



# Current Market Scenario

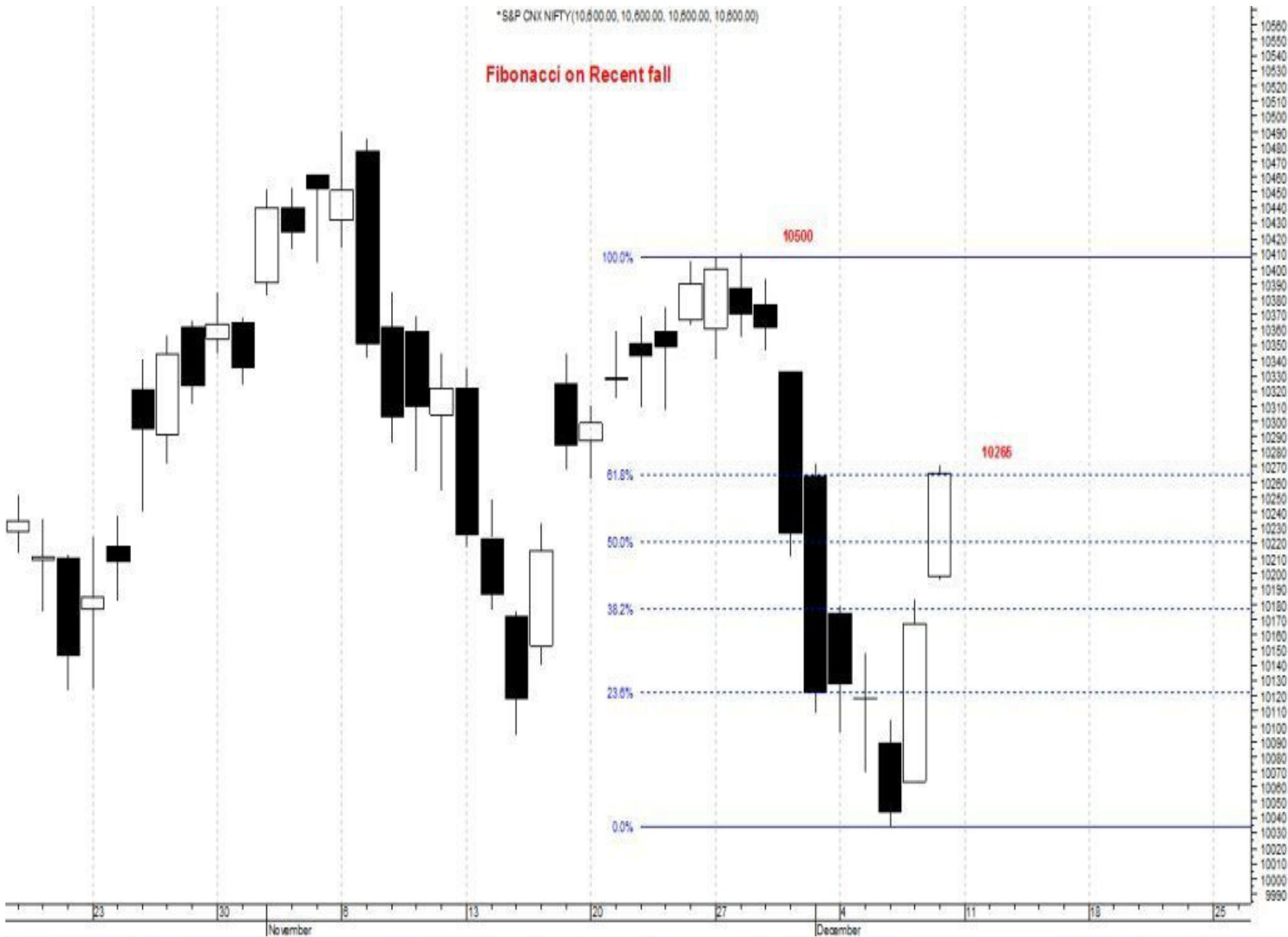
\*S&P CNX NIFTY(10,600.00, 10,600.00, 10,600.00, 10,600.00)

