

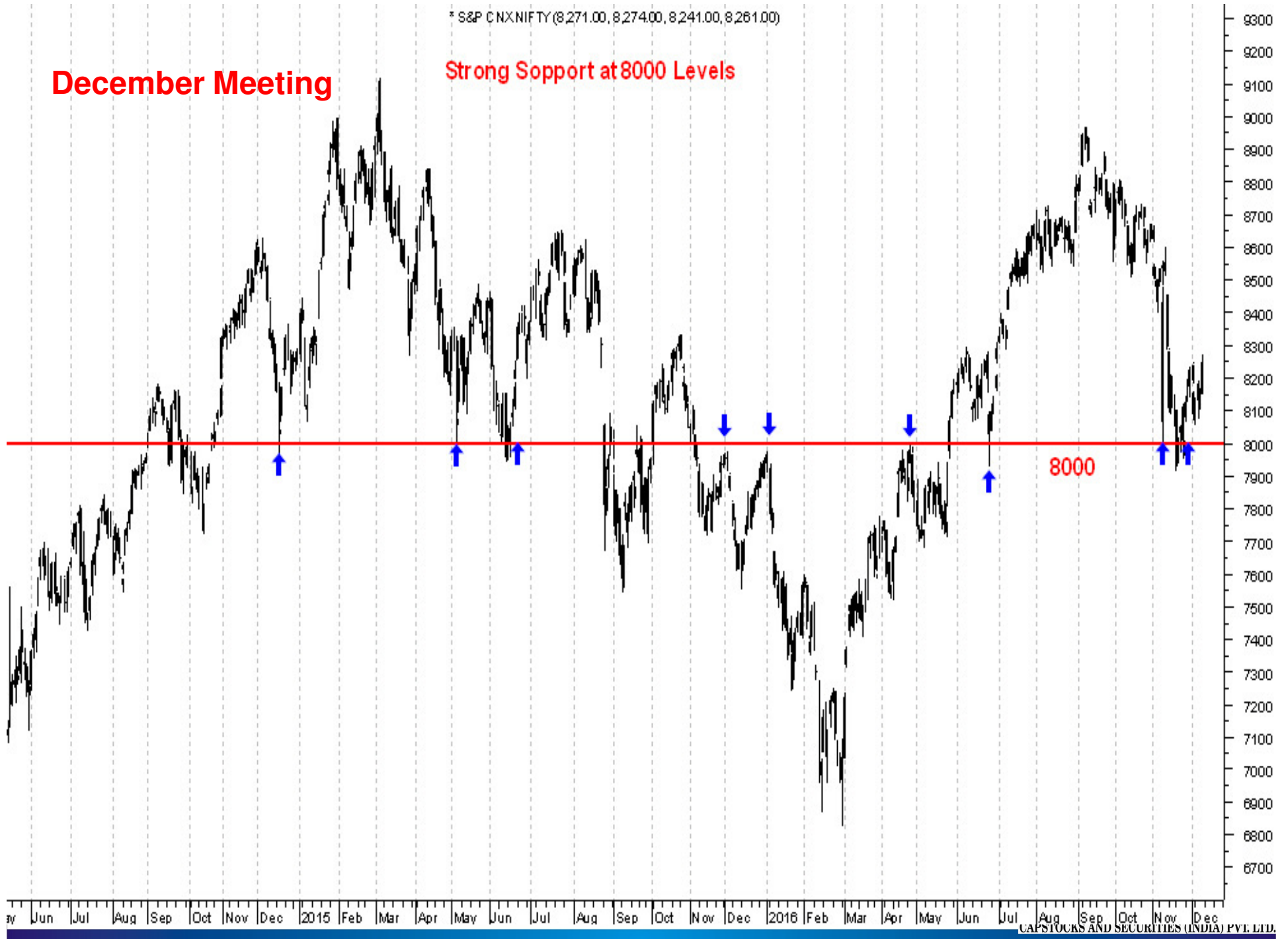


Current Market Scenario

* S&P CNXNIFTY (8,271.00, 8,274.00, 8,241.00, 8,261.00)

December Meeting

Strong Support at 8000 Levels



*S&P CNX NIFTY(8,458.00, 8,461.00, 8,373.00, 8,400.35)

