

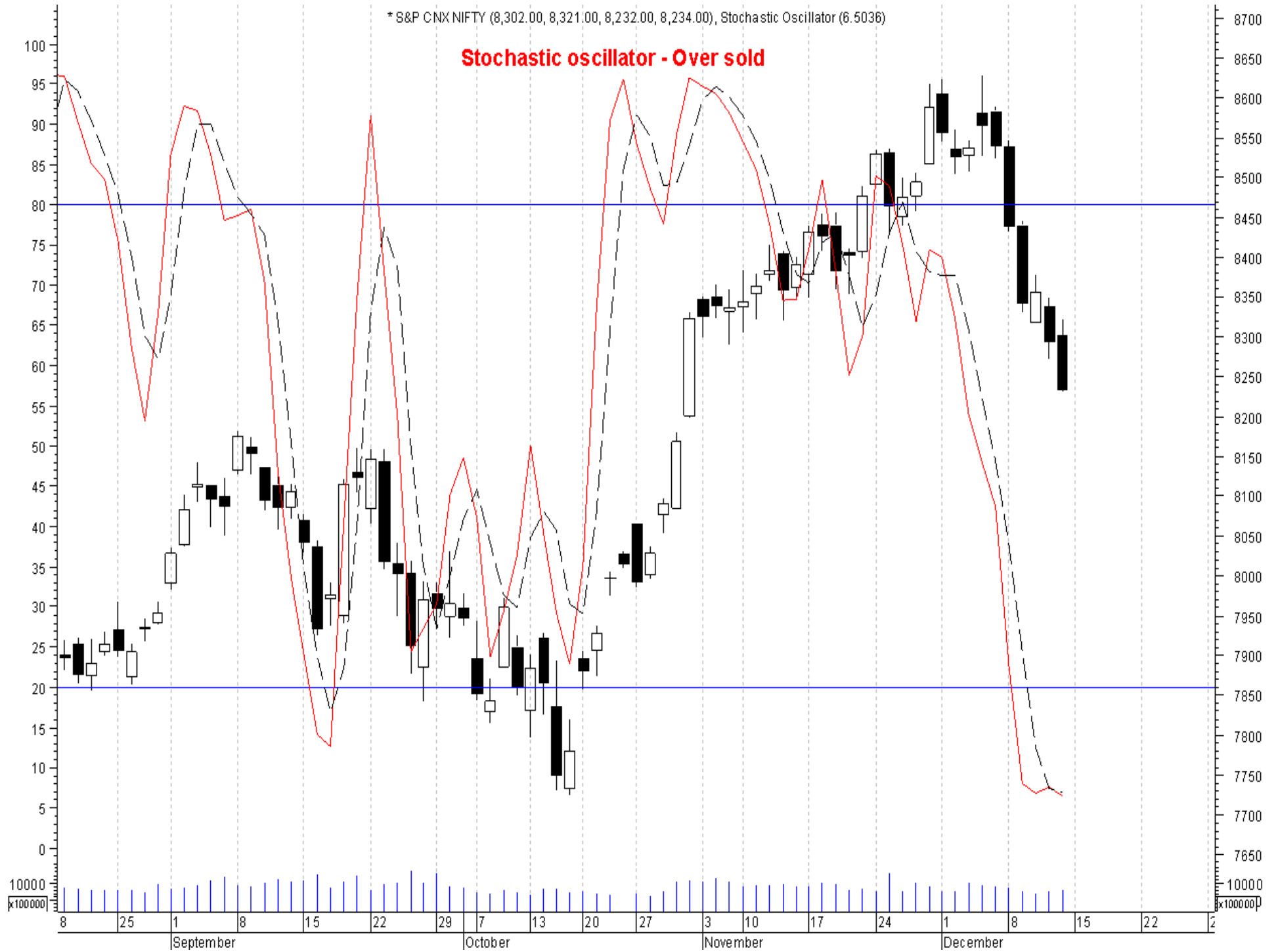


Current Market Scenario



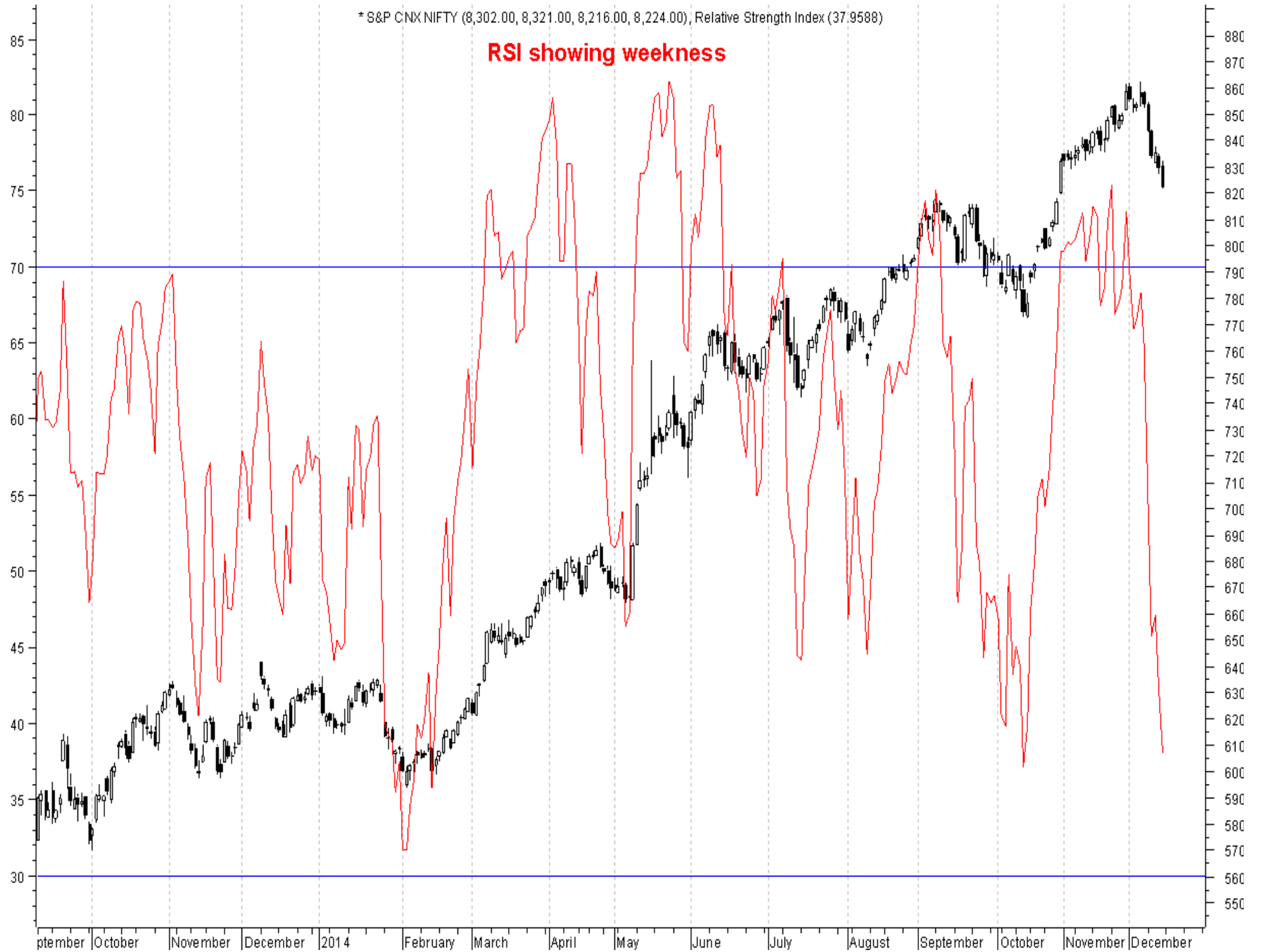
* S&P CNX NIFTY (8,302.00, 8,321.00, 8,232.00, 8,234.00), Stochastic Oscillator (6.5036)

