

Indices Performance

Global Indices	26-Dec	Prev_Day	Abs. Change	% Change [#]
Dow Jones	Closed	19,934	NA	NA
Nasdaq	Closed	5,463	NA	NA
FTSE	Closed	7,068	NA	NA
Nikkei	19,397	Closed	NA	NA
Hang Seng	Closed	21,575	NA	NA
Indian Indices	26-Dec	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	25,807	26,041	-234	-0.90
Nifty 50	7,908	7,986	-78	-0.97
Nifty 100	8,083	8,173	-90	-1.10
Nifty Bank	17,656	17,884	-228	-1.28
SGX Nifty	7,911	8,004	-93	-1.16
S&P BSE Power	1,924	1,959	-35	-1.79
S&P BSE Small Cap	11,549	11,797	-248	-2.10
S&P BSE HC	14,196	14,572	-376	-2.58

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
26-Dec	20.17	1.52	21.36	1.40
Month Ago	20.55	1.50	21.52	1.36
Year Ago	19.65	1.38	21.26	1.47

Nifty 50 Top 3 Gainers

Company	26-Dec	Prev_Day	% Change [#]
HUL	802	790	1.56
TCS	2293	2288	0.22
Bharti Airtel	296	296	0.19

Nifty 50 Top 3 Losers

Company	26-Dec	Prev_Day	% Change [#]
Hindalco	152	159	-4.90
Cipla	555	582	-4.70
Bank of Baroda	147	153	-3.69

Advance Decline Ratio

	BSE	NSE
Advances	547	245
Declines	2062	1388
Unchanged	166	60

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1461	23538
MF Flows**	1085	40898

*26th Dec 2016; **21st 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 shares witnessed mixed trend amid thin holiday trading as most of regional bourses remained closed on account of Christmas holiday. Japanese index fell after a long weekend following yen's appreciation. However, Chinese market bucked the trend and gained 0.40%. As on (Dec 27), Asian markets opened mixed amid low volume holiday trading after weaker-than-expected economic data out of Japan while Hong Kong market will remain closed. Nikkei was traded up 0.23% (as at 8.00 a.m IST).
- As per the last close, European market was closed on the occasion of Christmas holiday.
- As per the last close, U.S. market was closed on the occasion of Christmas holiday.

Indian Equity Market

- Indian equity market fell to a seven-month low following Prime Minister's statement that market participants should contribute more towards nation-building. This triggered concerns about a potential tax hike on investments.
- Key benchmark indices S&P BSE Sensex and Nifty 50 dipped 0.90% and 0.97% to close at 25,807.10 points and 7,908.25 points, respectively. S&P BSE MidCap and S&P BSE SmallCap slipped 2.17% and 2.10%, respectively.
- The overall market breadth on BSE was weak with 2,062 scrips declining and 547 scrips advancing. A total of 166 scrips remained unchanged.
- On the BSE sectoral front, all indices closed on a negative note. S&P BSE Realty, down 3.61%, was the highest loser, while S&P BSE Metal (-2.85%), S&P BSE Healthcare (-2.58%), S&P BSE Basic Materials (-2.36%), S&P BSE Power (-1.79%), and S&P BSE Utilities (-1.64%) comprised some of the other major losers of the session.

Domestic News

- According to the finance minister, the demonetisation move will help increase government's revenue and lower fiscal deficit. This, in turn, will help the government to spend more on defence and rural infrastructure. The minister also clarified that the government has no plans to impose a long-term capital gains tax on income from stock markets. The remark comes after the Prime Minister suggested that people making profits from the markets must contribute to nation-building through taxes.
- The government is reviewing the capital needs of state-run banks. The move comes amid concerns that stressed assets may turn into non-performing ones if demonetisation continues to hamper demand for a longer period of time. There has been a significant increase in deposits post the government's demonetisation move, which banks cannot deploy due to low demand.
- A major credit rating agency forecasted India's gross value added growth at 6.6% in 2016-17. The agency opined that India's economic activity will take time to return to normalcy following the government's sudden move to demonetise currency notes of high valuation. The agency added that deferral of consumption and loss of income in some sectors is likely to affect capacity utilisation in the second half of 2016-17, which may delay capacity expansion plans of the private sector firms.
- Lupin has received tentative approval from the U.S. Food and Drug Administration to sell Olmesartan medoximil tablets, which are used for treatment of high blood pressure, in the American market.
- Larsen & Toubro informed that its construction arm has received orders worth Rs. 3,039 crore across various business segments which includes power transmission and distribution, and heavy civil infrastructure. In the water and effluent treatment sector, the company received orders worth Rs. 1,422 crore.

