

Indices Performance

Global Indices	19-Dec	Prev_Day	Abs. Change	% Change [#]
Dow Jones	19,883	19,843	40	0.20
Nasdaq	5,457	5,437	20	0.37
FTSE	7,017	7,012	6	0.08
Nikkei	19,392	19,401	-10	-0.05
Hang Seng	21,833	22,021	-188	-0.85
Indian Indices	19-Dec	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	26,375	26,490	-115	-0.43
Nifty 50	8,104	8,139	-35	-0.43
Nifty 100	8,317	8,356	-39	-0.47
Nifty Bank	18,257	18,313	-56	-0.30
SGX Nifty	8,132	8,153	-21	-0.26
S&P BSE Power	1,995	1,995	1	0.04
S&P BSE Small Cap	12,058	12,114	-56	-0.46
S&P BSE HC	15,090	15,220	-130	-0.85

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
19-Dec	20.62	1.48	21.30	1.36
Month Ago	20.40	1.51	21.49	1.37
Year Ago	20.11	1.44	20.99	1.49

Nifty 50 Top 3 Gainers

Company	19-Dec	Prev_Day	% Change [#]
GAIL	426	415	2.59
Auro Pharma	699	691	1.17
Grasim Indus	824	818	0.81

Nifty 50 Top 3 Losers

Company	19-Dec	Prev_Day	% Change [#]
Bharti Infratel	345	356	-3.01
Asian Paints	878	900	-2.39
Sun Pharma	632	647	-2.33

Advance Decline Ratio

	BSE	NSE
Advances	1056	601
Declines	1571	1020
Unchanged	193	69

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	255	27855
MF Flows**	290	38786

*19th Dec 2016; **16th 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 closed the session in the red, as investor confidence was hurt by diplomatic issues between the U.S. and China. Higher U.S. bond yields and the effects of dollar strength further weighed heavy on the bourses. Investors turned cautious ahead of a two-day policy meeting of the Bank of Japan scheduled to end on Dec 20, although the central bank is expected to keep its rates and stimulus unaltered. Improved crude oil prices amid supply halts at two major Libyan oilfields could not positively affect the indices. As on (Dec 20), Asian markets open mixed as investors awaited Bank of Japan monetary policy decision to be announced later in the day. Nikkie Average was trded down 0.03% while, Hang Seng was traded up 0.16% (as at 8.00 a.m IST).
- As per the last close, European stocks closed mixed as investors digested economic data from Germany and awaited a speech from the chair of the U.S. Fed.
- As per the last close, U.S. stocks closed high as markets continued to benefit from the upward momentum seen since the elections.

Indian Equity Market

- Indian equity market extended its losing streak from last week, on the back of assorted global cues, as Asian bourses ended mostly in the red. Pharma and telecom majors went down, dragging the market lower.
- Key benchmark indices S&P BSE Sensex and Nifty 50 dropped 0.43% each to close at 26,374.70 points and 8,104.35 points, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap slipped 0.51% and 0.46%, respectively.
- The overall market breadth on BSE was weak with 1,571 scrips declining and 1,056 scrips advancing. A total of 193 scrips remained unchanged.
- On the BSE sectoral front, most indices closed in the negative. S&P BSE Telecom, down 1.36%, was the top laggard, trailed by S&P BSE Consumer Durables (-1.24%), S&P BSE Healthcare (-0.85%), S&P BSE Capital Goods (-0.84%), and S&P BSE Basic Materials (-0.79%). The top gainers were S&P BSE oil & Gas (0.98%), S&P BSE Energy (0.52%), S&P BSE Utilities (0.44%), and S&P BSE Power (0.04%).

Domestic News

- The Central Board of Trustees (CBT), the managing body of the Provident Fund Organisation (EPFO), has decided to reduce the interest rate on EPF to 8.65% for 2016-17, from the exiting rate of 8.8%. As per the EPFO income projections, the existing rate of interest could lead to a deficit of Rs. 383 crore.
- The Ministry of Finance announced to provide tax incentives to small traders on acceptance of payments through digital mode. Thus, the existing deemed profit of 8% will be reduced to 6% on the amount of total turnover or gross receipts cumulatively received through electronic mode in FY16-17. This amendment will be carried out in the Finance Bill 2017, which will be considered at the Union Budget 2017-18.
- According to new rules by the Reserve Bank of India (RBI), deposits of old notes exceeding Rs. 5,000 can be made only once per account until Dec 30, 2016 after strict scrutiny. The aim of the move is to check laundering of unaccounted cash. However, for this the depositor has to provide satisfactory answers why they couldn't put the money into their account earlier. However, no such restrictions will apply on deposits made under the Taxation and Investment Regime for the Pradhan Mantri Garib Kalyan Yojana, 2016.
- Ceat Tyres announced an investment of Rs. 2,800 crore over the next five years till FY22. The investment will be made through both debt and equity route.
- Online travel firm Yatra Online will be listed on the American stock exchange, NASDAQ, under the ticker symbol "YTRA" with effect from Dec 19, 2016.
- Goldman Sachs Group will pay \$56.5 million to resolve a U.S. class action lawsuit. The bank has been accused of rigging an interest rate benchmark used in the \$553 trillion derivatives market.