Nifty Channel



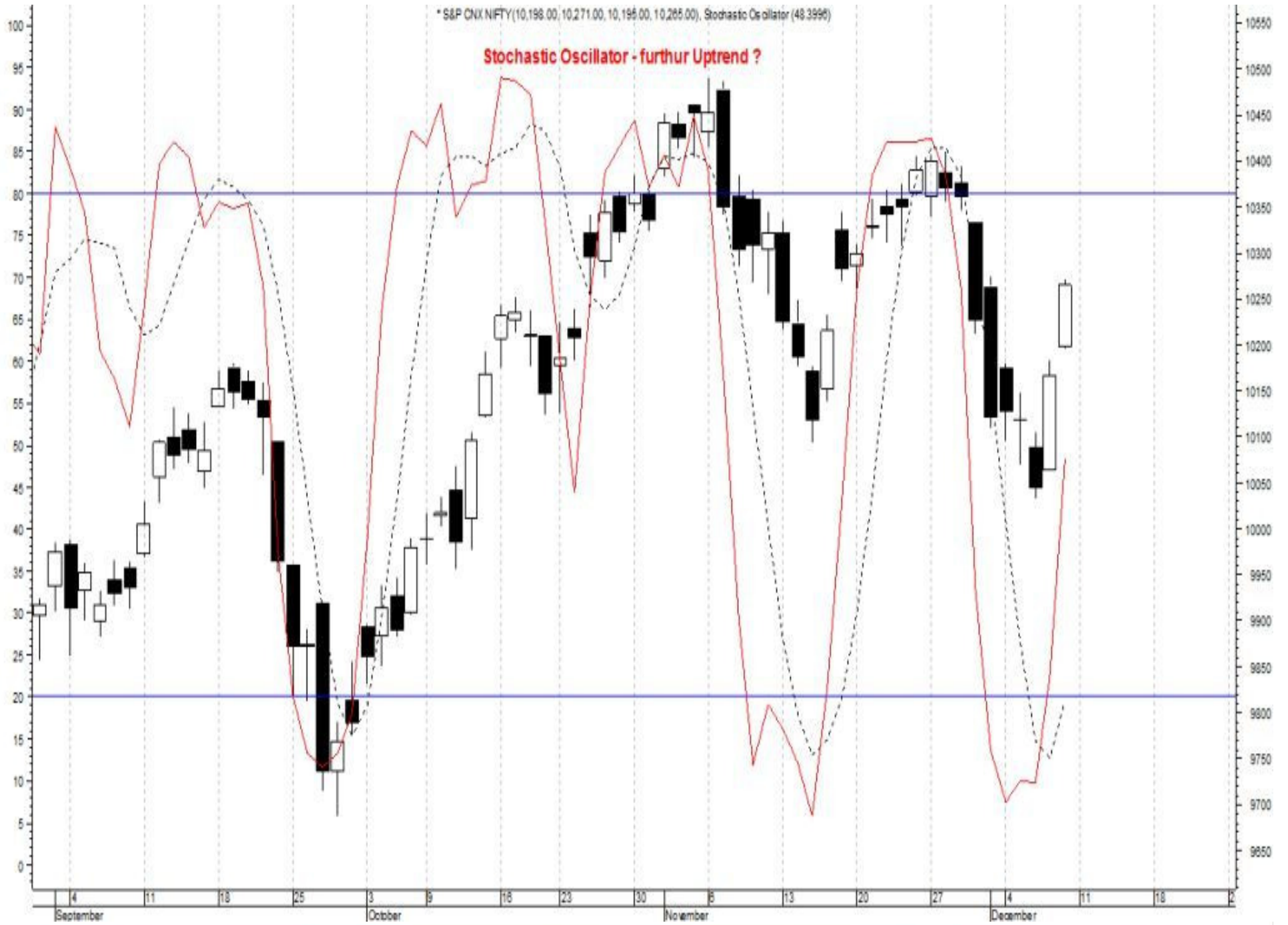
\*S&P CNX NIFTY(10,600.00, 10,600.00, 10,600.00, 10,600.00)

