

### Indices Performance

Global Indices	04-Jan	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	17,149	Closed	NA	NA
Nasdaq	4,903	Closed	NA	NA
FTSE	6,093	Closed	NA	NA
Nikkei	18,451	Closed	NA	NA
Hang Seng	21,327	Closed	NA	NA
Indian Indices	04-Jan	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	25,623	26,161	-538	-2.05
Nifty 50	7,791	7,963	-172	-2.16
Nifty 100	7,958	8,118	-160	-1.97
Nifty Bank	16,599	17,039	-440	-2.58
SGX Nifty	7,786	7,979	-193	-2.41
S&P BSE Power	1,965	1,975	-10	-0.51
S&P BSE Small Cap	11,808	11,941	-133	-1.11
S&P BSE HC	16,641	16,945	-304	-1.79

### P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
4-Jan	19.84	1.37	21.07	1.48
Month Ago	20.10	1.45	21.04	1.46
Year Ago	19.02	1.22	21.45	1.26

### Nifty 50 Top 3 Gainers

Company	04-Jan	Prev_Day	% Change <sup>#</sup>
HUL	859	857	0.29
Asian Paints Limited	881	879	0.23
Wipro	558	556	0.22

### Nifty 50 Top 3 Losers

Company	04-Jan	Prev_Day	% Change <sup>#</sup>
Tata Motors	377	402	-6.18
Idea Cellular Limited	136	143	-5.31
Bank of Baroda	151	159	-4.94

### Advance Decline Ratio

	BSE	NSE
Advances	1277	533
Declines	1608	1063
Unchanged	103	26

### Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	281	1385
MF Flows**	233	--

\* 04<sup>th</sup> Jan 2016, \*\* 29<sup>th</sup> 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 market fell sharply after China's Caixin PMI contracted for the tenth consecutive month in December. Today (As on Tuesday), Asian stocks opened lower but quickly erased earlier losses which may be attributed to bargain hunting. Nikkei Average was trading higher by 0.27% and Hang Seng was trading up 0.09% (as at 8.00 a.m IST)
- As per last closing, European equities plunged on the first trading day of 2016 amid global growth concerns and sell-off in Chinese equity markets overnight after both the official manufacturing PMI and Caixin Manufacturing PMI for December pointed to continued contraction in China's manufacturing activity. Escalating geopolitical tensions in the Middle East also weighed on the market sentiment.
- As per last closing, U.S. equities fell sharply on the first trading day of 2016 as investors remained concerned of a global economic slowdown. Market sentiment was also dented after U.S. ISM manufacturing PMI showing a continued contraction in manufacturing activity in December which fell to its lowest level since June 2009. Escalating geopolitical tensions in the Middle East also weighed on the bourses.

### Indian Equity Market

- Indian equity markets slumped on the second day of 2016, tracking weak cues from Asian and European bourses. The heavy sell-off in the Chinese markets triggered a new system meant to limit volatility. Investor sentiments dented further after Indian manufacturing activity contracted in December for the first time in more than two years on the back of weakness in domestic demand.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 2.05% and 2.16% to close at 25,623.35 and 7,791.30, respectively. Moreover, S&P BSE Mid-Cap and S&P BSE Small-Cap fell 1.20% and 1.11%, respectively.
- The overall market breadth on BSE was weak with 1,608 scrips declining and 1,277 scrips advancing. A total of 103 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Telecom was the major laggard falling by 3.20% followed by S&P BSE Bankex and S&P BSE Finance, which fell 2.59% and 2.50%, respectively. Moreover, S&P BSE Industrials and S&P BSE Auto fell 2.42% and 2.12%, respectively.

### Domestic News

- India's Nikkei Manufacturing Purchasers' Managers Index (PMI) in December contracted for the first time in more than two years. The manufacturing index fell to 49.1 in December from 50.3 in November. New orders index fell at the sharpest pace since 2009, heavily impacted by the incessant rainfalls in Chennai. On a positive side, prices of both input and output costs increased while consumer goods was the only sub-sector to see improvement in production and new orders.
- Central Board of Direct Taxation (CBDT) has notified norms under which cash receipts, purchase of shares, mutual funds, immovable property, term deposits and sale of foreign currency will have to be reported to income tax authorities in a prescribed format (Form 61A). The change will become effective from April 1. The move is expected to check black-money flow in the economy.
- The Securities and Exchange Board of India (SEBI) has taken strict action against more than 60 companies for unauthorised collective investment schemes (CIS) between January and November of 2015. In 2014, SEBI had penalized 45 firms.
- Wipro has named chief operating officer Abidali Neemuchwala as its new chief executive officer (CEO). Current CEO TK Kurien will become executive vice chairman from February 1.
- Sales of Renault India grew almost three-times to 10,292 units in December from 3,956 in the comparable period last year.
- Bajaj Auto's December sales dropped marginally to 2,89,003 units, compared to 2,89,244 units recorded in same month last year. Growth in motorcycle sales was offset by drop in commercial vehicle sales and export.
- TVS Motor Company registered a 4% year over year growth in the month of December. Scooter sales outpaced motorcycle sales. Exports registered a marginal decline.

