

### Indices Performance

Global Indices	03-Jan	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	19,882	Closed	NA	NA
Nasdaq	5,429	Closed	NA	NA
FTSE	7,178	Closed	NA	NA
Nikkei	Closed	Closed	NA	NA
Hang Seng	22,150	Closed	NA	NA
Indian Indices	03-Jan	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	26,643	26,595	48	0.18
Nifty 50	8,192	8,180	13	0.16
Nifty 100	8,411	8,389	22	0.26
Nifty Bank	18,036	17,970	66	0.37
SGX Nifty	8,205	8,191	15	0.18
S&P BSE Power	2,017	1,996	21	1.04
S&P BSE Small Cap	12,315	12,190	125	1.03
S&P BSE HC	14,839	14,811	28	0.19

### P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
3-Jan	20.68	1.48	22.12	1.35
Month Ago	20.47	1.49	21.25	1.37
Year Ago	19.84	1.37	21.53	1.45

### Nifty 50 Top 3 Gainers

Company	03-Jan	Prev_Day	% Change <sup>#</sup>
Power Grid	188	184	2.40
BHEL	125	123	1.88
Coal India	305	300	1.75

### Nifty 50 Top 3 Losers

Company	03-Jan	Prev_Day	% Change <sup>#</sup>
Bharti Airtel	304	311	-2.11
Idea Cellular	73	75	-2.07
Hero Moto	2987	3031	-1.45

### Advance Decline Ratio

	BSE	NSE
Advances	1851	1167
Declines	897	472
Unchanged	134	61

### Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-348	-1027
MF Flows**	942	--

\* 3<sup>rd</sup> January 2017, \*\* 30<sup>th</sup> December 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 markets ended on a positive note following upbeat Chinese economic data and improved crude oil prices. The China Caixin manufacturing Purchasing Managers' Index rose to 51.9 in Dec 2016, marking its fastest growth rate in three years, from 50.9 in Nov 2016. Overnight European markets further supported gains. Today (As on Jan 04), Asian market opened high following U.S. higher close on Wall Street and a weaker yen. Both Nikkei Average and Hang Seng were trading up 1.75% and 0.02%, respectively (as at 8.00 a.m IST).
- As per the last close, European market closed higher following upbeat Chinese manufacturing and U.K. manufacturing data for the month of Dec. Increase in crude oil prices initially also added to the gains.
- As per the last close, U.S. market remained closed higher on the first trading day of New Year following increase in crude oil prices and upbeat U.S. data. The data included more than expected rise in U.S. manufacturing data in Dec and increase in construction spending in Nov. However, decline in crude oil prices later in the day restricted the gain.

### Indian Equity Market

- Indian equity market closed in the green driven by the banking sector that gained over expectations of a pickup in credit growth as a result of cuts in lending rates.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.18% and 0.16% to close at 26,643.24 and 8,192.25, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap grew 0.61% and 1.03%, respectively.
- The overall market breadth on BSE was positive with 1,851 scrips advancing and 897 scrips declining. A total of 134 scrips remained unchanged.
- On the BSE sectoral front, most indices closed on a positive note. S&P BSE Consumer Durables, up 3.01%, was the highest gainer, followed by S&P BSE Oil & Gas (1.97%), S&P BSE Energy (1.48%), S&P BSE Utilities (1.13%), and S&P BSE Power (1.04%). Losers of the day included S&P BSE Telecom (-1.57%), S&P BSE Teck (-0.26%), S&P BSE Auto (-0.19%), and S&P BSE IT (-0.16%).

### Domestic News

- According to data released by the Reserve Bank of India (RBI), government has decided to borrow less than what it planned earlier from the market from sale of sovereign bonds between Jan and Feb 2017. This can be attributed to the fact that the government has garnered higher tax revenues on the back of demonetisation. RBI will sell long-term bonds worth Rs 66,000 crore between the first week of Jan and second week of Feb. It had earlier planned to issue bonds worth Rs. 84,000 crore during the same period.
- According to the ministry of finance, government has raised more than Rs. 21,432 crore (\$3 billion) through minority stake sale in central public sector enterprises (CPSEs) during the first eight months of the current fiscal. This is equivalent to nearly 60% of the Union budget's target. Furthermore, the Rs. 2096.35 crore has been raised through strategic disinvestment. Strategic disinvestment involves lowering shareholding of the government in the company to below 50% and transferring the management control. Overall, the government has realised Rs. 23,528.73 crore in the current fiscal.
- According to the telecom secretary, the department of telecom will come out with a comprehensive policy on backhaul spectrum or airwave that connects mobile towers with one another. The policy will encompass aspects like the spectrum bands to be used for the purpose, system of allocation of such airwaves and the pricing of the spectrum. The backhaul spectrum operates on higher frequency bands ranging between 3GHz to 70 GHz.
- ONGC Videsh Ltd (OVL), the overseas arm of state-owned Oil and Natural Gas Corp (ONGC), has been qualified to bid for oil and gas development projects in Iran. OVL is among the 29 international oil companies that Iran has pre-qualified to bid in the upcoming tender for oil and gas projects.

