

Indices Performance

Global Indices	07-Jan	Prev_Day	Abs. Change	% Change [#]
Dow Jones	16,514	16,907	-392	-2.32
Nasdaq	4,689	4,836	-146	-3.03
FTSE	5,954	6,073	-119	-1.96
Nikkei	17,767	18,191	-424	-2.33
Hang Seng	20,333	20,981	-647	-3.09
Indian Indices	07-Jan	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	24,852	25,406	-555	-2.18
Nifty 50	7,568	7,741	-173	-2.23
Nifty 100	7,732	7,919	-187	-2.36
Nifty Bank	16,074	16,433	-359	-2.19
SGX Nifty	7,559	7,747	-188	-2.43
S&P BSE Power	1,892	1,959	-68	-3.45
S&P BSE Small Cap	11,510	11,850	-341	-2.87
S&P BSE HC	16,218	16,570	-352	-2.12

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
7-Jan	18.95	1.42	20.47	1.53
Month Ago	20.05	1.45	20.99	1.47
Year Ago	18.29	1.26	20.70	1.30

Nifty 50 Top 3 Gainers

Company	07-Jan	Prev_Day	% Change [#]
Bharti Airtel	322	322	0.05

Nifty 50 Top 3 Losers

Company	07-Jan	Prev_Day	% Change [#]
Vedanta	81	89	-8.72
Cairn India	129	141	-8.29
BHEL	154	166	-7.18

Advance Decline Ratio

	BSE	NSE
Advances	663	194
Declines	2228	1409
Unchanged	88	29

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-114	451
MF Flows**	358	244

*7th Jan 2016; **6th Jan 2016

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 plunged after the Chinese market posted more than 7% fall and triggered the market's circuit breaker for a second time this week. Today (As on Friday), Asian stocks rose after equity markets in China opened in the positive territory. Nikkei Average was trading up by 0.07% and Hang Seng was trading up 0.98% (as at 8.00 a.m IST).
- As per last closing, European equities fell sharply amid concerns over China's economy. Lower global crude oil prices also weighed on the market sentiment. However, further losses were restricted after China Securities Regulatory Commission suspended its circuit breaker system amid concerns the system is contributing to volatility and issued new guidelines to restrict major shareholders in listed companies from heavy selling in order to stabilize markets.
- As per last closing, U.S. equities fell sharply amid persisting concerns over global economic growth and slowdown in China's economy. Lower global crude oil prices, devaluation of the Chinese yuan and the possibility of more weakening in the currency also weighed on the market sentiment.

Indian Equity Market

- Indian equity market plunged tracking weak cues from Chinese markets. Concerns over the economic slowdown in China weighed on investor sentiments. As the value of the Chinese currency went down, Sensex tumbled beyond 500 points. Nifty, too, yielded to the pressure. Weakness in global crude oil prices contributed to such worries.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 2.18% and 2.23% to close at 24,851.83 and 7,568.30, respectively. Moreover, S&P BSE Mid-Cap and S&P BSE Small-Cap fell 2.61% and 2.87%, respectively.
- The overall market breadth on BSE was negative with 2228 scrips declining and 663 scrips advancing. A total of 88 scrips remained unchanged.
- On the BSE sectoral front, all the indices closed in the red. S&P BSE Realty was the major laggard falling by 4.50%. Both S&P BSE Metal and S&P BSE Auto sectors fell 3.72% each. S&P BSE Basic materials went down 3.65%. Moreover, S&P BSE Industrials and S&P BSE Power fell by 3.54% and 3.45% respectively.

Domestic News

- The Central Government has revised the dividend policy for central public sector enterprises (CPSE). According to the new policy, a CPSE will distribute 30% of its profit after tax (PAT) or central Government's equity as annual dividend, whichever is higher. A CPSE will have to declare a special dividend as a return for its equity investments. A CPSE company with large cash reserves will also have to issue bonus shares. The change in policy will increase the central Government's dividend income.
- The World Bank in its latest report Global Economic Outlook said if the Indian Government is unable to pass the Goods and Services Tax, it could affect its ability to increase spending on infrastructure needs. This will also maintain the status quo of fragmented domestic markets, the report said.
- Government will launch two portals to provide all the necessary details of highway projects. The portal named 'Infracon' will have all the information about individual consultants and consultation firms, while 'ePace' will help people know about highway projects status, funding, and other details.
- Tech Mahindra has inked a deal with U.S.-based MetricStream for the delivery of governance, risk and compliance (GRC) solutions to digital enterprises across the globe.
- Larsen & Toubro's hydrocarbon arm (L&T Hydrocarbon) and US-based engineering company McDermott have jointly won an offshore contract from ONGC valued at Rs. 2,450 crore. The contract is for developing ONGC's Vashishta and S1 deepwater fields situated in the east coast of India.
- Web-based ad platform Quikr plans to acquire realty portal Commonfloor for an approximate value worth \$120 million. The deal will help Quikr deepen its exposure in the real estate segment.