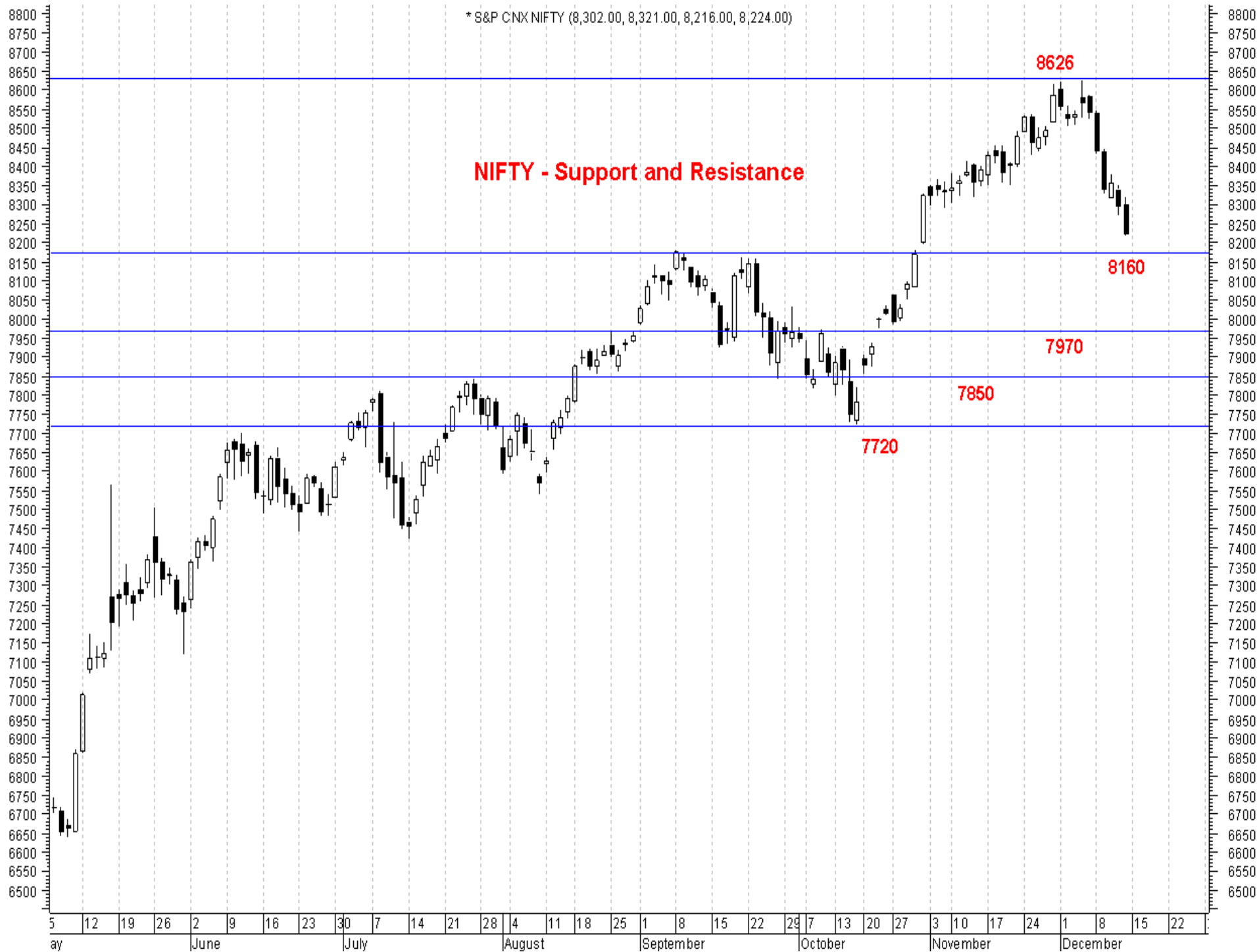
Stochastic oscillator - Over sold



* S&P CNX NIFTY (8,302.00, 8,321.00, 8,216.00, 8,224.00), Relative Strength Index (37.9588)

RSI showing weakness





* S&P CNX NIFTY (8,302.00, 8,321.00, 8,216.00, 8,224.00)