FII Derivative Trade Statistics	03-Jan		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	684.29	1145.51	10234.60
Index Options	28283.09	26625.18	48780.61
Stock Futures	4331.34	4498.83	51615.67
Stock Options	2674.96	2652.24	1619.99
Total	35973.68	34921.76	112250.87

Derivative Statistics- Nifty Options			
	03-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.07	1.06	0.01
Put Call Ratio(Vol)	1.02	0.98	0.04

Debt Watch				
	03-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.00%	6.13%	6.08%	6.73%
CBLO	5.83%	6.14%	6.06%	6.82%
Repo	6.25%	6.25%	6.25%	6.75%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.05%	6.20%	5.90%	7.10%
364 Day T-Bill	6.19%	6.30%	5.70%	7.16%
10 Year Gilt	6.44%	6.59%	6.24%	7.73%
G-Sec Vol. (Rs.Cr)	104796	40660	91129	31112
1 Month CP Rate	6.60%	6.64%	6.46%	7.43%
3 Month CP Rate	6.79%	6.71%	6.47%	7.66%
5 Year Corp Bond	7.12%	7.36%	6.81%	8.31%
1 Month CD Rate	6.19%	6.24%	6.07%	7.16%
3 Month CD Rate	6.35%	6.26%	6.04%	7.38%
1 Year CD Rate	6.55%	6.56%	6.37%	7.68%

Currency Market			
Currency	03-Jan	Prev_Day	Change
USD/INR	68.09	68.02	0.06
GBP/INR	83.76	83.97	-0.21
EURO/INR	71.38	71.51	-0.13
JPY/INR	0.58	0.58	0.00

Commodity Prices				
Commodity	03-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	52.36	52.72	51.65	36.81
Brent Crude(\$/bl)	54.90	55.00	51.89	37.26
Gold( \$/oz)	1159	1139	1177	1074
Gold(Rs./10 gm)	27791	27562	28401	25292

Source: ICRON Research

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#### Derivatives Market

- Nifty Jan 2017 Futures were at 8,196.50 points, a premium of 4.25 points, over the spot closing of 8,192.25 points. The turnover on NSE's Futures and Options segment went up from Rs. 2,68,396.13 crore on Jan 2 to Rs. 3,26,278.51 crore on Jan 3.
- The Put-Call ratio stood at 0.87, compared with the previous session's close of 0.90.
- The Nifty Put-Call ratio stood at 1.07, compared with the previous session's close of 1.06.
- The open interest on Nifty Futures stood at 18.44 million compared with the previous session's close of 17.99 million.

#### Indian Debt Market

- Bond yields fell initially after the government trimmed its market borrowing by Rs. 18,000 crore for rest of the financial year. Hopes of monetary easing by the Monetary Policy Committee in the near term also boosted market sentiment after some prominent banks lowered their lending rates. However, the trend reversed as investors booked profits from the recent rally. Investors also waited for key retail inflation data due next week.
- Reserve Bank of India (RBI), in consultation with the government of India, has revised the auction calendar for the issuance of Government dated securities for the remaining part of second half of FY17. RBI will issue government securities worth Rs. 66,000 crore between the first week of Jan 2017 and second week of Feb 2017.
- Yield on the 10-year benchmark bond (6.97% GS 2026) increased 4 bps to close at 6.44% compared with the previous close of 6.40%. During the session, bond yields moved in the region of 6.29% to 6.45%.

#### Currency Market Update

- The Indian rupee weakened against the U.S. dollar after state-run banks bought greenback. The rupee fell 0.15% to close at 68.33 from the previous close of 68.22.
- Euro fell against the U.S. dollar after greenback strengthened on expectations of a faster pace of rate hikes from the Federal Reserve and increased fiscal spending under the President-elect. Euro was trading at \$1.0387 compared with the previous close of \$1.0457.

#### Commodity Market Update

- Gold prices fell on stronger U.S. dollar. Expectations of a faster pace of increases in U.S. interest rates this year also kept investors cautious.
- Brent crude prices increased on hopes that a deal between OPEC and non-OPEC members to reduce production, will lower global crude supply.

#### International News

- According to a survey from IHS Markit, Caixin China manufacturing PMI rose to 51.9 in Dec 2016 from 50.9 in Nov 2016 led by a strong upturn in production and new orders. The manufacturing activity expanded at the fastest pace in nearly four years. However, employment continued to decline as companies tried to lower costs.
- Provisional data from Destatis showed that Germany's unemployment rate remained unchanged at 4.1% in Nov 2016 from the previous month. The number of unemployed fell by around 12,000 sequentially to 1.76 million. The unemployment rate on an unadjusted basis fell to 3.9% in Nov from 4% in Oct 2016.