FII Derivative Trade Statistics	04-Jan		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	467.28	541.81	14641.29
Index Options	4020.08	3453.75	36719.62
Stock Futures	1556.15	1775.05	49484.03
Stock Options	905.29	832.05	668.55
<b>Total</b>	<b>6948.80</b>	<b>6602.66</b>	<b>101513.49</b>

Derivative Statistics- Nifty Options	04-Jan	Prev_Day	Change
Put Call Ratio (OI)	0.85	0.77	0.09
Put Call Ratio(Vol)	1.00	0.65	0.35

Debt Watch	04-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.65%	6.80%	6.56%	7.87%
CBLO	6.77%	6.83%	6.33%	7.86%
Repo	6.75%	6.75%	6.75%	8.00%
Reverse Repo	5.75%	5.75%	5.75%	7.00%
91 Day T-Bill	7.07%	7.18%	7.14%	8.18%
364 Day T-Bill	7.23%	7.11%	7.18%	8.18%
10 Year Gilt	7.72%	7.76%	7.76%	7.87%
G-Sec Vol. (Rs.Cr)	37102	21855	29287	45869
1 Month CP Rate	7.43%	7.65%	7.60%	8.49%
3 Month CP Rate	7.68%	7.82%	7.76%	8.69%
5 Year Corp Bond	8.30%	8.35%	8.26%	8.60%
1 Month CD Rate	7.10%	7.41%	7.28%	8.25%
3 Month CD Rate	7.39%	7.39%	7.33%	8.50%
1 Year CD Rate	7.65%	7.70%	7.66%	8.58%

Currency Market	04-Jan	Prev_Day	Change
USD/INR	66.46	66.18	0.28
GBP/INR	97.95	97.61	0.34
EURO/INR	72.39	71.86	0.53
JPY/INR	0.56	0.55	0.01

Commodity Prices	04-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	36.81	36.36	40.00	52.72
Brent Crude(\$/bl)	37.26	36.46	40.89	55.58
Gold( \$/oz)	1074	1069	1087	1189
Gold(Rs./10 gm)	25292	25153	25143	26539

Source: ICRON Research

**Disclaimer:**

"The information herein is meant only for general reading purposes and contains all factual and statistical information pertaining to Industry and markets which have been obtained from independent third-party sources and which are deemed to be reliable. The information provided cannot be considered as guidelines, recommendations or as a professional guide for the readers. It may be noted that since RCAM has not independently verified the accuracy or authenticity of such information or data, or for that matter the reasonableness of the assumptions upon which such data and information has been processed or arrived at; RCAM does not in any manner assures the accuracy or authenticity of such data and information. Some of the statements & assertions contained in these materials may reflect RCAM's views or opinions, which in turn may have been formed on the basis of such data or information. The Sponsor, the Investment Manager, the Trustee or any of their respective directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such data or information. Whilst no action has been solicited based upon the information provided herein, due care has been taken to ensure that the facts are accurate and opinions given are fair and reasonable, to the extent possible. This information is not intended to be an offer or solicitation for the purchase or sale of any financial product or instrument. Recipients of this information should rely on information/data arising out of their own investigations. Before making any investments, the readers are advised to seek independent professional advice, verify the contents in order to arrive at an informed investment decision. None of the Sponsor, the Investment Manager, the Trustee, their respective directors, employees, affiliates or representatives shall be liable in any way for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including on account of lost profits arising from the information contained in this material.

**Derivatives Market**

- Nifty January 2016 Futures were at 7,809.8 points, a premium of 18.50 points against the spot closing of 7,791.30 points. The turnover on NSE's Futures and Options segment rose from Rs. 99,134.75 crore on January 1 to Rs 2, 37,887.21 crore on January 4.
- The Put-Call ratio stood at 0.95, compared to the previous session's close of 0.63.
- The Nifty Put-Call ratio stood at 0.85, compared to the previous session's close of 0.77.
- The open interest on Nifty Futures stood at 20.93 million compared to the previous session's close of 20.05 million.

**Indian Debt Market**

- After moving in a range, bond yields were little change on expectation of lower demand for government debt at an auction of unutilised foreign investment limit amid sharp fall in Chinese equity markets.
- The yield on the 10-year benchmark bond, 7.72% GS 2025, fell by 1 bp to close at 7.72% compared with the previous close of 7.73%. Yields traded in the range of 7.71% to 7.75% during the session.
- Banks did not borrowed under the central bank's Marginal Standing Facility on January 01, as against Rs. 2,845 crore borrowed on December 31.
- The RBI conducted the 3-day variable rate reverse repo auction for a notified amount of Rs. 20,000 crore. An amount of Rs. 6,319 crore was allotted at a cut off rate of 6.74%.
- The government announced the sale (re issue) of four dated securities - 7.68% GS 2023, New GS 2026, 7.73% GS 2034 and 7.72% GS 2055, for Rs. 14,000 crore on January 08.

**Currency Market Update**

- Indian rupee fell significantly against the dollar defying the past three days' gain. Rupee was lowest since December 16, 2015, as the sell-off in China shares weighed on the Asian currencies. The rupee closed at 66.61 per dollar against the previous close of 66.14.
- Euro was steady against the dollar in the beginning of the week as most of the Eurozone data was positive. Euro was trading higher at \$1.0913 on Monday compared to \$1.0858 on Friday.

**Commodity Market Update**

- Gold prices rose following its safe haven appeal as weak Chinese manufacturing data renewed concerns over global economic growth.
- Brent Crude prices rose as fresh signs of political unrest in the Middle East renewed supply concerns.

**International News**

- Data from Markit showed that China's manufacturing sector weakened in December, driven by feeble orders and drop in output. The Caixin Purchasing Managers' Index (PMI) decreased from 48.6 in November to 48.2 in December, and missed the consensus estimate of 48.9. However, official PMI inched up to 49.7 in December from 49.6 in November.
- According to Markit's survey result, Eurozone's manufacturing activity grew at an accelerated pace in December 2015, reaching highest level since April 2014. The final manufacturing Purchasing Managers' Index was 53.2 in December compared with 52.8 in November. Lower input costs, order growth, and improving export business led to the growth.