8000 Levels Tested Again

7900-8000

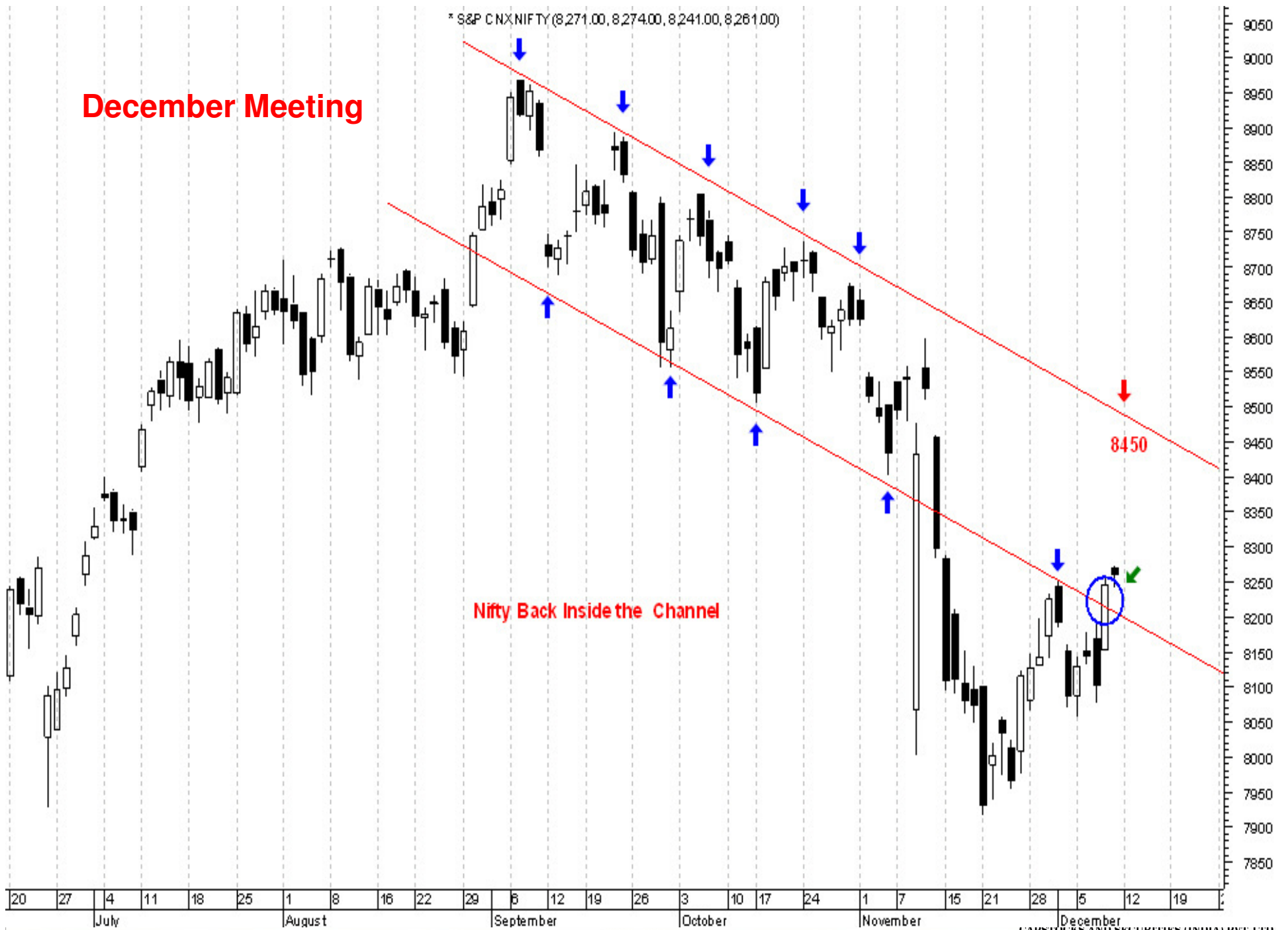


*S&P CNX NIFTY(8,458.00, 8,461.00, 8,373.00, 8,400.35)



NIFTY Channels







* S&P CNX NIFTY (8,457.65, 8,481.05, 8,373.15, 8,400.35)

