

Indices Performance

Global Indices	06-Feb	Prev_Day	Abs. Change	% Change [#]
Dow Jones	20,052	20,071	-19	-0.09
Nasdaq	5,664	5,667	-3	-0.06
FTSE	7,172	7,188	-16	-0.22
Nikkei	18,977	18,918	59	0.31
Hang Seng	23,348	23,129	219	0.95
Indian Indices	06-Feb	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	28,439	28,241	199	0.70
Nifty 50	8,801	8,741	60	0.69
Nifty 100	9,090	9,021	68	0.76
Nifty Bank	20,372	20,197	175	0.87
SGX Nifty	8,797	8,773	24	0.27
S&P BSE Power	2,202	2,181	21	0.96
S&P BSE Small Cap	13,540	13,422	118	0.88
S&P BSE HC	15,449	15,255	194	1.27

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
6-Feb	22.09	1.43	23.43	1.25
Month Ago	20.88	1.46	22.09	1.34
Year Ago	18.30	1.45	19.99	1.54

Nifty 50 Top 3 Gainers

Company	06-Feb	Prev_Day	% Change [#]
Ambuja Cem	240	229	4.51
Sun Pharma	675	647	4.31
ACC	1480	1424	3.95

Nifty 50 Top 3 Losers

Company	06-Feb	Prev_Day	% Change [#]
Dr Reddys Lab	3097	3145	-1.52
Tata Motors-DVR	330	334	-1.14
Cipla	602	608	-1.04

Advance Decline Ratio

	BSE	NSE
Advances	1847	1112
Declines	1065	549
Unchanged	150	77

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	604	673
MF Flows**	-41	6145

*6th Feb 2017; **2nd Feb 2017

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	3.39% (Dec-16)	3.80% (Sep-16)	-1.06% (Dec-15)
IIP	5.70% (Nov-16)	-0.70% (Aug-16)	-3.40% (Nov-15)
GDP	7.30 (Sep-16)	7.10 (Jun-16)	7.60 (Sep -15)

Global Indices

- Most of the major Asian markets traded higher, led by banking stocks, after the U.S. President signed two directives to remove restrictions from the finance industry. The Japanese market went up on hopes that the meeting between the Japanese Prime Minister and the U.S. President due later this week could help resolve worries over trade. Higher crude prices over concerns of new U.S. authorisation against Iran, strong U.S. jobs data, and prospects of the U.S. Federal Reserve abstaining from hiking interest rates next month also contributed to the growth. Today (As on Feb 07), Asian market opened lower amid concerns over policies taken by the new U.S. President. Also, stronger yen weighed on the Japanese market. Both Nikkei Average and Hang Seng were trading down 0.42% and 0.10% (as at 8.00 a.m IST).
- As per the last close, European market closed lower following investors concern over political instability in the U.S. and France.
- As per the last close, U.S. market closed lower as investors were worried about the impact of policies taken by the new President of U.S.

Indian Equity Market

- Indian equity market surged amid expectations of a rate cut by the Monetary Policy Committee (MPC) in its upcoming policy review on Feb 8, in order to boost up demand growth post-demonetisation period. Comfortable level of inflation further raised hope of a rate cut. Bourses also got support from other regional peers.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.70% and 0.69% to close at 28,439.28 points and 8,801.05 points, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap also moved up 1.10% and 0.88%, respectively.
- On the BSE sectoral front, most of indices closed in the green barring S&P BSE Metal (-0.3%). S&P BSE Realty (1.9%) stood as the major gainer followed by S&P BSE FMCG (1.28%) and S&P BSE HC (1.27%). Realty sector continued with the upward trend after the finance minister proposed affordable housing in the Union Budget 2017-18 to encourage investment in the segment. Banking stocks also gained on expectations of rate cut by MPC in the upcoming policy review.

Domestic News

- States have spent Rs. 6,866 crore out of Rs. 31,694 crore construction cess collected till Dec 20, 2016. Construction cess is collected at 1% of the construction cost as notified by the government.
- To improve basic urban infrastructure, the Union Urban Development Ministry cleared an investment of Rs. 1,350 crore to Andhra Pradesh under the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) over the next three financial years. It also approved Rs. 405 crore to augment water supply, sewerage networks, drainage and provision of parks and open spaces in 32 Atal Mission cities in the southern state.
- For the next financial year, the Finance Bill 2017 has relaxed the norms for refunds for scrutiny cases. However, in case of exceptional circumstances, the income tax department will hold back refund in scrutiny cases due to apprehension that the assessee might flee the country.
- Government said the overall rate of unemployment is rising and is the highest among Other Backward Classes (OBCs). The overall unemployment rate is 5% but it is 5.2% for the OBCs. The unemployment rate in case of Scheduled Castes rose to 5% from 3.1% in 2011.
- IDBI Bank has lowered its marginal cost of funds based lending rate (MCLR) by 30-35 basis points across various tenors, with effect from Feb 1, 2017. For overnight tenor, the bank has decreased its minimum lending rate to 8.20% from 8.5%. One-year MCLR has been reduced to 8.80% from 9.15%.
- In an extraordinary general meeting, the shareholders of Tata Sons voted to remove Cyrus Mistry (former Chairman), as a director from the company with requisite majority. The meeting was attended by Tata Sons Interim Chairman, Ratan Tata, N Chadrasekaran, who will take over as Tata Sons chairman on Feb 21 and other Tata Sons directors.