FII Derivative Trade Statistics	07-Jan		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1253.48	1812.39	15206.50
Index Options	17754.96	17439.67	53806.44
Stock Futures	3568.81	3625.66	50125.06
Stock Options	2079.40	2017.14	2318.18
Total	24656.65	24894.86	121456.18

Derivative Statistics- Nifty Options	07-Jan	Prev_Day	Change
Put Call Ratio (OI)	0.85	0.84	0.00
Put Call Ratio(Vol)	0.87	0.76	0.12

Debt Watch	07-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.79%	6.99%	6.73%	7.97%
CBLO	7.01%	7.04%	6.73%	8.08%
Repo	6.75%	6.75%	6.75%	8.00%
Reverse Repo	5.75%	5.75%	5.75%	7.00%
91 Day T-Bill	7.17%	7.11%	7.14%	8.06%
364 Day T-Bill	7.14%	7.19%	7.18%	8.17%
10 Year Gilt	7.74%	7.76%	7.75%	7.86%
G-Sec Vol. (Rs.Cr)	40763	19891	19968	52822
1 Month CP Rate	7.46%	7.59%	7.60%	8.46%
3 Month CP Rate	7.99%	7.75%	7.77%	8.79%
5 Year Corp Bond	8.30%	8.32%	8.27%	8.62%
1 Month CD Rate	7.10%	7.26%	7.28%	8.30%
3 Month CD Rate	7.43%	7.36%	7.34%	8.47%
1 Year CD Rate	7.64%	7.69%	7.66%	8.62%

Currency Market	07-Jan	Prev_Day	Change
USD/INR	66.91	66.72	0.20
GBP/INR	97.85	97.77	0.08
EURO/INR	72.38	71.70	0.68
JPY/INR	0.57	0.56	0.01

Commodity Prices	07-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	33.29	37.13	37.64	47.98
Brent Crude(\$/bl)	34.55	37.59	39.14	50.32
Gold(\$/oz)	1109	1061	1070	1218
Gold(Rs./10 gm)	25887	24994	25547	27216

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 7582.05 points, a premium of 13.75 points against the spot closing of 7,568.30 points. The turnover on NSE's Futures and Options segment rose from Rs. 2,00,601.16 crore on January 6 to Rs. 2,82,109.85 crore on January 7.
- The Put-Call ratio stood at 0.84, compared to the previous close of 0.74.
- The Nifty Put-Call ratio stood at 0.85, compared to the previous close of 0.84.
- The open interest on Nifty Futures stood at 22.64 million compared to the previous session's close of 21.70 million.

Indian Debt Market

- Bond yields remained almost flat as plunge in Chinese equities, which also lead to volatility in global financial markets, erased the benefits of drop in international crude oil prices.
- As a result, yield on the 10-year benchmark bond, 7.72% GS 2025, was unchanged at 7.74% from the previous close after moving in a range of 7.73% to 7.75% during the session.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility stood at Rs. 23,633 crore (gross) compared with that of Rs. 13,197 crore borrowed on January 06. Sale of securities by the Reserve Bank of India (RBI) under the reverse repo window stood at Rs. 12,033 crore on January 06.
- Banks borrowed Rs. 2,460 crore under the central bank's Marginal Standing Facility on January 06, as against Rs. 170 crore borrowed on January 5.

Currency Market Update

- Indian rupee continued to lose ground against the dollar because of a falling China market. The rupee dropped 0.16% to close at 66.93 per dollar against the previous close of 66.82.
- Euro remained strong against the dollar for the second consecutive day. Falling unemployment rate and firm economic sentiment in the euro zone, and concerns over U.S. inflation level helped boost the currency. Euro was trading at \$1.0867 on Thursday, compared to \$1.0778 the earlier day.

Commodity Market Update

- Gold prices rose on the back of the safe haven appeal, as concerns over economic slowdown in China prompted investors to sell-off riskier assets.
- Brent crude prices hit ten-year low as concerns over weak Chinese economy, along with the yuan devaluation dampened the demand outlook.

International News

- The World Bank has lowered the global growth projection for 2016 and 2017. According to the authority, improvements by the advanced economies will get jeopardized by anemic recovery in certain major emerging regions. Current growth outlook for 2016 is 2.9%, down from the earlier estimate of 3.3%, whereas global growth outlook for 2017 has been inched down to 3.1% from the previously expected 3.2%.
- Institute for Supply Management reported that growth pace of the U.S. services sector activity slowed down unexpectedly in December. Non-manufacturing index fell to 55.3 in December from 55.9 in November.