FII Derivative Trade Statistics	19-Dec		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1160.24	1664.72	10997.31
Index Options	26283.82	26241.11	68977.74
Stock Futures	5929.64	6079.09	54400.89
Stock Options	2955.30	3017.23	5561.03
Total	36329.00	37002.15	139936.97

Derivative Statistics- Nifty Options			
	19-Dec	Prev_Day	Change
Put Call Ratio (OI)	1.01	1.04	-0.03
Put Call Ratio(Vol)	0.91	0.94	-0.03

Debt Watch				
	19-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.09%	6.19%	5.95%	6.80%
CBLO	6.10%	5.57%	6.05%	6.90%
Repo	6.25%	6.25%	6.25%	6.75%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.16%	6.20%	5.85%	7.19%
364 Day T-Bill	6.24%	5.96%	5.98%	7.19%
10 Year Gilt	6.51%	6.44%	6.43%	7.72%
G-Sec Vol. (Rs.Cr)	30383	73893	83817	41733
1 Month CP Rate	6.64%	6.66%	6.46%	7.66%
3 Month CP Rate	6.68%	6.68%	6.55%	7.85%
5 Year Corp Bond	7.26%	7.20%	6.91%	8.34%
1 Month CD Rate	6.24%	6.39%	6.18%	7.34%
3 Month CD Rate	6.26%	6.33%	6.19%	7.36%
1 Year CD Rate	6.55%	6.61%	6.56%	7.68%

Currency Market			
Currency	19-Dec	Prev_Day	Change
USD/INR	67.73	67.78	-0.05
GBP/INR	84.54	84.23	0.31
EURO/INR	70.84	70.75	0.09
JPY/INR	0.58	0.57	0.00

Commodity Prices				
Commodity	19-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	52.13	52.74	45.69	34.72
Brent Crude(\$/bl)	53.48	53.54	43.56	37.01
Gold(\$/oz)	1139	1162	1208	1066
Gold(Rs./10 gm)	27410	28070	29354	24954

Source: ICRON Research

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Derivatives Market

- Nifty Dec 2016 Futures were at 8,124.15 points, a premium of 19.80 points, over the spot closing of 8,104.35 points. The turnover on NSE's Futures and Options segment went down from Rs. 2,25,592.28 crore on Dec 16 to Rs. 2,08,483.35 crore on Dec 19.
- The Put-Call ratio stood at 0.88, compared with the previous session's close of 0.86.
- The Nifty Put-Call ratio stood at 1.01, compared with the previous session's close of 1.04.
- The open interest on Nifty Futures stood at 17.25 million compared with the previous session's close of 17.28 million.

Indian Debt Market

- Bond yields rose as investors awaited fresh cues after the U.S. Federal Reserve projected a quicker pace of rate hikes in 2017.
- Yield on the 10-year benchmark bond (6.97% GS 2026) rose 1 bps to close at 6.51% compared with the previous close of 6.50%. During the session, bond yields moved in the region of 6.48% to 6.51%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility stood at Rs. 2,070 crore (gross) on Dec 19, compared with gross borrowing of Rs. 7,032 crore on Dec 16. Sale of securities under Reserve Bank of India (RBI)'s reverse repo window stood at Rs. 4,664 crore on Dec 16.
- Banks borrowed Rs. 200 crore under the central bank's Marginal Standing Facility on Dec 16, compared with Rs. 690 crore borrowed on Dec 15.

Currency Market Update

- The Indian rupee gained initially against the U.S. dollar on greenback sales by foreign banks. However, rupee weakened later following weakness in the domestic equity market and greenback demand from importers. The rupee dropped 0.15% to close at 67.87 per dollar from the previous close of 67.76.
- Euro fell as greenback got support on expectations that a fiscal expansion planned by the U.S. President-elect will accelerate inflation and result in faster pace of interest rate hikes going forward. Euro was trading at \$1.0431 compared with the previous close of \$1.0447.

Commodity Market Update

- Gold prices gained following geo-political crisis.
- Brent crude prices gained in anticipation that producers might reduce oil output in 2017 following the decision by the Organization of the Petroleum Countries (OPEC) and other oil producing countries.

International News

- As per data release by the Commerce Department, U.S. housing starts fell 18.7% to an annual rate of 1.090 million in Nov 2016 from the revised Oct 2016 estimate of 1.340 million. The new residential construction saw a steep fall, which was partially due to substantial decrease in multi-family starts that plunged 45.1% a rate of 262,000.
- According to data from Eurostat, eurozone's construction output rose 2.2% on YoY basis in Oct 2016 following 1.9% growth in Sep 2016. On a MoM basis, construction output rose 0.8% in Oct compared to 0.8% decrease in the previous month.
- Data from the survey of Ifo institute showed that the German business sentiment index inched up to 111.0 in Dec 2016 compared with the previous month's figure of 110.4. The current conditions indicator came in at 116.6 versus 115.9 in the previous month.