### Fibonacci on Recent fall



\* S&P CNX NIFTY(10,198.00, 10,271.00, 10,195.00, 10,205.00), Stochastic Oscillator (48,3996)

### Stochastic Oscillator - further Uptrend ?





\*S&P CNX NIFTY(10,198.45, 10,270.65, 10,195.25, 10,265.65)

Lower Tops and Bottoms

Double Bottom

10490

10410

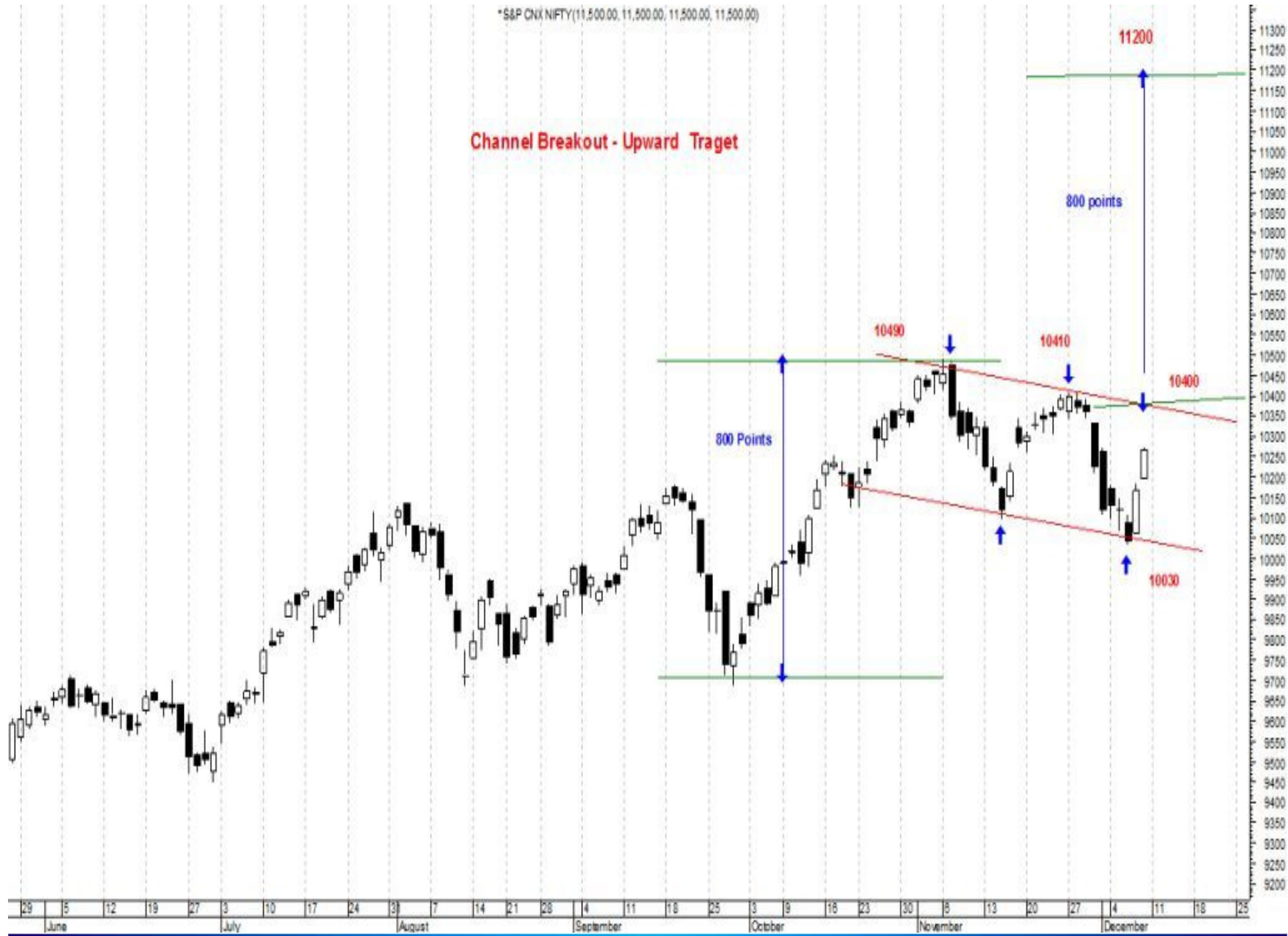
10400

10030



\*S&P CNX NIFTY(11,500.00, 11,500.00, 11,500.00, 11,500.00)