FII Derivative Trade Statistics	06-Feb		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1664.82	1939.76	18578.93
Index Options	27899.34	29220.65	68941.92
Stock Futures	8439.10	8497.93	66374.14
Stock Options	4585.84	4491.23	5267.77
Total	42589.10	44149.57	159162.76

Derivative Statistics- Nifty Options			
	06-Feb	Prev_Day	Change
Put Call Ratio (OI)	1.13	1.08	0.05
Put Call Ratio(Vol)	1.01	1.02	-0.01

Debt Watch				
	06-Feb	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.98%	6.00%	6.13%	6.74%
CBLO	6.08%	6.20%	5.23%	6.33%
Repo	6.25%	6.25%	6.25%	6.75%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.10%	6.17%	6.10%	7.17%
364 Day T-Bill	6.13%	6.16%	6.15%	7.24%
10 Year Gilt	6.41%	6.40%	6.39%	7.71%
G-Sec Vol. (Rs.Cr)	40676	46210	47832	38496
1 Month CP Rate	6.67%	6.72%	6.59%	8.36%
3 Month CP Rate	6.99%	7.05%	6.84%	9.03%
5 Year Corp Bond	7.08%	7.08%	7.09%	8.31%
1 Month CD Rate	6.18%	6.23%	6.17%	7.37%
3 Month CD Rate	6.39%	6.43%	6.32%	8.12%
1 Year CD Rate	6.52%	6.55%	6.54%	8.18%

Currency Market			
Currency	06-Feb	Prev_Day	Change
USD/INR	67.20	67.38	-0.19
GBP/INR	83.92	84.32	-0.40
EURO/INR	72.40	72.44	-0.04
JPY/INR	0.60	0.60	0.00

Commodity Prices				
Commodity	06-Feb	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	53.01	52.63	53.98	30.86
Brent Crude(\$/bl)	54.72	54.82	55.80	31.90
Gold(\$/oz)	1235	1195	1173	1173
Gold(Rs./10 gm)	29092	28820	28302	27486

Source: ICRON Research

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Derivatives Market

- Nifty Feb 2017 Futures were at 8,816.6 points, a premium of 15.55 points over the spot closing of 8,801.05 points. The turnover on NSE's Futures and Options segment went up from Rs. 2,71,091.67 crore on Feb 3 to Rs. 3,07,169.89 crore on Feb 6.
- The Put-Call ratio stood at 0.86, compared with the previous session's close of 0.87.
- The Nifty Put-Call ratio stood at 1.13, compared with the previous session's close of 1.08.
- The open interest on Nifty Futures stood at 23.44 million compared with the previous session's close of 22.87 million.

Indian Debt Market

- Bond yields ended flat as investors remained cautious ahead of the Monetary Policy Committee's interest rate review due on Feb 8, 2017.
- Yield on the 10-year benchmark bond (6.97% GS 2026) closed unchanged from the previous close of 6.41%. During the session, bond yields moved in the region of 6.40% to 6.42%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility stood at Rs. 1,400 crore (gross) on Feb 6, as compared with the gross borrowing of Rs. 1,690 crore on Feb 3. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 17,404 crore on Feb 3.
- Banks did not borrow under the central bank's Marginal Standing Facility on Feb 3.

Currency Market Update

- The Indian rupee strengthened against the greenback following gains in the equity market. Market sentiment improved further after lower-than-expected increase in U.S. hourly wages in Jan quelled worries of a near term rate hike by the U.S. Federal Reserve. The rupee inched up 0.14% to close at 67.21 per dollar from the previous close of 67.31.
- The euro plunged against the greenback as investors remained uncertain regarding the outcome of Presidential elections in France scheduled to be held in Apr and May. Euro was trading at \$1.0717, down 0.59% compared with the previous close of \$1.0781.

Commodity Market Update

- Gold prices gained as tepid wage growth triggered chances that the U.S. Federal Reserve might adopt a more cautious stance on interest rate hike this year.
- Brent crude prices moved down after rig count increased by 17 in the last week, marking the 13th gain in 14 weeks.

International News

- According to the Institute for Supply Management (ISM), U.S. non-manufacturing index or services sector growth slowed down to 56.5 in Jan 2017 from 56.6 in the prior month. The slowdown is due to decrease in the rate of growth in new orders and business activity index. However, the employment index rose.
- Data from the Commerce Department showed that U.S. factory orders increased 1.3% in Dec 2016 after decreasing by a revised 2.3% in Nov 2016. The rise in orders was mainly due to sharp rise in non-durable goods orders, which rose by 3.1% in Dec after decreasing by 0.2% in the previous month. However, durable goods continued to decline, but at a slower rate, by 0.5% in Dec following a 4.7% decrease in the previous month.