Double bottom at 7900

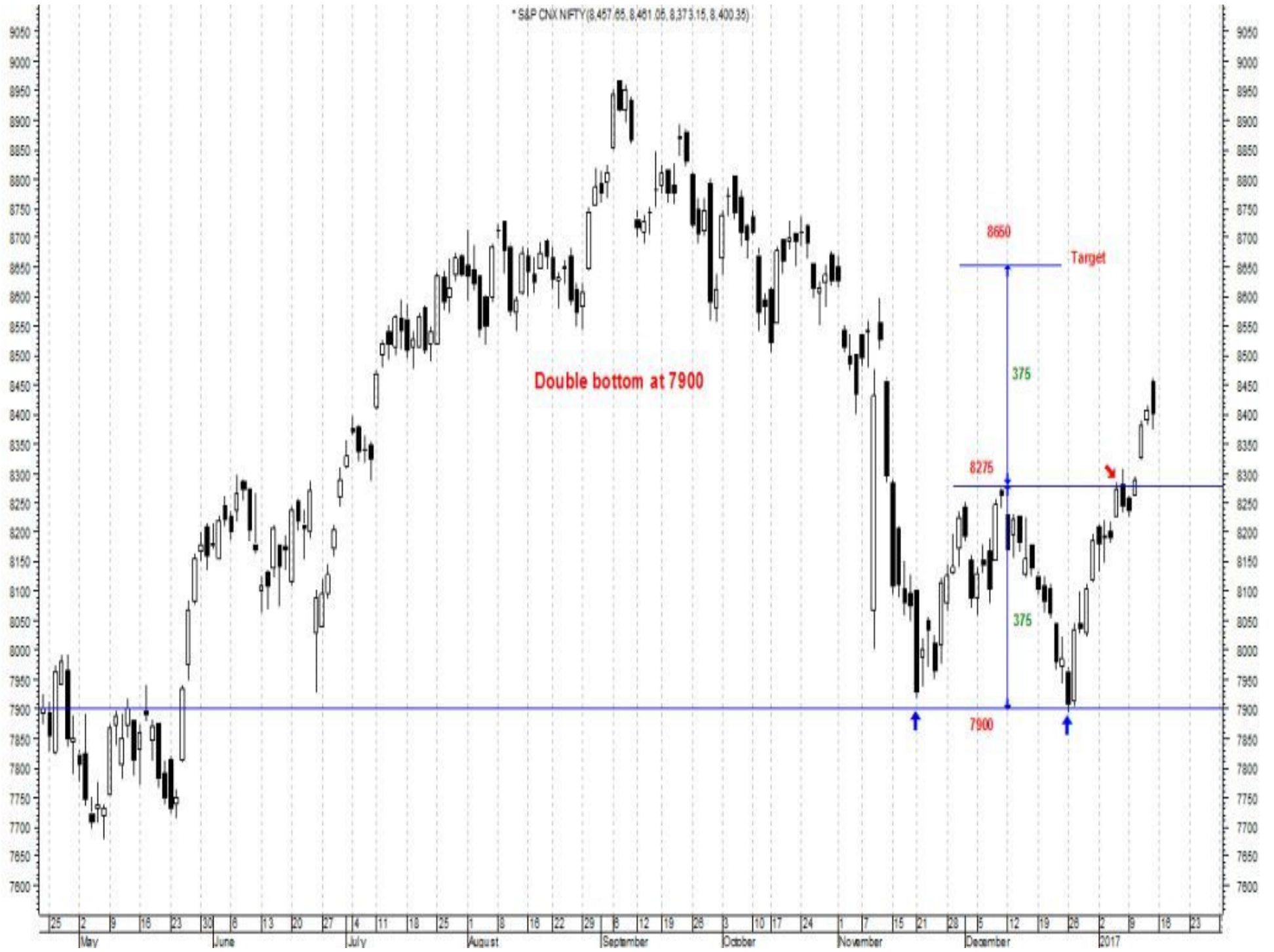
8650
Target

8275

375

375

7900



*S&P CNX NIFTY(8,458.00, 8,461.00, 8,373.00, 8,400.35)

