

Indices Performance

Global Indices	18-Dec	Prev_Day	Abs. Change	% Change [#]
Dow Jones	17,129	17,496	-367	-2.10
Nasdaq	4,923	5,003	-79	-1.59
FTSE	6,052	6,103	-50	-0.82
Nikkei	18,987	19,354	-367	-1.90
Hang Seng	21,756	21,872	-117	-0.53
Indian Indices	18-Dec	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	25,519	25,804	-285	-1.10
Nifty 50	7,762	7,844	-82	-1.05
Nifty 100	7,909	7,978	-70	-0.87
Nifty Bank	16,594	16,742	-147	-0.88
SGX Nifty	7,770	7,866	-96	-1.22
S&P BSE Power	1,873	1,870	2	0.13
S&P BSE Small Cap	11,532	11,559	-27	-0.24
S&P BSE HC	16,523	16,639	-116	-0.70

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
18-Dec	20.11	1.44	20.99	1.49
Month Ago	20.16	1.46	20.90	1.47
Year Ago	18.32	1.26	20.85	1.30

Nifty 50 Top 3 Gainers

Company	18-Dec	Prev_Day	% Change [#]
Adani Ports & SEZ	260	256	1.52
Idea Cellular	135	134	0.93
Ambuja Cem	200	198	0.68

Nifty 50 Top 3 Losers

Company	18-Dec	Prev_Day	% Change [#]
Vedanta	84	87	-3.27
Ultratech Cem	2815	2898	-2.86
Bajaj Auto	2470	2531	-2.43

Advance Decline Ratio

	BSE	NSE
Advances	1288	699
Declines	1407	858
Unchanged	212	66

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	751	15690
MF Flows**	72	68513

*18th Dec 2015; **14th Dec 2015

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	-1.99% (Nov-15)	-5.06% (Aug-15)	-0.17% (Nov-14)
IIP	9.80% (Oct-15)	4.10% (Jul-15)	-2.70% (Oct-14)
GDP	7.40 (Sep-15)	7.00 (Jun-15)	8.40 (Sep-14)

Global Indices

- Asian markets closed on a lower note after taking cues from the overnight U.S. market. Sentiments dampened after the Bank of Japan decided to keep monetary policy unchanged and announced a new programme to purchase ETFs at annual pace of 300 billion yen (\$2.45 billion). Today (As on Monday), Asian stocks opened mostly lower tracking losses from the Wall Street last week. Japan's Nikkei Average plunged on the back of a stronger yen. Nikkei Average was trading lower by 1.69% and Hang Seng was trading up by 0.34% (as at 8.00 a.m IST).
- As per last closing, European equities closed lower as investors resorted to book profits from the recent rally. Investors also remained on the sidelines as they continued to monitor global crude oil prices.
- As per last closing, U.S. equities closed lower as investors resorted to profit booking. Weakness in global crude oil prices which has fallen to its lowest levels in nearly seven years amid ongoing concerns about a global supply glut and options expiration also weighed on the market sentiment. Decline in the flash Markit U.S. Services PMI for December which fell to a 12 month low further weighed on the bourses.

Indian Equity Market

- Indian equity markets fell as investors resorted to selling after the Government lowered 2015-16 GDP growth forecast to 7%-7.5% from earlier estimates of 8.1%-8.5%. Bourses witnessed additional selling pressure after the Government warned that the proposed wage hike for Central Government employees by the 7th Pay Commission may adversely impact fiscal deficit.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 1.10% and 1.05% to close at 25,519.22 points and 7,761.95 points, respectively. Moreover, S&P BSE Mid-Cap closed flat whereas S&P BSE Small-Cap fell 0.24%.
- On the BSE sectoral front, majority of the indices closed in the red. S&P BSE IT was the major laggard falling by 1.31% followed by S&P BSE Teck and S&P BSE Energy, which fell 1.07% and 0.92%, respectively. Stocks of IT companies fell after the U.S. Congress doubled a special fee on the popular H-1B and L-1 visas to \$4,500, which will hit Indian IT companies. Both S&P BSE Metal and S&P BSE Basic Material fell 0.89% each. Meanwhile, S&P BSE Consumer Durables was the top gainer rising by 1.01% followed by S&P BSE Utilities and S&P BSE Power, which rose 0.31% and 0.13%, respectively.

Domestic News

- RBI has directed banks to set five benchmark rates for different tenure ranging from overnight rates to one year. The norms will come into effect from April 1, 2016. The new set of guidelines will improve the transmission of policy rates to end customers. The Central Bank has issued a new formula to price lending rates known as 'marginal cost of funds based lending rates' or MCLR that will replace the base rate.
- The Government has lowered its gross domestic product (GDP) growth forecast for fiscal year 2015-16 to 7%-7.5% from 8.1% - 8.5% seen earlier. The Government added that retail inflation is likely to be within Reserve Bank of India's (RBI) target of about 6%.
- According to ICRA, CNG sales volumes are likely to be boosted, while diesel sales may decline. Diesel sales may decline after the Supreme Court banned the registration of new diesel cars over 2000cc capacity till March 31, 2016, in 13 cities including Delhi. The apex court also directed all taxis in Delhi to be converted to CNG and subsequently doubled the green cess levied on commercial vehicles entering Delhi. The credit rating agency opined that the proposal will bring down the sales of luxury and SUV car-makers as many of their popular brands are diesel-driven.
- Indian Oil Corporation and Oil India are in talks with Russia's Rosneft to buy up to 29% stake in a Siberian oil project.
- Axis Bank has partnered with a digital security company, e-Mudhra, to facilitate digital signature facility for its customers.
- The Competition Commission of India has approved acquisition of Piramal Enterprises' lab diagnostics and point-of-care business by DiaSys India.