Fibonacci Retracement Lines

0.0%

23.6%

38.2%

50.0%

61.8%

100.0%

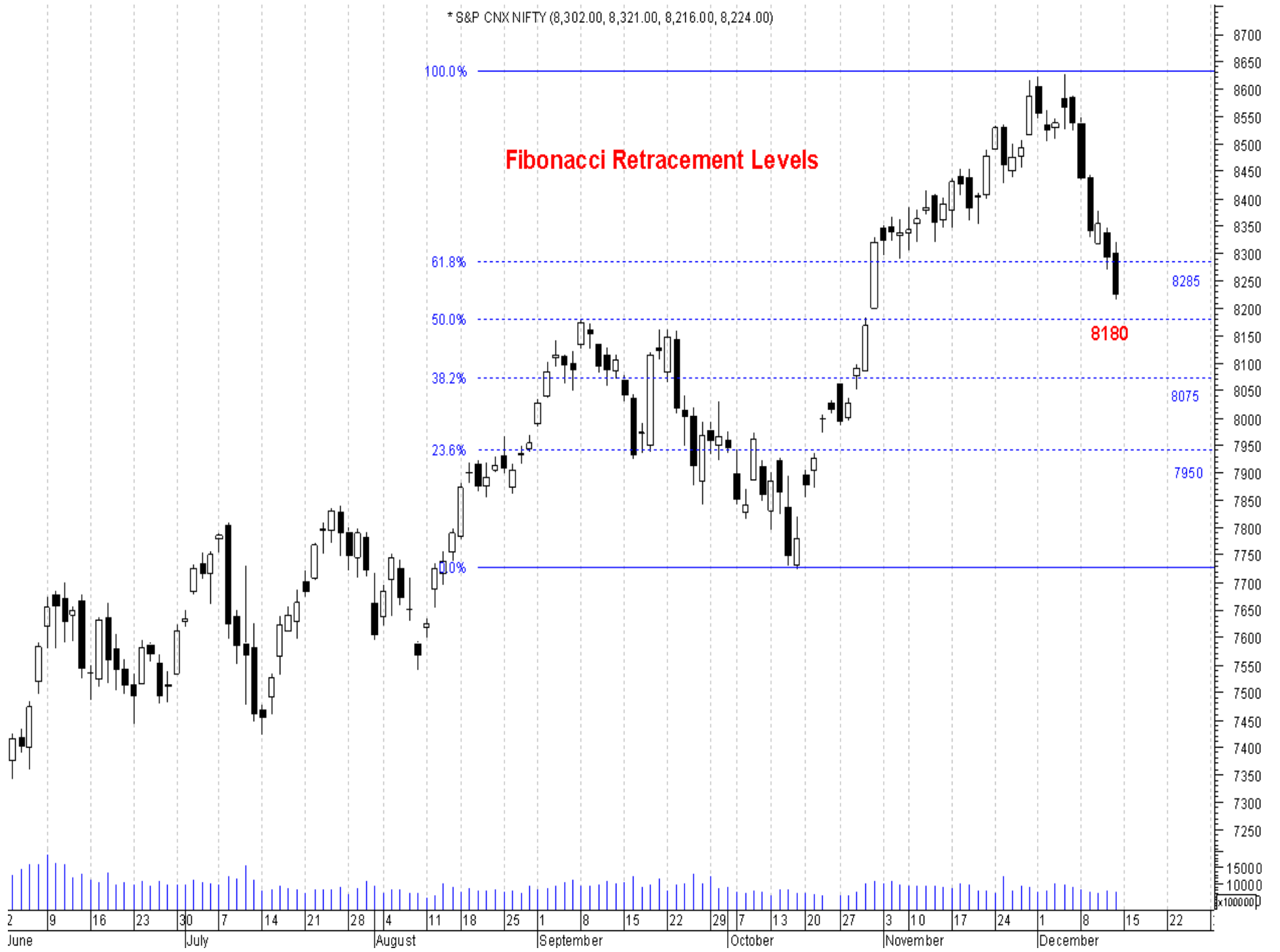
8160

8800
8700
8600
8500
8400
8300
8200
8100
8000
7900
7800
7700
7600
7500
7400
7300
7200
7100
7000
6900
6800
6700
6600
6500
6400
6300
6200
6100
6000
5900
5800

y 17 24 3 10 18 24 31 7 15 28 5 12 19 26 2 9 16 23 30 7 14 21 28 4 11 18 25 1 8 15 22 29 13 20 27 3 17 24 1 8 15 22

March April May June July August September October November December

* S&P CNX NIFTY (8,302.00, 8,321.00, 8,216.00, 8,224.00)



Fibonacci Retracement Levels

8180

8285

8075

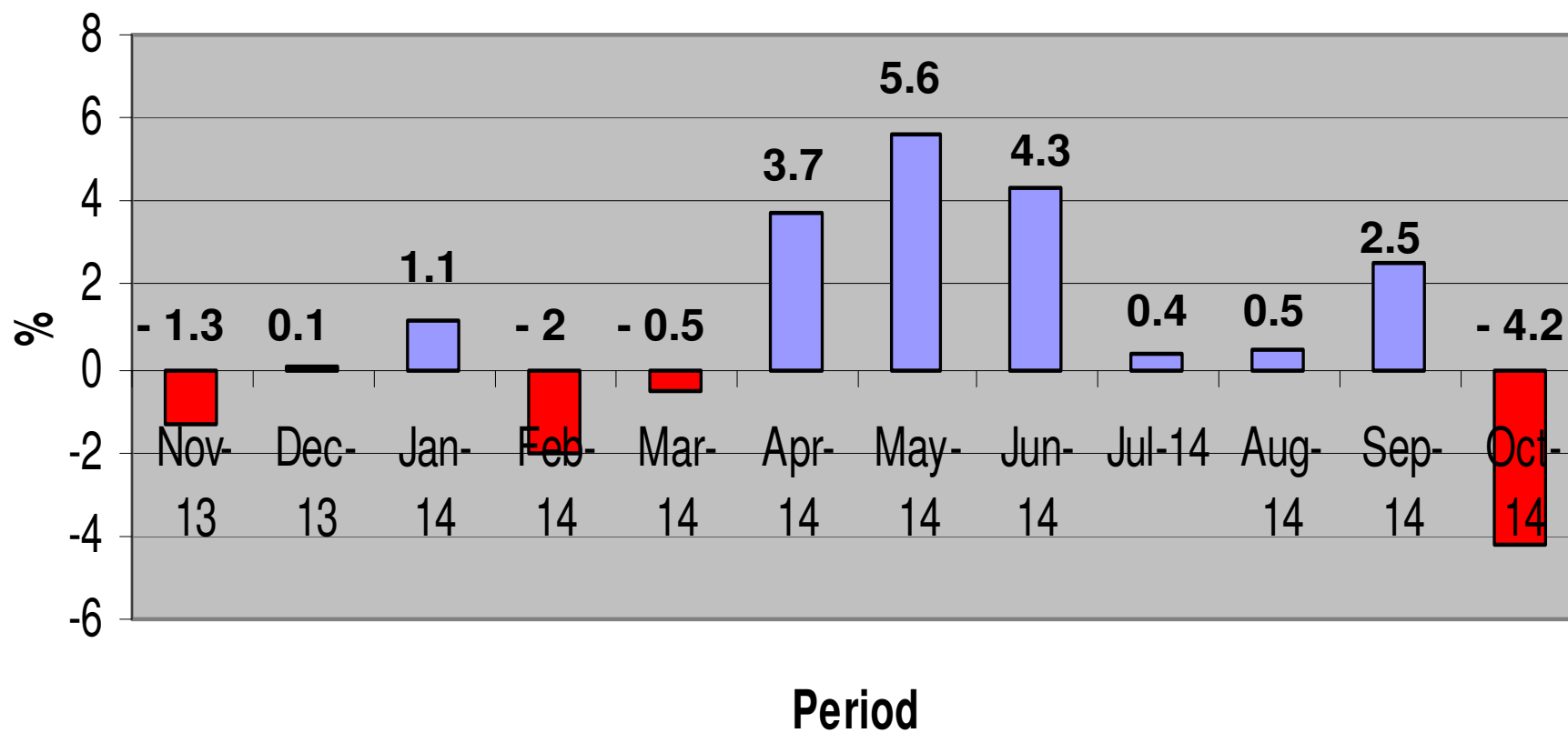
7950

8700
8650
8600
8550
8500
8450
8400
8350
8300
8250
8200
8150
8100
8050
8000
7950
7900
7850
7800
7750
7700
7650
7600
7550
7500
7450
7400
7350
7300
7250
15000
10000
x1000000

2 9 16 23 30 7 14 21 28 4 11 18 25 1 8 15 22 29 7 13 20 27 3 10 17 24 1 8 15 22
June July August September October November December