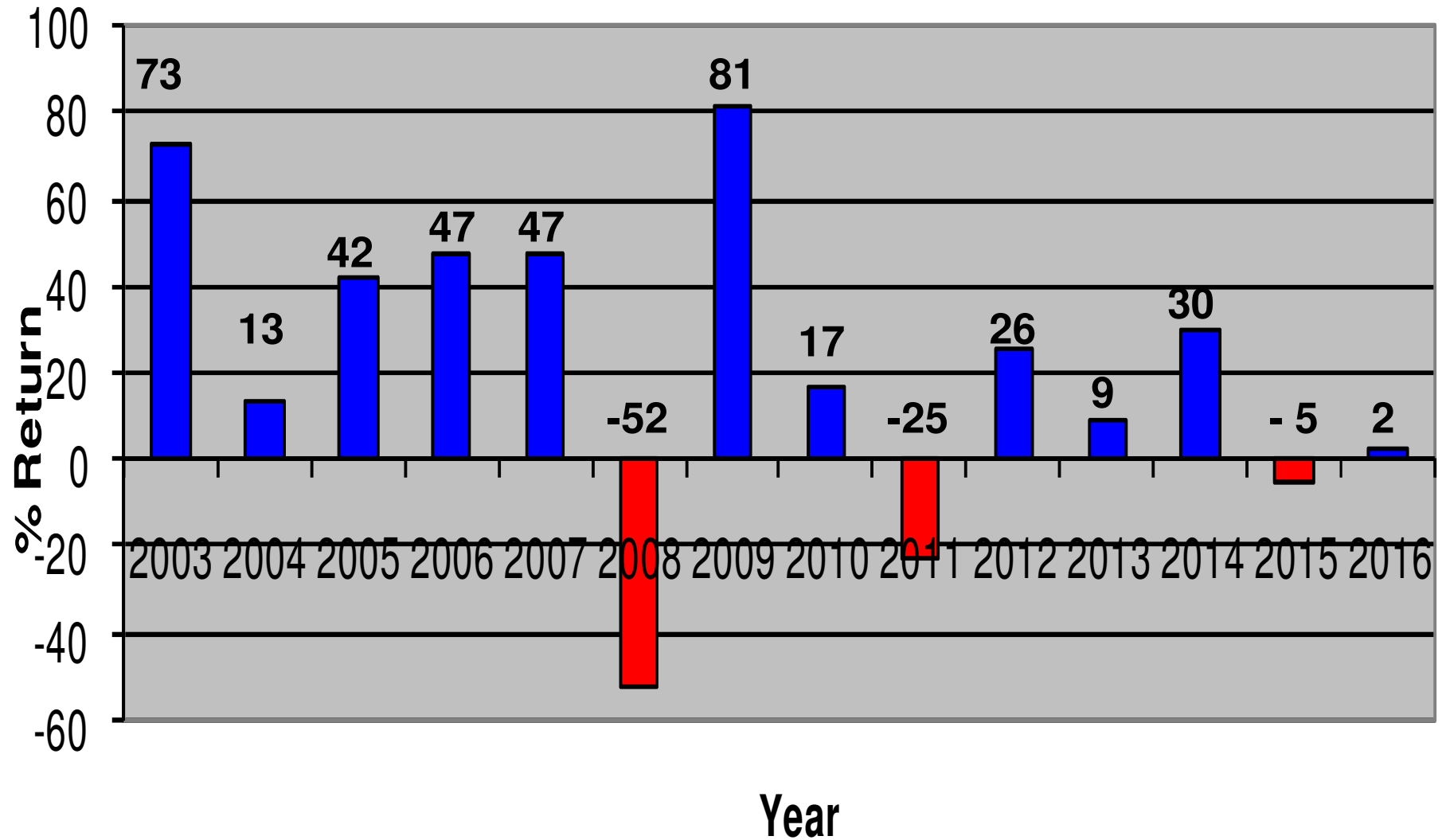


*S&P CNX NIFTY(8,458.00, 8,461.00, 8,373.00, 8,400.35)