FII Derivative Trade Statistics	26-Dec		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2522.09	3175.67	13340.49
Index Options	33147.43	33845.23	70812.11
Stock Futures	10110.96	10100.81	55060.30
Stock Options	3970.78	4002.63	5788.21
Total	49751.26	51124.34	145001.11

Derivative Statistics- Nifty Options			
	26-Dec	Prev_Day	Change
Put Call Ratio (OI)	0.83	0.92	-0.10
Put Call Ratio(Vol)	0.85	0.84	0.01

Debt Watch				
	26-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.11%	6.09%	5.98%	6.74%
CBLO	6.13%	6.10%	5.57%	6.79%
Repo	6.25%	6.25%	6.25%	6.75%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.20%	6.16%	5.75%	7.20%
364 Day T-Bill	6.29%	6.24%	5.85%	7.25%
10 Year Gilt	6.57%	6.51%	6.23%	7.75%
G-Sec Vol. (Rs.Cr)	26647	30383	129100	24202
1 Month CP Rate	6.63%	6.64%	6.33%	7.65%
3 Month CP Rate	6.69%	6.68%	6.31%	7.86%
5 Year Corp Bond	7.32%	7.26%	6.74%	8.35%
1 Month CD Rate	6.23%	6.24%	6.09%	7.39%
3 Month CD Rate	6.26%	6.26%	5.94%	7.41%
1 Year CD Rate	6.56%	6.55%	6.32%	7.70%

Currency Market			
Currency	26-Dec	Prev_Day	Change
USD/INR	67.83	67.91	-0.08
GBP/INR	83.31	83.48	-0.17
EURO/INR	70.97	70.95	0.02
JPY/INR	0.58	0.58	0.00

Commodity Prices				
Commodity	26-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	52.01	52.13	46.72	37.62
Brent Crude(\$/bl)	53.73	53.48	45.47	37.57
Gold(\$/oz)	1134	1139	1183	1075
Gold(Rs./10 gm)	27269	27410	28820	25148

Source: ICRON Research

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Derivatives Market

- Nifty Dec 2016 Futures were at 7911.3 points, a premium of 3.05 points, over the spot closing of 7,908.25 points. The turnover on NSE's Futures and Options segment went up from Rs. 3,50,755.63 crore on Dec 23 to Rs. 4,01,271.77 crore on Dec 26.
- The Put-Call ratio remained unchanged from the previous session's close of 0.84. The Nifty Put-Call ratio stood at 0.83, compared with the previous session's close of 0.92.
- India VIX moved up 9.75% to 16.6025 from 15.1275 in the previous trading session.
- The open interest on Nifty Futures stood at 24.48 million compared with the previous session's close of 21.00 million.

Indian Debt Market

- Bond yields rose for the third consecutive session due to lack of domestic triggers. Worries that the Monetary Policy Committee would refrain from any monetary easing in the near term also weighed on market sentiment.
- Yield on the 10-year benchmark bond (6.97% GS 2026) rose 3 bps to close at 6.57% compared with the previous close of 6.54%. During the session, bond yields moved in the region of 6.54% to 6.59%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility stood at Rs. 2,365 crore (gross) on Dec 26, compared with gross borrowing of Rs. 3,430 crore on Dec 23. Sale of securities under Reserve Bank of India (RBI)'s reverse repo window stood at Rs. 16,192 crore on Dec 23.
- Banks borrowed Rs. 415 crore under the central bank's Marginal Standing Facility on Dec 23, compared with a borrowing of Rs. 1,694 crore on Dec 22.

Currency Market Update

- The Indian rupee gained against the U.S. dollar after exporters sold greenback ahead of the year end. However, losses in the domestic equity market capped the gains.
- Euro weakened against the greenback after U.S. new home sales data for Nov and U.S. consumer sentiment data for Dec came better than market expectations. However, subdued trading amid Christmas holidays and ahead of the New Year restricted further losses.

Commodity Market Update

- Gold prices grew since the U.S. dollar declined, encouraging investors to bring more precious metal home.
- Brent crude prices fell following unexpected rise in U.S. crude inventories. However, further losses were restricted on expectations of more supply cut by the OPEC and non-OPEC producers.

International News

- Data from the U.S. Commerce Department showed that new home sales rose much more than expected by 5.2% to an annual rate of 592,000 in Nov 2016. Economists had expected new home sales to increase 3% to a rate of 580,000.
- As per a report of the University of Michigan, U.S. consumer sentiment index was upwardly revised to 98.2 for Dec 2016, highest since Jan 2004, from the preliminary reading of 98.0 and well above the final reading of 93.8 in Nov 2016. The report also showed that the current economic conditions index surged to 111.9 in Dec from 107.3 in the previous month.
- Data from the Cabinet Office showed that Japan's leading index rose less than expected to 100.8 in Oct 2016 from 100 in the previous month.