IIP Turns Negative After 6 months

Monthly IIP Data



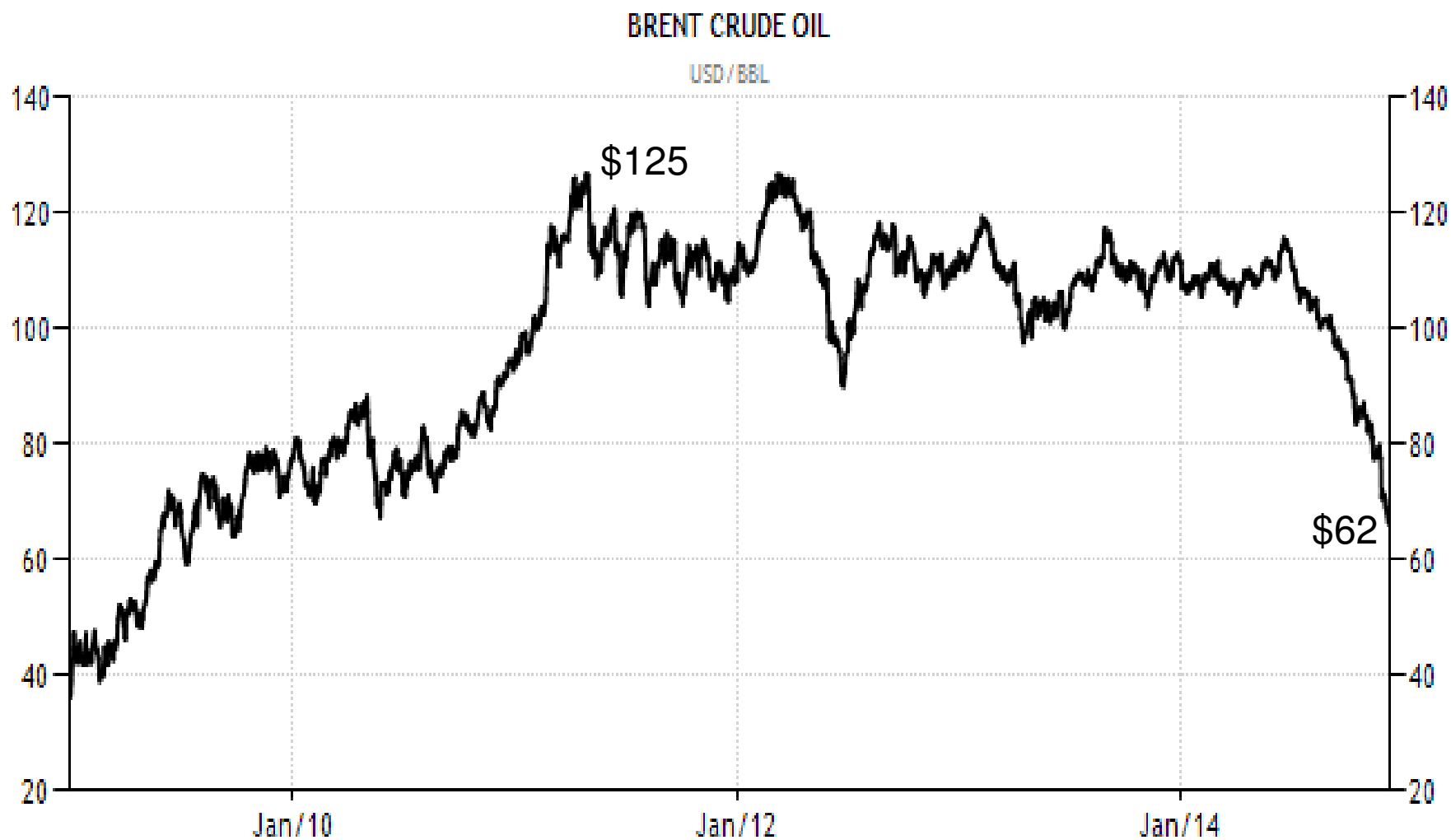
Markets on Cautious Mood

- Investors uncomfortable at higher Index Levels
- Crude Oil continues to bleed
- US Economy showing good strength
- Promoter selling & QIP sucks liquidity

INDEX WATCH

INDEX	Dec 12	Nov 7	% Change
Nifty	8224	8337	- 1.3
Sensex	27350	27868	- 1.8
CNX Midcap	12191	11995	+ 1.6
BSE Small Cap	11068	11117	- 0.4

Brent Crude at 5 Yr Low





“Modi Rally” Or “Crude Comfort Rally”

- India imported around \$ 100 Billion worth of Oil in FY14.
- Fall in Oil prices will have proportionate positive impact in our economy



Why Crude Oil Prices are Falling ?

- Over supply due to surge in US oil production
- Conspiracy theory says sharp fall in crude oil prices is due to political reasons

List of Large Oil Producing Countries

Country	BBL/Day	% share	Period
Russia	10.0	13.8	2013 Est
Saudi Arabia	9.6	13.0	2013 Est
US	7.4	12.2	2013 Est
China	4.3	5.1	2014 Est
Canada	3.8	4.5	2014 Est
Iran	3.5	4.1	2014 Est
Iraq	3.4	3.7	2014 Est
UAE	3.0	3.6	2013 Est