Sensex Annual Performance



2016 Performance – Other Indices

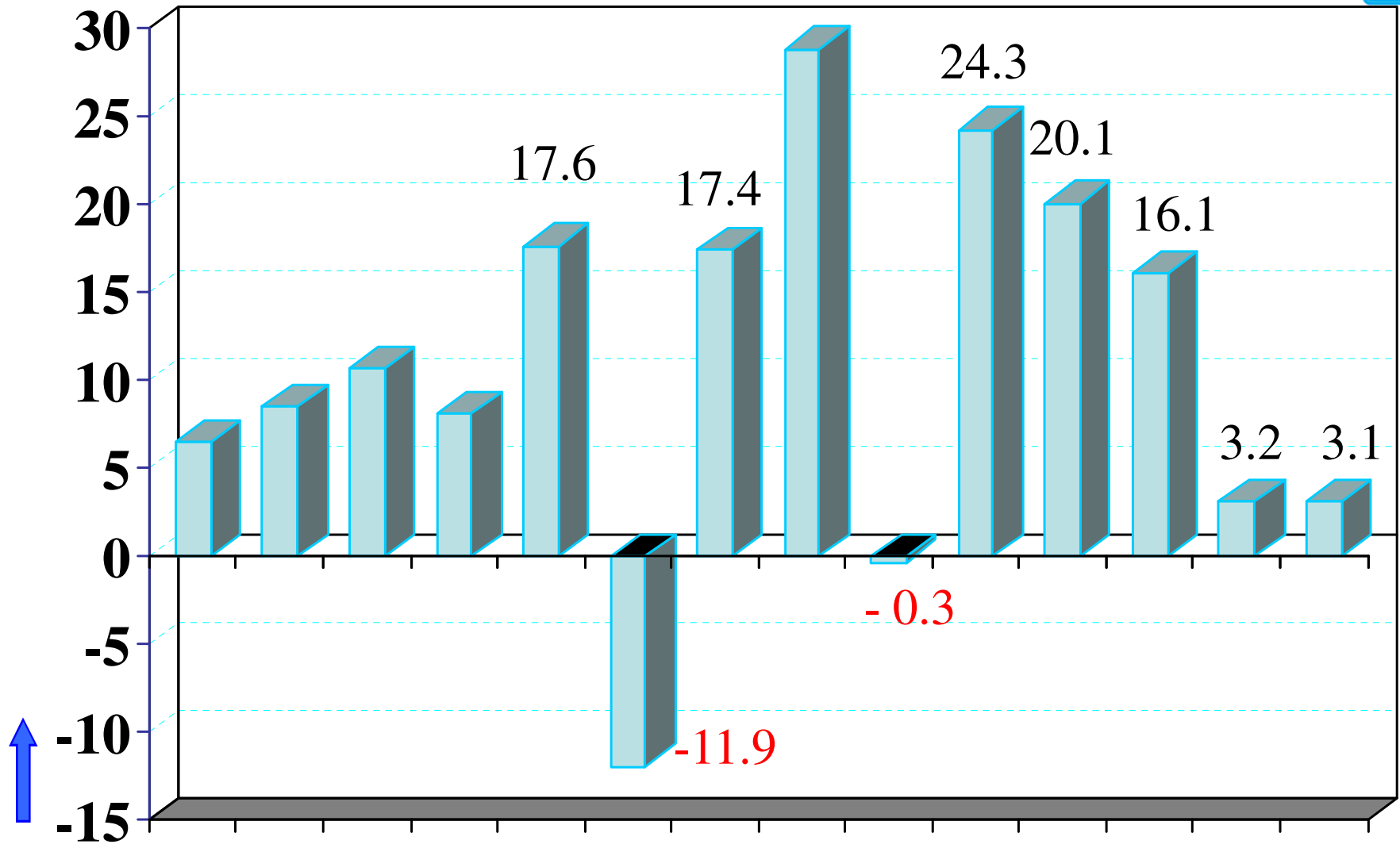


Index	%
BSE Midcap	+ 7.9
BSE Smallcap	+ 1.6
BSE Metals	+ 36.6
BSE Auto	+ 9.3
BSE Bankex	+7.3
BSE FMCG	+ 3.2
BSE Real Estate	- 6.0
BSE IT	- 8.0
BSE Healthcare	-12.8

FII Flows - Equity



29.3



billion
US \$

2003 2005 2007 2009 2011 2013 2015



Momentum Back in Market

- Lackluster movement in Largecap stocks
- Sharp uptrend in select themes
- Foreign Investor selling continues
- Developed markets continue their bull run

INDEX WATCH

INDEX	13, Jan	9, Dec	% Change
Nifty	8,400	8,261	1.6
Sensex	27,238	26,747	1.8
CNX Midcap	15,178	14,931	1.6
BSE Small Cap	12,689	12,320	2.9

Momentum Themes



Sector	Reason	Stocks
Sugar	Domestic shortage expected on lower production in Karnataka and Maharashtra	Dwarkesh, Dhampur, Balrampur
Fertiliser	Introduction of Direct Benefit Transfer	Coromandel, RCF, Chambel
PSU	Strategic Stake Sale	BEML, STC
Steel	Cut in Chinese Production, Anti Dumping Duty	Tata Steel, JSW Steel

Demonitisation Update



- Reports indicate around 97% of demonitised currency has returned to banks
- Govt. tracking high deposit accounts
- Next Step by Govt. to be watched

Banks Cut Interest Rate Sharply



Rate Cut from 2015

	Pre Demonitisation	Post Demonitisation
Repo Rate (RBI)	1.75	1.75
Deposit Rate (Banks)	1.6	1.6
Lending Rate (Banks)	1.1	2.0