FII Derivative Trade Statistics	18-Dec		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1519.33	2045.17	14278.19
Index Options	25787.81	25233.12	77439.52
Stock Futures	3056.56	3031.26	51883.38
Stock Options	2236.60	2319.37	3885.54
Total	32600.30	32628.92	147486.63

Derivative Statistics- Nifty Options			
	18-Dec	Prev_Day	Change
Put Call Ratio (OI)	0.78	0.82	-0.03
Put Call Ratio(Vol)	0.88	0.98	-0.10

Debt Watch				
	18-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.80%	6.72%	6.70%	8.47%
CBLO	6.90%	6.45%	6.84%	8.61%
Repo	6.75%	6.75%	6.75%	8.00%
Reverse Repo	5.75%	5.75%	5.75%	7.00%
91 Day T-Bill	7.19%	7.13%	7.14%	8.30%
364 Day T-Bill	7.19%	7.17%	7.16%	8.18%
10 Year Gilt	7.72%	7.77%	7.68%	7.93%
G-Sec Vol. (Rs.Cr)	41733	41453	10056	48652
1 Month CP Rate	7.66%	7.68%	7.50%	8.55%
3 Month CP Rate	7.85%	7.88%	7.73%	8.55%
5 Year Corp Bond	8.34%	8.35%	8.20%	8.65%
1 Month CD Rate	7.34%	7.31%	7.04%	8.33%
3 Month CD Rate	7.36%	7.36%	7.30%	8.38%
1 Year CD Rate	7.68%	7.67%	7.62%	8.63%

Currency Market			
Currency	18-Dec	Prev_Day	Change
USD/INR	66.42	66.65	-0.23
GBP/INR	99.17	99.61	-0.44
EURO/INR	72.14	72.33	-0.19
JPY/INR	0.54	0.54	0.00

Commodity Prices				
Currency	18-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	34.72	35.65	40.75	54.18
Brent Crude(\$/bl)	37.01	36.99	41.10	59.01
Gold(\$/oz)	1066	1075	1071	1198
Gold(Rs./10 gm)	24954	25231	25184	26927

Source: ICRON Research

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Derivatives Market

- Nifty December 2015 Futures were at 7,790.10 points, a premium of 28.15 points against the spot closing of 7,761.95 points. The turnover on NSE's Futures and Options segment fell from Rs. 2,89,916.06 crore on December 17 to Rs. 2,21,046.54 crore on December 18.
- The Put-Call ratio stood at 0.85, compared to previous session's close of 0.92.
- The Nifty Put-Call ratio stood at 0.78, compared to previous session's close of 0.82.
- The open interest on Nifty Futures stood at 20.53 million compared to the previous session's close of 21.18 million.

Indian Debt Market

- Bond yields rose amid concerns that the Government may not be able to meet its medium-term fiscal consolidation plan amid higher expenditure and revenue shortfall.
- The yield on the 10-year benchmark bond, 7.72% GS 2025, rose by 1 bps to close at 7.72% from the previous close of 7.71%. The yield on the benchmark paper traded in the range of 7.70% to 7.75%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 17,143 crore (gross) compared to that of Rs. 20,217 crore borrowed on December 17. Sale of securities by the Reserve Bank of India (RBI) under the reverse repo window stood at Rs. 3,321 crore on December 17.
- Banks borrowed Rs. 225 crore under the Central Bank's Marginal Standing Facility on December 17 compared to that of December 16 when they borrowed Rs. 1,085 crore

Currency Market Update

- The rupee closed steady against the dollar after the Government lowered growth forecast of the country for 2015-16. The rupee rose marginally by 0.04% to close at 66.40 per dollar compared to the previous closing of 66.42 per dollar.
- The euro weakened against the dollar after the U.S. Federal Reserve raised interest rates for the first time in nearly a decade. More than expected fall in initial jobless claims for the week ended December 11 also boosted the greenback. The euro was trading lower at \$1.0810 compared to the previous close of \$1.0825.

Commodity Market Update

- Gold prices recovered as investors preferred to cover short positions after the U.S. Federal Reserve raised interest rates for the first time in nearly a decade.
- Brent Crude prices remained muted as crude oil inventories rose by 4.8 million barrels last week to near record highs.

International News

- The Bank of Japan kept monetary base target unchanged in its monetary policy review. However, the Central Bank unveiled a new program to buy exchange-traded funds to encourage capital investment. The Central Bank will establish a new program for purchases of exchange-traded funds at an annual pace of about ¥ 300 billion in addition to the current program of ETF purchases.
- Data from the Conference Board showed that leading economic index in the U.S. rose by 0.4% in November following a 0.6% increase in October.
- The U.S. Labor Department in its report showed that initial jobless claims for the week ended December 12 fell by 11,000 to 271,000 from the previous week's unrevised level of 282,000.