Source: wikipedia



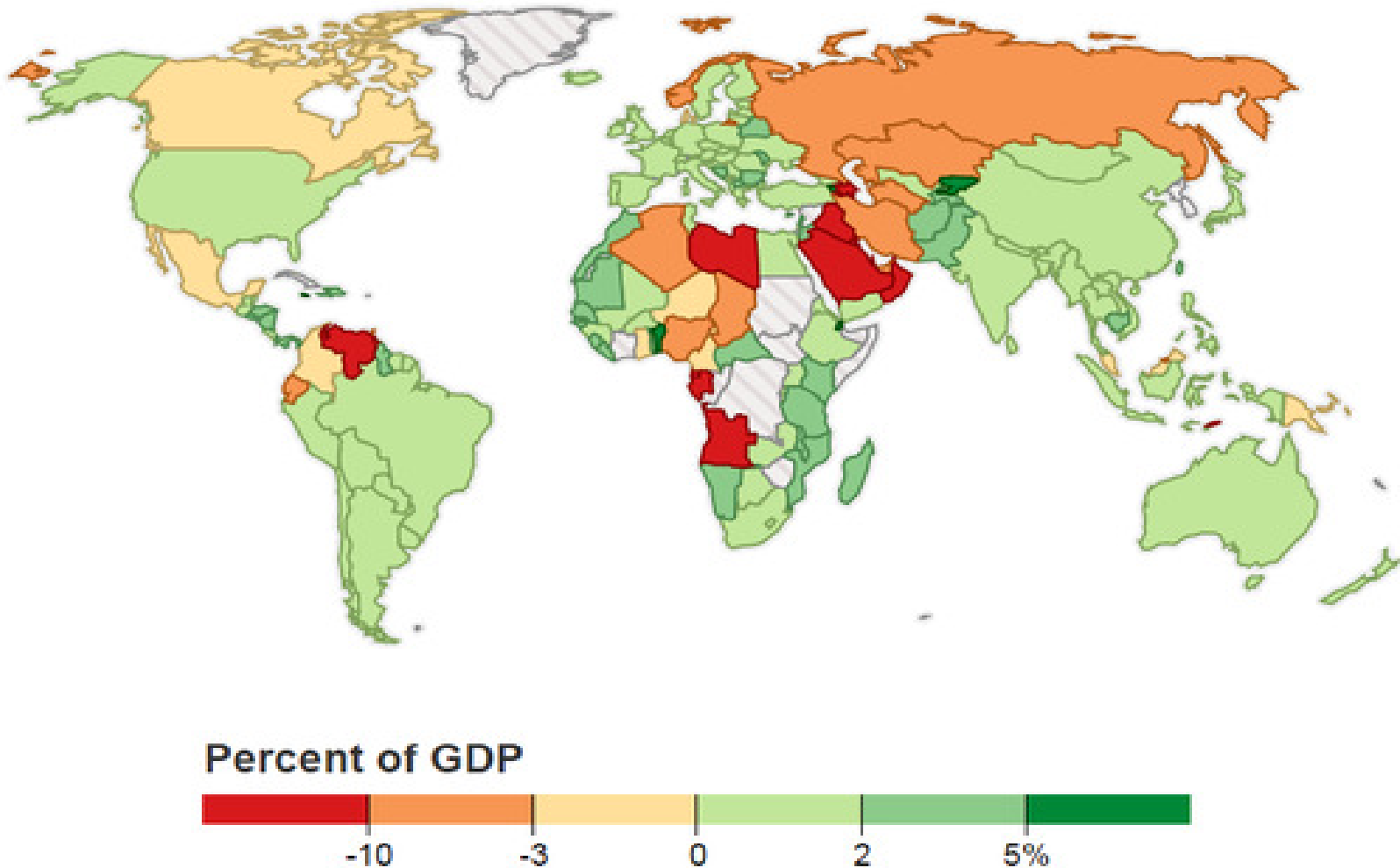
List of Large Oil Importing Countries

Country	BBL/Day	Period
US	7.7	2013
China	5.6	2013
India	3.7	2013
Japan	3.4	2013
South Korea	2.4	2013
Germany	2.2	2012
France	1.6	2012
Italy	1.1	2012

Source: wikipedia

Oil's Fall: Winners & Losers

As crude prices plunge to a five-year low from above \$108 a barrel in June, oil importers will save on their energy bills while exporters will lose revenue. Here's the annualized value of those gains and losses, expressed in percent of GDP:





Commodity Prices on Correction

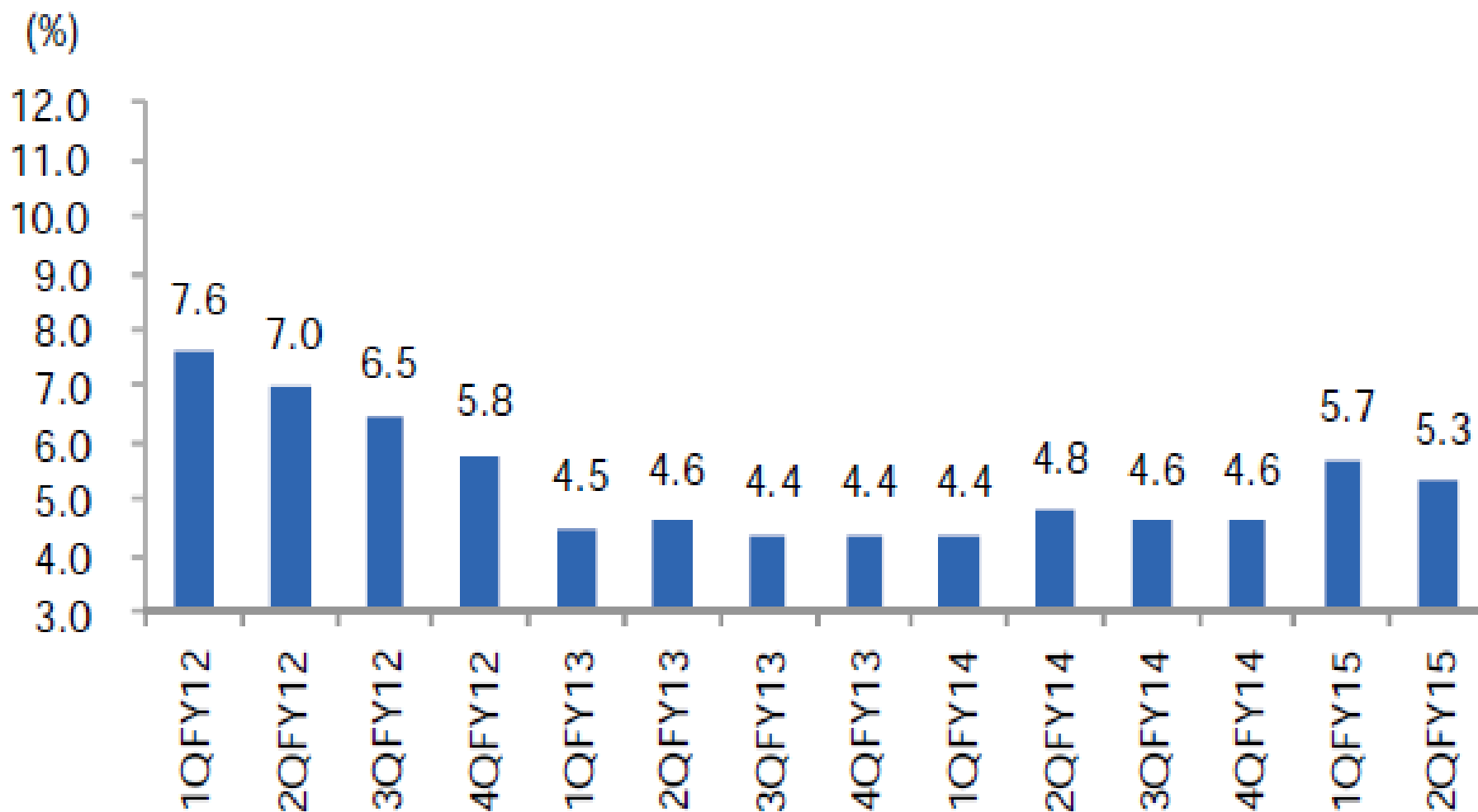




Impact of Fall in Commodity Prices

- Fall in prices of imported commodities like Crude Oil will be positive for India
- Steep Fall in prices of domestic produced commodities like cotton will have impact on our rural economy
- Capital flows from oil producing rich countries will get slowdown
- Exports to oil dependence countries like Russia will get hit due to currency and slowdown in their economy