Auto Sales Skids – Demonitisation Impact



SLOWING DOWN

Utility vehicle segment grew 29.9% in December 2016

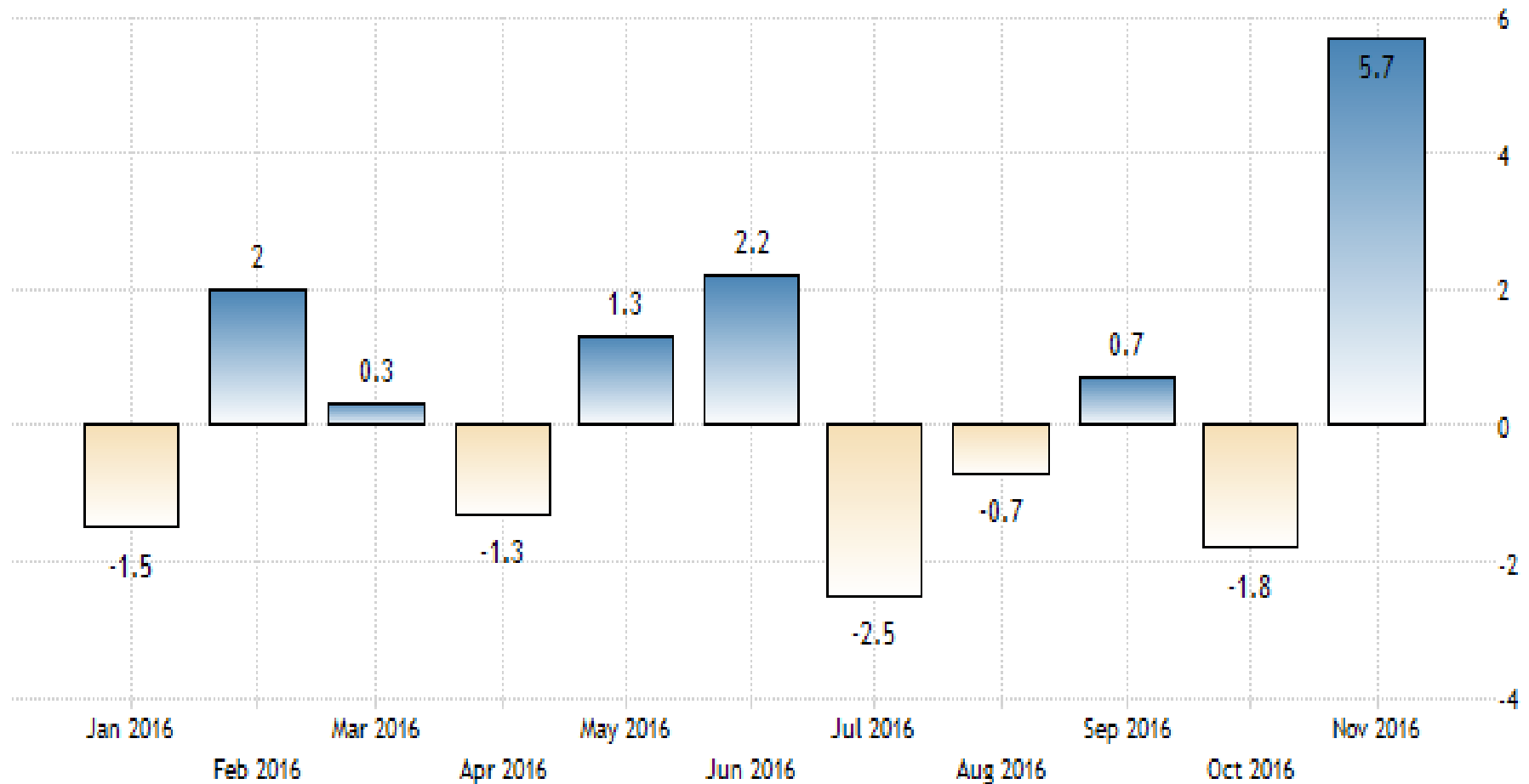
Category	Dec 2015	Dec 2016	%Chg
Passenger cars	172,671	158,617	-8.14
Utility vehicles	44,873	58,309	29.94
Vans	13,415	10,898	-18.76
Total (passenger vehicles)	230,959	227,824	-1.36
Two wheelers	1,167,621	910,235	-22.00
Commercial vehicles	56,840	53,966	-5.00
Three-wheelers	46,894	29,904	-36.20
Grand Total	1,502,314	1,221,929	-18.66