### Channel Breakout - Upward Target





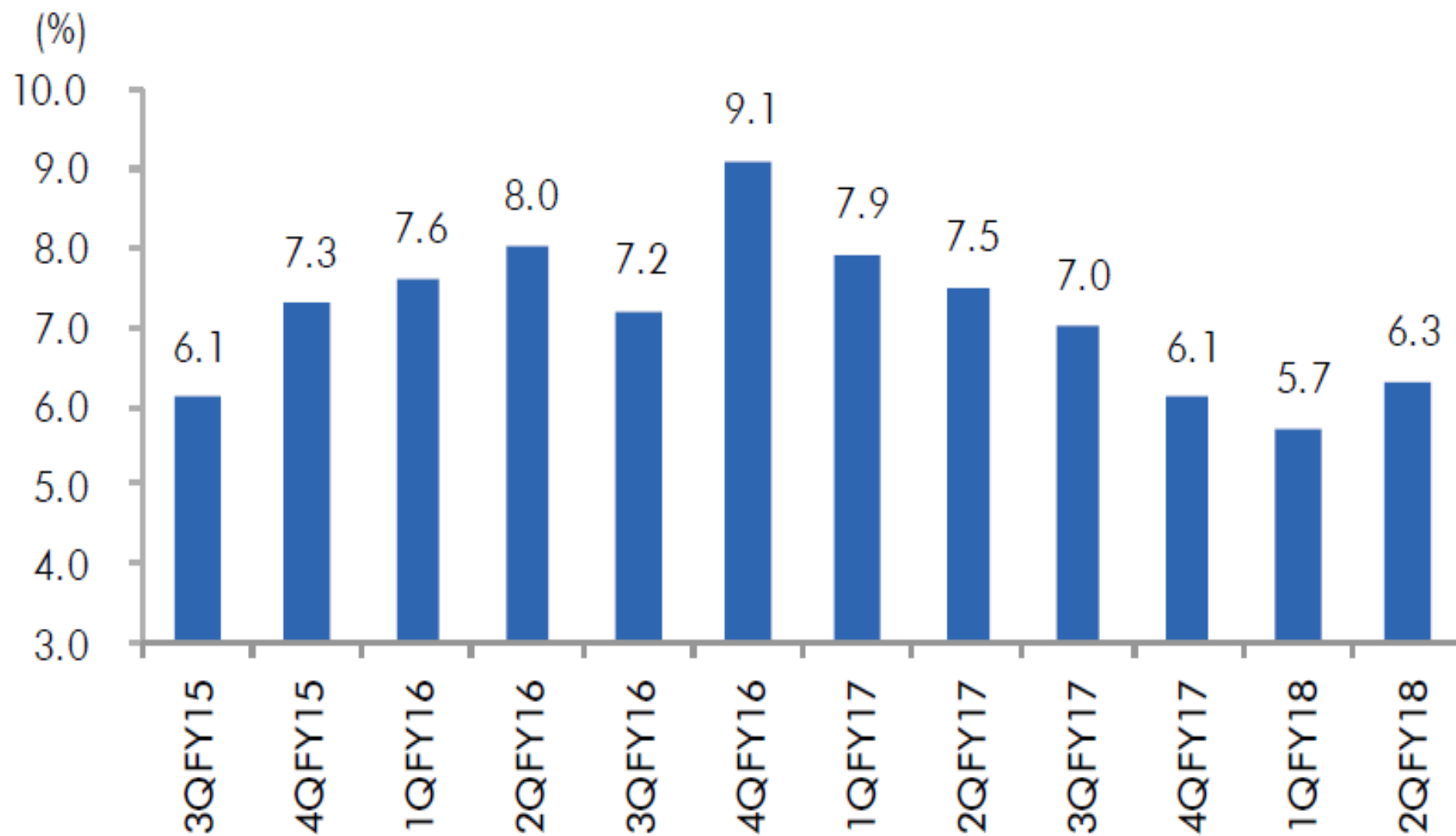
# Markets On Consolidation

- Govt. bond yield spikes
- FII on sidelines
- Dow at historic high
- Commodities see selling pressure

## INDEX WATCH

<b>INDEX</b>	<b>8, Dec</b>	<b>11, Nov</b>	<b>% Change</b>
Nifty	10,265	10,321	-0.54
Sensex	33,250	33,314	-0.19
Nifty Midcap	20014	19,575	2.24
BSE Small Cap	18211	17,643	3.22

# GDP Growth Bounce Back





# Bond Yield Spikes





# Bond Yield

- Bond Yield is one of the advance indicator of interest rate trajectory
- Liquidity tightness, higher fiscal deficit and inflation are reasons of spike in bond yield
- Increase in yields indicates bottom of interest rate are behind us



# RBI Maintain Status Quo

- RBI keeps key interest rate unchanged
- Risk of inflation going up and possible fiscal slippage are key concern
- Interest rate unlikely to come down in near term



# NBFC – Is Party Over ?

- NBFC, Housing Finance Companies are seeing healthy correction
- Expected rise in cost of borrowing, higher valuation and increase competition are reasons cited for correction
- When valuations gets reasonable, buyers likely to comeback



# Moody Upgrades India Rating

- India Sovereign bond rating upgraded to Baa2 from Baa3 with stable outlook
- Progress on Govt. reforms, growth potential, stable govt. financials are reasons for upgrade
- Rating upgrade will enable Indian companies to raise foreign debt at lower interest rates and attracts foreign flows





## But S&P Waits ..

- S&P maintains status quo on sovereign rating with “BBB –” with “stable outlook”
- But positive on reforms and growth outlook

# Rupee Remain Study



INDIAN RUPEE



SOURCE: TRADINGECONOMICS.COM | OTC INTERBANK



# Gujarat Poll Outcome

- Gujarat Poll Outcome will act as near term trigger for market
- Congress to give tough fight for BJP
- Any set back for BJP will be seen as negative for the market
- Poll Results will be declared on 18<sup>th</sup> Dec



# US Markets on Huge Rally

- US Markets are seeing historic highs
- Recovery in economy and tax cuts aided rally
- Valuations are rich which may trigger intermediate correction

# Why FII are not Buying?



- Indian Economic Growth rate disappointing
- US economy relatively doing well
- US likely to cut corporate tax from 35% to around 20%
- US MNC companies to get tax exemption for money repatriated from foreign subsidiaries