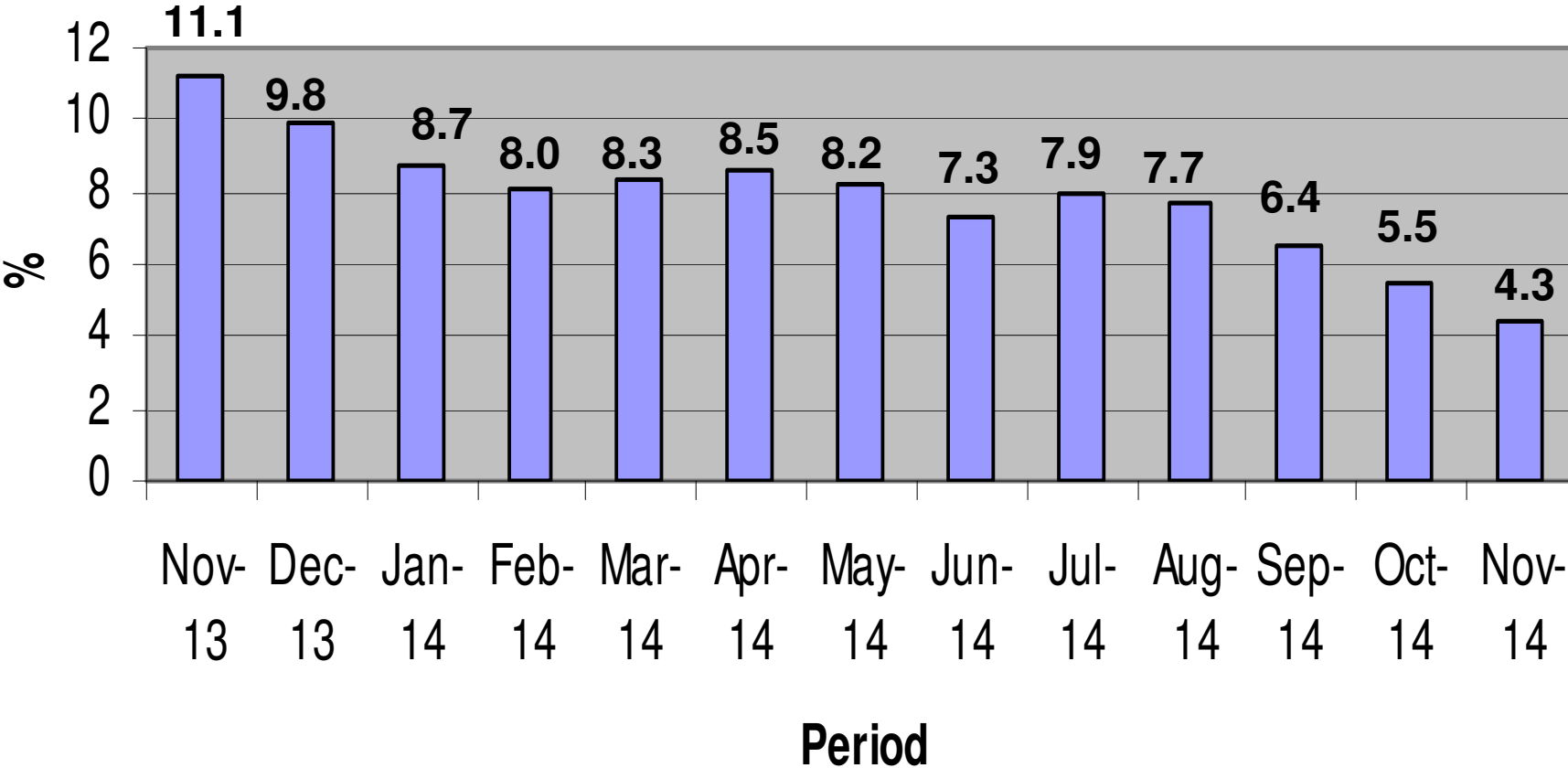
Q2 GDP Growth on Uptrend



Consumer Inflation Cooling Off

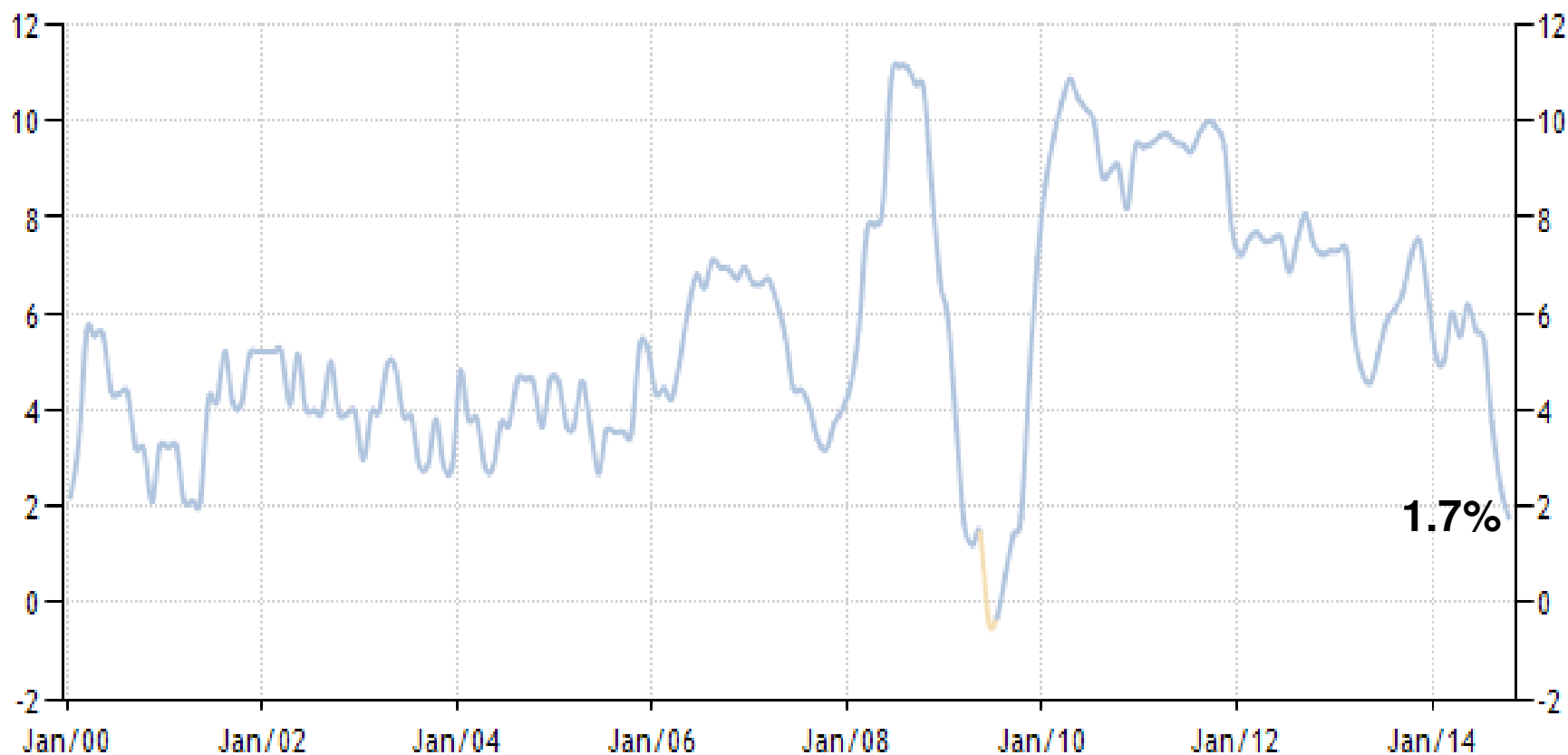


Consumer Price Inflation



Wholesale Price Index Inflation Below 2%

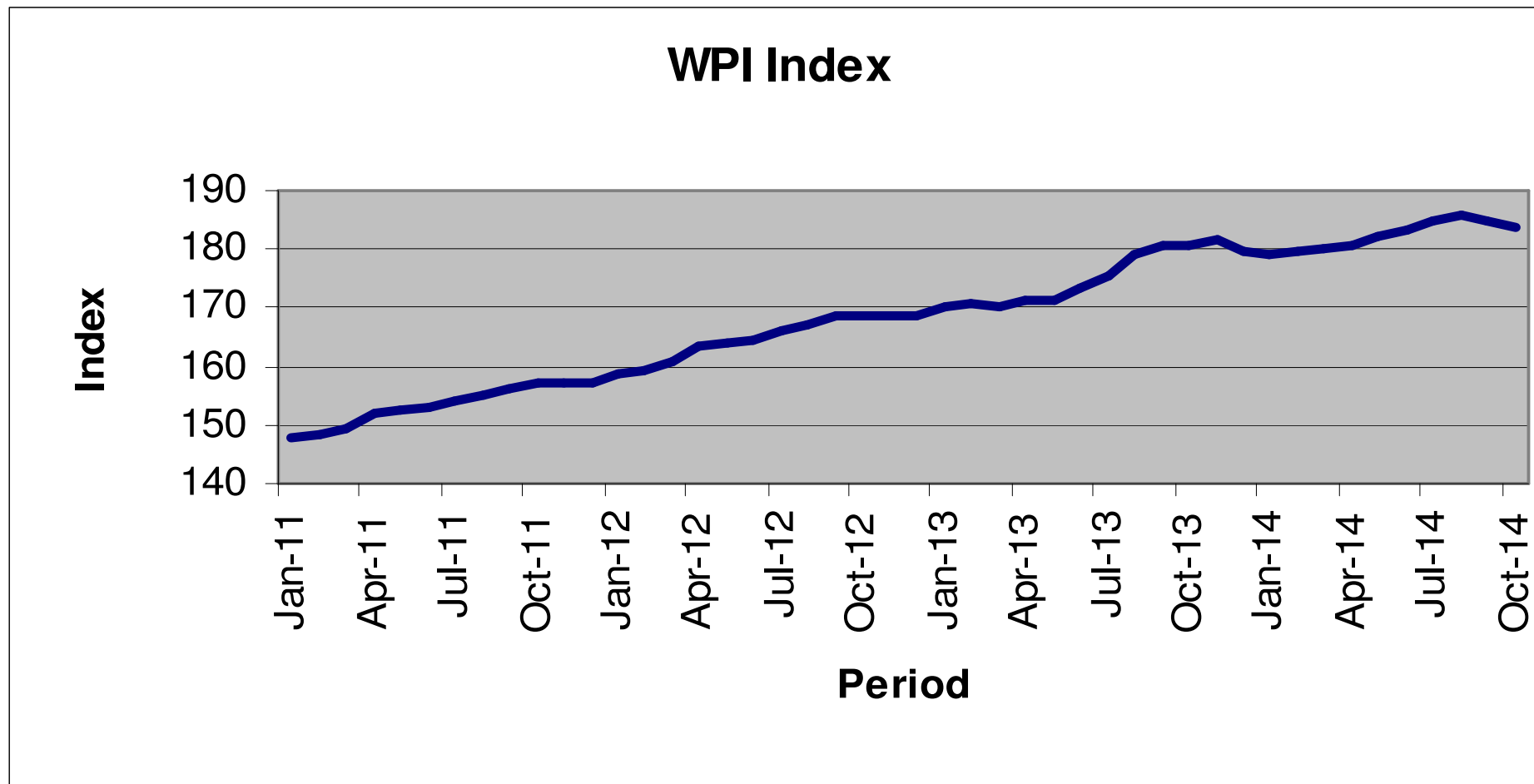
INDIA WHOLESAL PRICE INDEX CHANGE



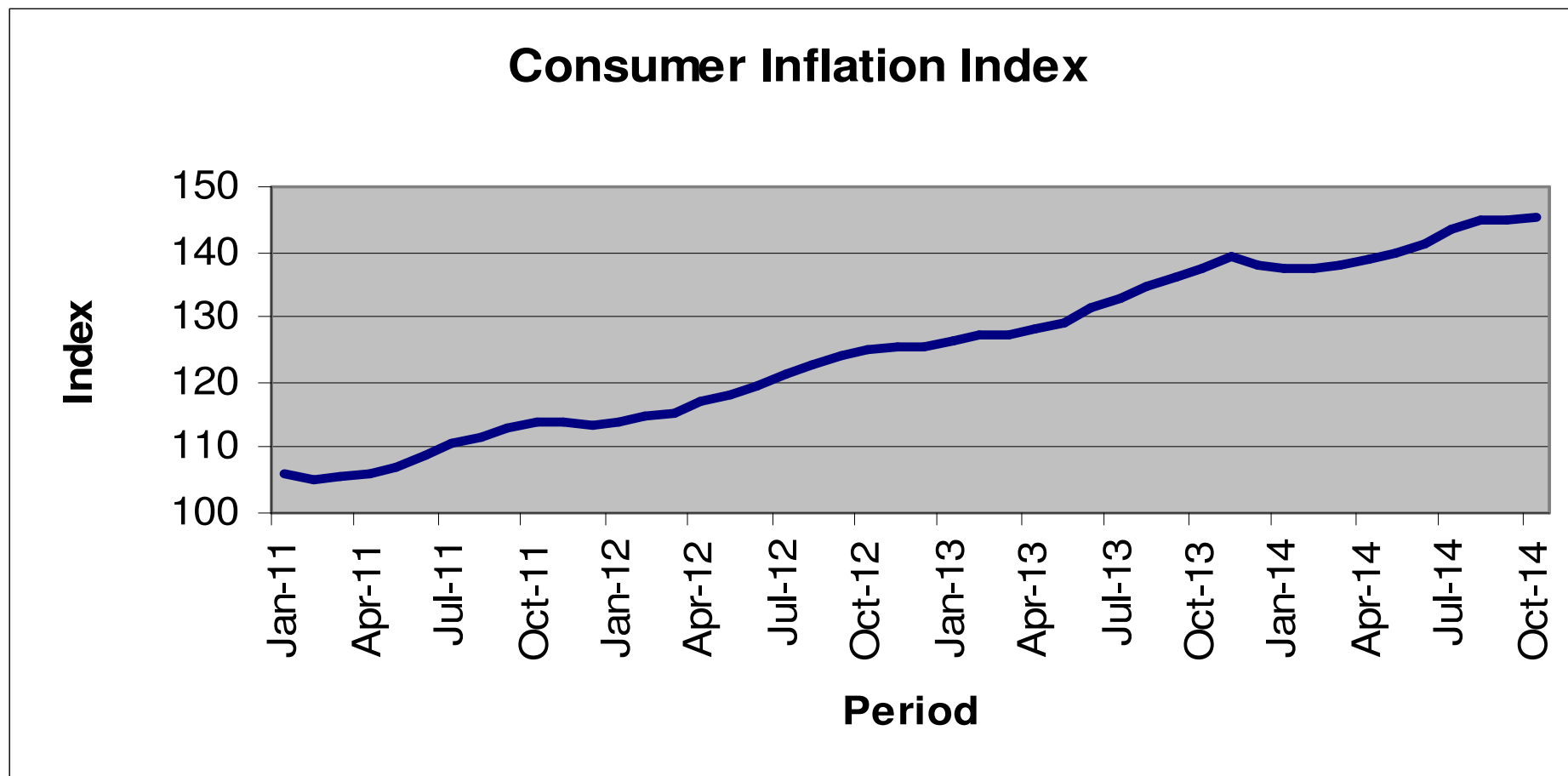
SOURCE: WWW.TRADINGECONOMICS.COM | OFFICE OF THE ECONOMIC ADVISOR, INDIA



Inflation Index on Plateau



Inflation Index on Plateau





Indian Bond Yield Coming Down

INDIA GOVERNMENT BOND 10Y