Source: Siam

Volatility in IIP Continues



INDIA INDUSTRIAL PRODUCTION



SOURCE: WWW.TRADINGECONOMICS.COM | MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION (MOSPI)

Healthy Tax Collections



April – December 2016

Segment	Amount Lakh Cr.	% Change
Excise Duty	2.79	+ 43
Service Tax	1.83	+ 23
Customs Duty	1.67	+ 4
Direct Tax	5.5	+ 12



Union Budget

- Union Budget will be presented on Feb 1
- Healthy Tax collections will give room for hike in IT slab and cut in Corporate Tax
- Market will focus on changes in Capital Gains Tax structure
- Higher Govt. Spending expected

Tata Sons Get New Chairman



- TCS CEO Chandrasekaran elevated as Tata Sons Chairman
- Noises on Tata Sons will be put to rest in public

US Markets on Strong Footing

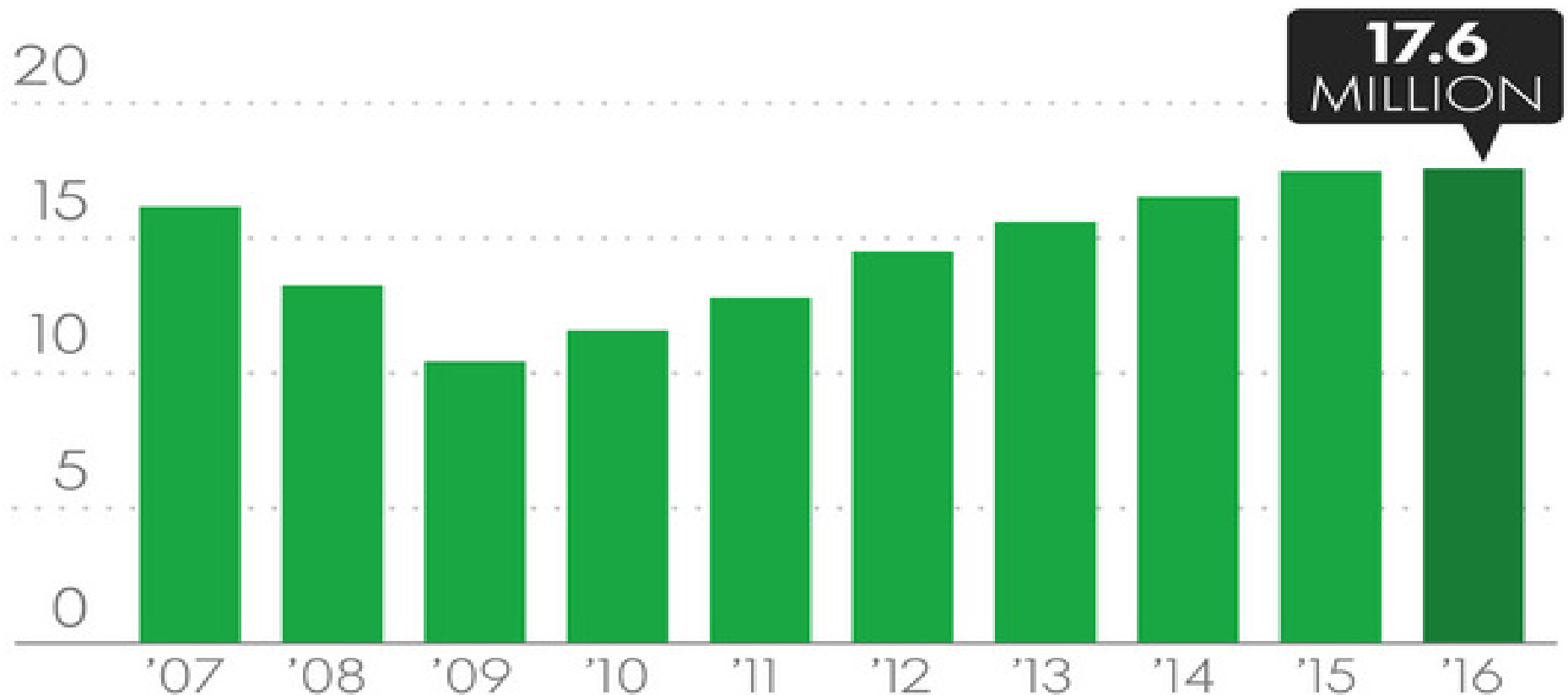


- Dow Jones Industrial Average and Nasdaq composite at All Time High
- Expectation of Economic recovery on favorable Govt. policies leading to bullish sentiment
- Supportive macro data

U.S. CAR SALES HIT RECORD

U.S. auto sales hit an all-time high in 2015 and broke the record again in 2016.

