45 points, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap slipped 0.04% and 0.25%, respectively.
- The overall market breadth on BSE was weak with 1,490 scrips declining and 1,121 scrips advancing. A total of 164 scrips remained unchanged.
- On the BSE sectoral front, majority of the indices closed in the red. S&P BSE Metal was the major laggard, down 1.58%, followed by S&P BSE Telecom and S&P BSE Basic Materials, which slipped 1.15% and 1.03%, respectively. S&P BSE Oil & Gas and S&P BSE FMCG fell 0.93% and 0.67%, respectively. Meanwhile, S&P BSE Consumer Durables was the top gainer, up 0.62%, followed by S&P BSE IT and S&P BSE Auto, which gained 0.56% and 0.45%, respectively.

Domestic News

- As per a notification by the Reserve Bank of India (RBI), certain restrictions have been imposed on bank accounts where more than Rs. 2 lakh has been deposited after Nov 9 and having a balance of over Rs. 5 lakh. Withdrawal and transfer of funds will not be permitted without quoting PAN or submission of Form 60 (persons who do not have PAN). This is intended to restrict the misuse of banking channels to park unaccounted money.
- According to the finance minister, cashless economy means less cash economy as no economy can work without cash. He clarified by saying that digital transactions are a parallel mechanism and not a substitute for cash transactions.
- According to the commerce and industry minister, government expects high rate of foreign direct investment (FDI) to continue in 2017 after introducing certain FDI reforms in the current year. FDI inflows in Jan-Sep surged 21% to \$32.18 billion. The minister further said that services, computer hardware and software, telecom, automobile, and trading sectors have attracted the maximum FDI in this year.
- The Ministry of Finance has announced that RBI will reimburse the merchant discount rates (MDR) charges applicable to banks on payments of government dues of up to Rs. 1 lakh by debit cards through making a provision in the budget. This is being done in order to promote digital transactions.
- Bharat Heavy Electricals Ltd. has received an order worth Rs. 200 crore for supplying traction converters to the Railways.
- Tech Mahindra has officially launched its "Makers Lab" program in Pune. The objective of the move is to boost innovation within the company.

FII Derivative Trade Statistics	16-Dec		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1935.19	3455.61	12061.75
Index Options	59088.63	58178.62	67679.31
Stock Futures	6563.11	6826.67	54666.27
Stock Options	3786.20	3823.90	5438.81
Total	71373.13	72284.80	139846.14

Derivative Statistics- Nifty Options			
	16-Dec	Prev_Day	Change
Put Call Ratio (OI)	1.04	1.05	-0.01
Put Call Ratio(Vol)	0.94	1.24	-0.30

Debt Watch				
	16-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.14%	6.19%	6.05%	6.79%
CBLO	6.14%	5.57%	6.06%	7.08%
Repo	6.25%	6.25%	6.25%	6.75%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.19%	6.20%	5.95%	7.21%
364 Day T-Bill	6.22%	5.96%	6.05%	7.18%
10 Year Gilt	6.50%	6.44%	6.44%	7.73%
G-Sec Vol. (Rs.Cr)	78337	73893	119530	32094
1 Month CP Rate	6.64%	6.66%	6.48%	7.64%
3 Month CP Rate	6.64%	6.68%	6.57%	7.88%
5 Year Corp Bond	7.27%	7.20%	6.90%	8.34%
1 Month CD Rate	6.25%	6.39%	6.16%	7.33%
3 Month CD Rate	6.26%	6.33%	6.19%	7.39%
1 Year CD Rate	6.55%	6.61%	6.64%	7.69%

Currency Market			
Currency	16-Dec	Prev_Day	Change
USD/INR	67.78	67.80	-0.02
GBP/INR	84.23	85.12	-0.88
EURO/INR	70.75	71.16	-0.40
JPY/INR	0.57	0.58	0.00

Commodity Prices				
Commodity	16-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	51.93	51.51	45.56	35.55
Brent Crude(\$/bl)	53.90	51.74	44.22	37.26
Gold(\$/oz)	1134	1158	1225	1073
Gold(Rs./10 gm)	27305	28070	29808	25193

Source: ICRON Research

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Derivatives Market

- Nifty Dec 2016 Futures were at 8,146.50 points, a premium of 7.05 points, over the spot closing of 8,139.45 points. The turnover on NSE's Futures and Options segment went down from Rs. 6,67,913.47 crore on Dec 15 to Rs. 2,25,592.28 crore on Dec 16.
- The Put-Call ratio stood at 0.86, compared with the previous session's close of 1.00.
- The Nifty Put-Call ratio stood at 1.04, compared with the previous session's close of 1.05.
- The open interest on Nifty Futures stood at 17.28 million compared with the previous session's close of 17.74 million.

Indian Debt Market

- Bond yields fell as investors resorted to short covering, after bond prices fell following the U.S. Federal Reserve's decision to raise interest rates for the second time in a decade and indication of faster-than-expected pace of rate hikes next year.
- Yield on the 10-year benchmark bond (6.97% GS 2026) fell 4 bps to close at 6.50% compared with the previous close of 6.54%. During the session, bond yields moved in the region of 6.45% to 6.53%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility stood at Rs. 7,032 crore (gross) on Dec 16, compared with gross borrowing of Rs. 3,712 crore on Dec 15. Sale of securities under Reserve Bank of India (RBI)'s reverse repo window stood at Rs. 4,424 crore on Dec 15.
- Banks borrowed Rs. 690 crore under the central bank's Marginal Standing Facility on Dec 15, compared with Rs. 200 crore borrowed on Dec 14.

Currency Market Update

- The Indian rupee strengthened against the U.S. dollar following greenback sales by the exporters. The rupee rose 0.10% to close at 67.76 per dollar from the previous close of 67.83.
- Euro recovered against the greenback after hovering around 14-year lows after the U.S. Federal Reserve raised interest and hinted more than expected rate hikes in 2017. Euro was trading at \$1.0448, up 0.35%, compared with the previous close of \$1.0412.

Commodity Market Update

- Gold prices went up from the earlier session's near-ten month lows on the back of weaker U.S. dollar.
- Brent crude prices climbed due to growing indications that oil producers could stick to production-cut.

International News

- As per data release by the Labor Department, consumer prices in the U.S increased 0.2% in Nov 2016, in line with the forecast but slower than 0.4% rise in the previous month. Excluding food and energy prices, the core consumer price index also increased 0.2% in Nov after a 0.1% increase in the previous month.
- According to Eurostat, euro area's trade surplus (seasonally adjusted) contracted to EUR 19.7 billion in Oct 2016, lowest level in eight months, from EUR 23.8 billion in the prior month. Trade surplus shrunk as exports declined and imports increased sequentially during the reported month. Exports dropped 0.3% MoM in Oct, while imports rose 2.9%.