Implied Yield on 10 Year Bonds



SOURCE: WWW.TRADINGECONOMICS.COM | MINISTRY OF FINANCE, GOVERNMENT OF INDIA



RBI maintains Interest Rates

- RBI keeps key rates unchanged
- RBI waiting for clear cut drop in inflation
- RBI is of the view that once a stance is taken it should not be changed immediately
- Next RBI monetary policy meet on Feb 3



Auto Sales – Nov 2014

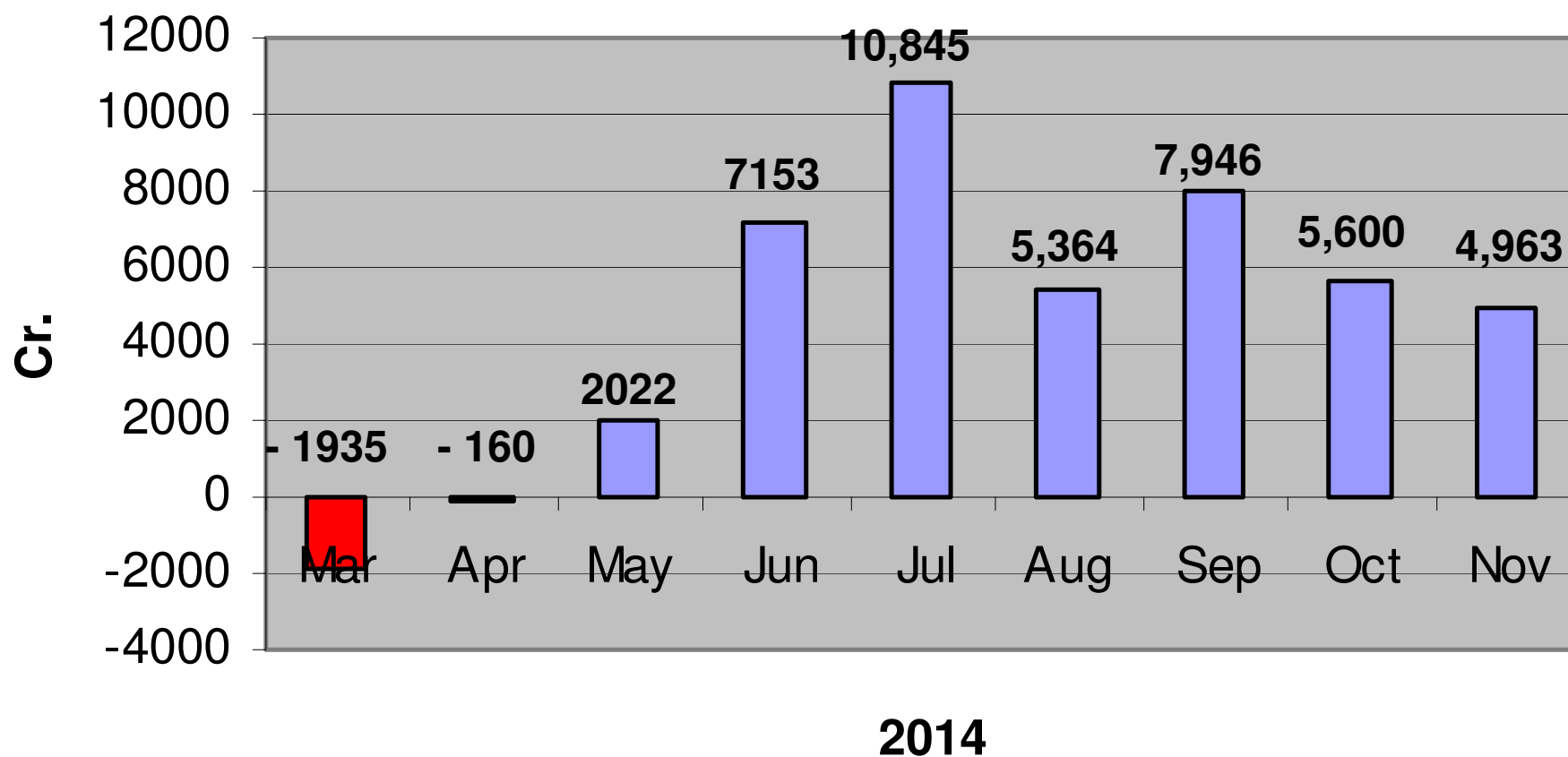
	Nov 2014	Nov 2013	% Change
Two Wheelers	12,39,801	11,85,664	4.5
Three	41,737	40,468	3.1
Passenger Cars	1,56,445	1,42,849	9.5
Comm. Vehicle	47,686	43,730	9.0

FII Activity - Equity



2014	Equity \$ Bn
Jan	0.1
Feb	0.2
March	3.3
April	1.6
May	2.3
June	2.3
July	2.1
Aug	0.9
Sep	0.8
Oct	- 0.1
Nov	2.2
Till Dec 11	1.4
Total	17.3

Domestic Mutual Fund Flows



US Economy Recovering Steadily



UNITED STATES UNEMPLOYMENT RATE

Percentage of the Labor Force



SOURCE: WWW.TRADINGECONOMICS.COM | U.S. BUREAU OF LABOR STATISTICS

Rupee Weakens

INDIAN RUPEE





Events to Watch

- Commodity Price
- FII Activity



Thank You