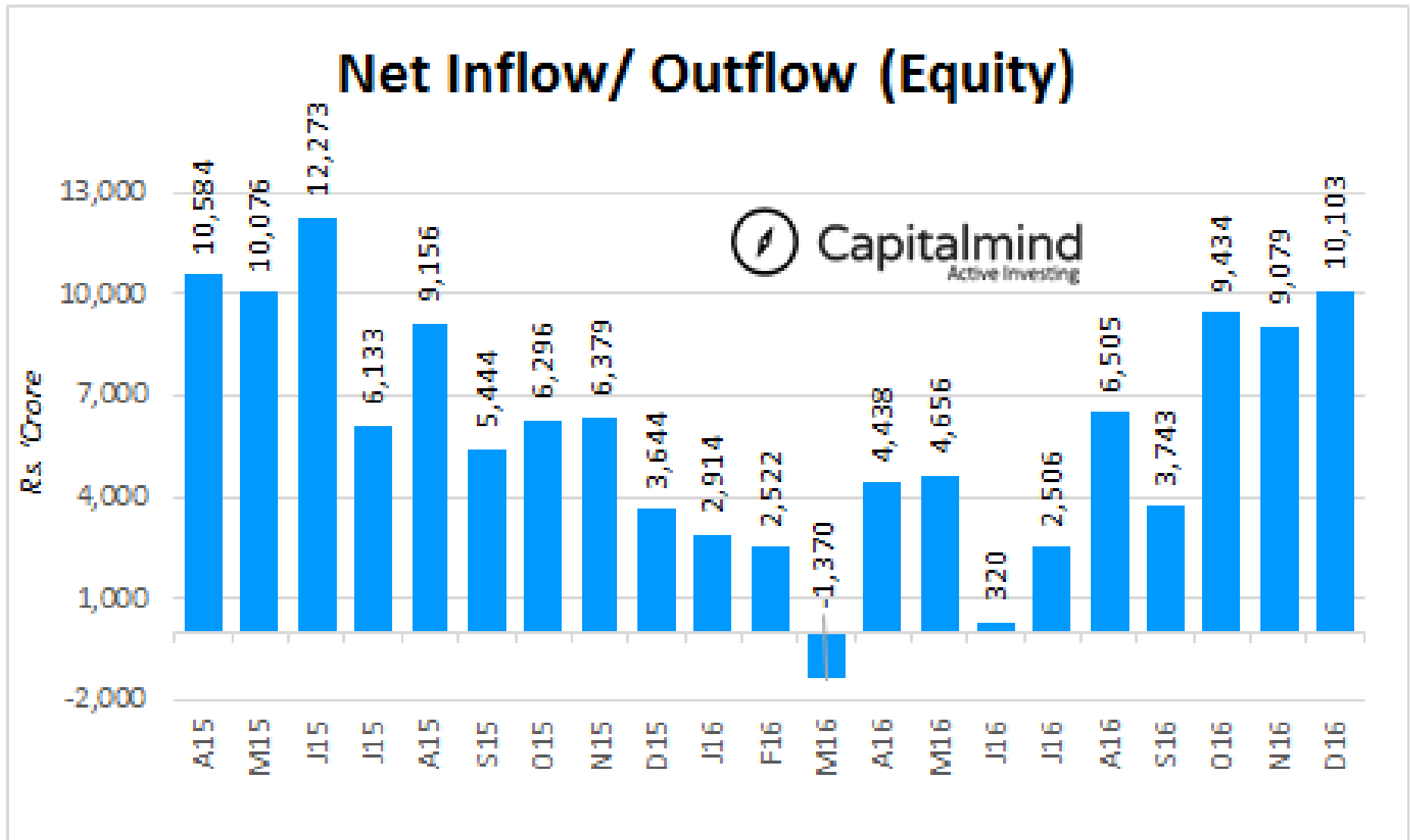
Full-year light vehicle sales (in millions):



SOURCE Autodata
George Petras, USA TODAY

 **USA TODAY**

Robust Mutual Fund Inflow Continues





Events to Watch

- Union Budget
- Q3 Results
- FPI Activity
- US Markets



Thank You