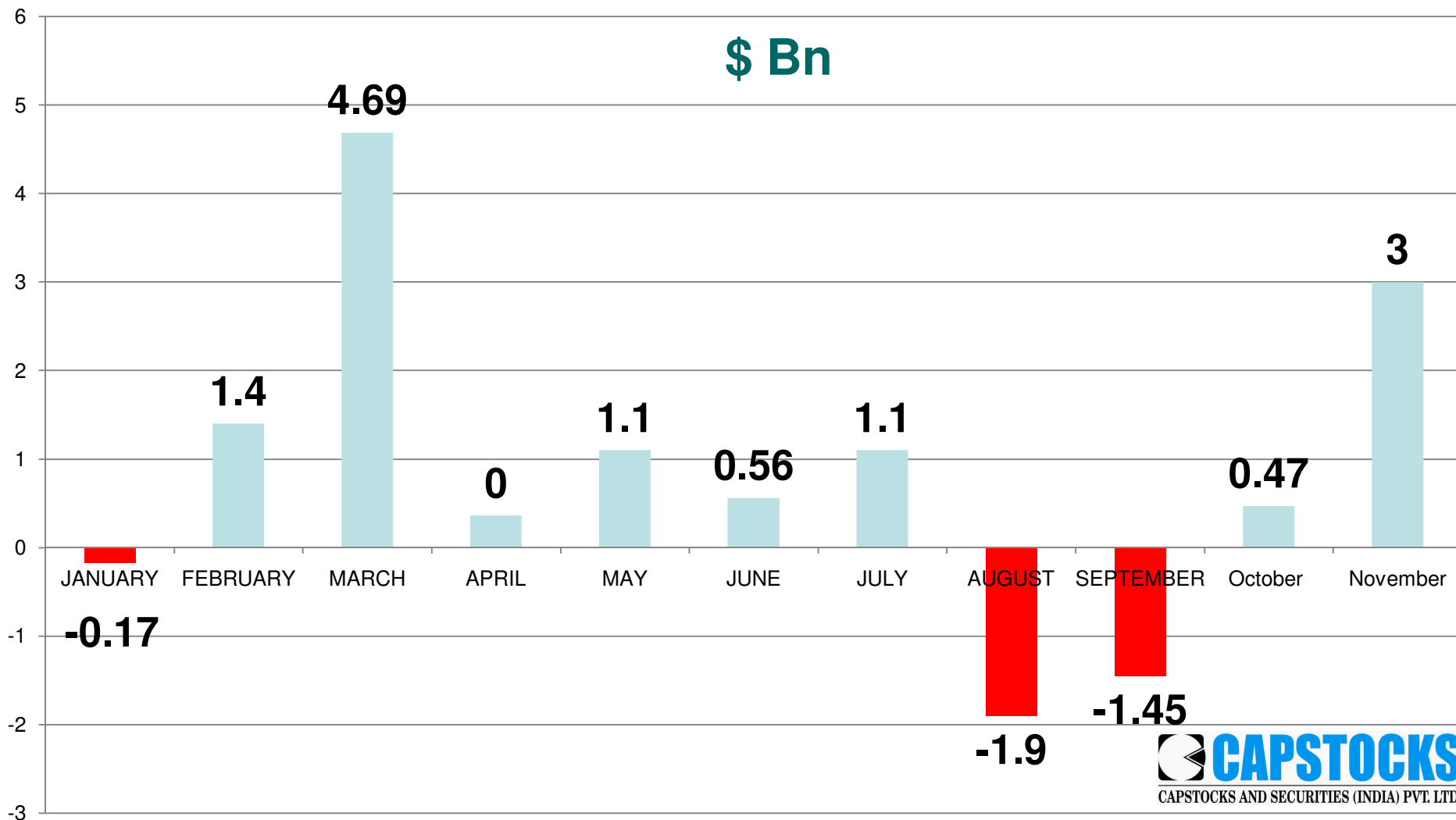


# Dow Jones – At Historical High



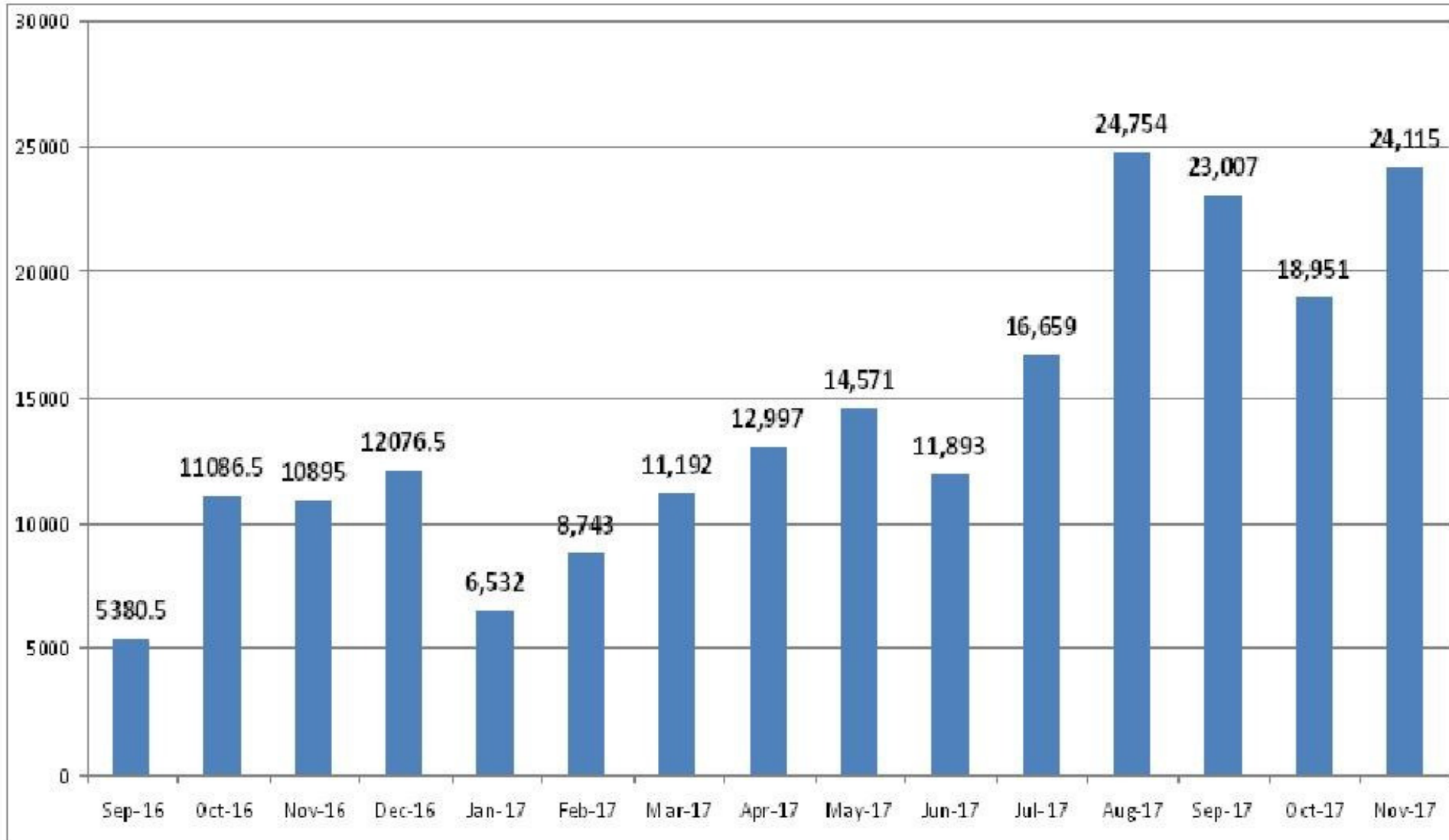


# FII Activity

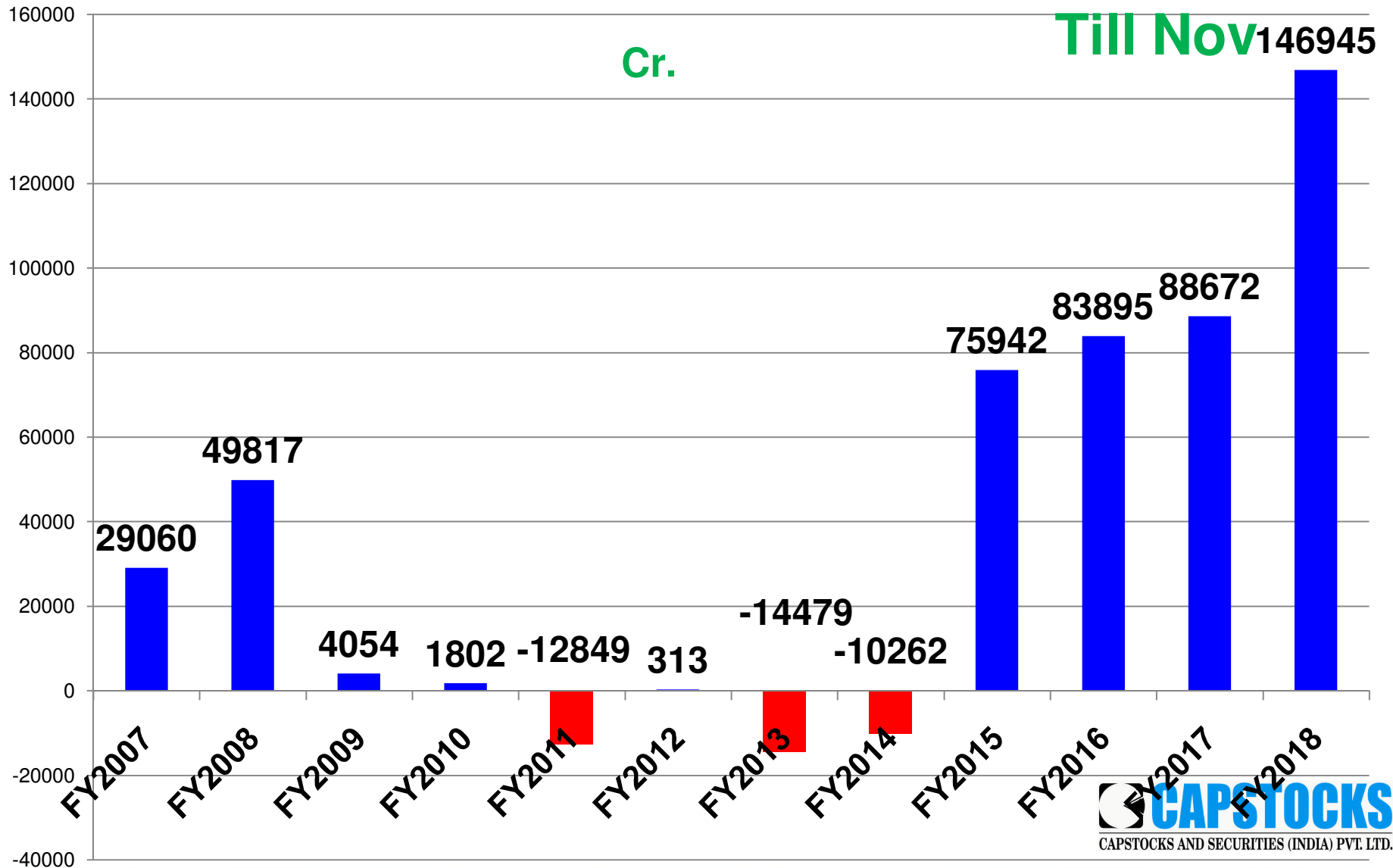




# Mutual Fund Inflows



# Mutual Fund – Annual Flows





# Events to Watch

- Gujarat Election Outcome
- Global markets





**Thank You**