

Opening Bell

Market Outlook

Indian markets are expected to open flat today taking cues from global markets. The RBI's upcoming monetary policy meet and movement in oil prices will be important factors to watch in the coming week.

Markets Yesterday

- Domestic markets ended in the negative territory as investors remained cautious amid weak Asian and European cues, which triggered selling on the local front
- US markets ended flat after the release of the US Labour Department's closely watched unemployment report for November

Key Developments

- Dredging Corporation of India's (DCI) Q2FY17 profitability was much lower than our expectations. Revenues for the quarter degrew 2% YoY to ₹ 161 crore. EBITDA came in at ₹ 11 crore. PAT came in at a loss of ₹ 14.4 crore
- The government has announced a significant increase in the market stabilisation scheme, from ~₹ 30,000 crore to ₹ 6 lakh crore in a move that is set to help suck out the excess liquidity (currency in banks). This may lead to some relief in the recent CRR hike announced
- Cadila Healthcare has settled a litigation with US based Allergan regarding the latter's ulcerative colitis drug Delzicol. As per the settlement, Cadila will be able to market the generic version (subject to USFDA approval) on March 1, 2020 or earlier under certain circumstances

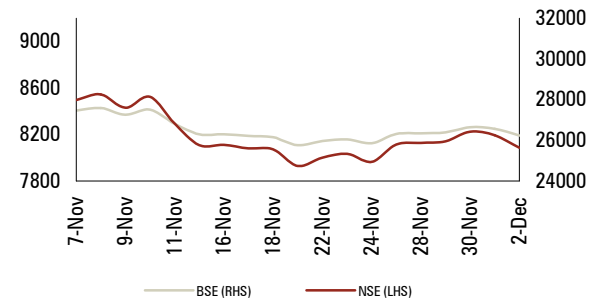
Nifty Heat Map

IDEA	73.5 0.9%	Tata power	73.5 0.8%	Cipla	571.2 0.5%	Ultratech	3,585.7 0.4%	Bajaj Auto	2,701.4 0.2%
ICICI Bank	259.5 0.1%	Bharti Airtel	318.6 0.1%	Grasim Ind	872.8 0.0%	United Spirits	1,898.6 -0.1%	Coal India	305.9 -0.1%
NTPC	161.7 -0.2%	Sun Pharma	720.4 -0.2%	Hero Moto	3,183.7 -0.2%	Power Grid	183.8 -0.3%	RIL	994.8 -0.3%
ONGC	291.3 -0.3%	Bank of Baroda	161.1 -0.3%	Tech M.	473.4 -0.3%	SBI	254.1 -0.6%	HDFC Bank	1,189.1 -0.7%
Tata Steel	406.4 -0.8%	Ambuja Cement	205.1 -0.9%	ACC	1,325.7 -0.9%	Yes Bank	1,150.2 -0.9%	Infosys	964.5 -1.1%
NMDC	116.4 -1.1%	HCL Tech	793.6 -1.2%	M&M	1,145.6 -1.3%	Axis Bank	460.0 -1.3%	BHEL	126.9 -1.4%
Hindalco	168.8 -1.5%	GAIL	432.9 -1.5%	Lupin	1,489.1 -1.6%	Cairn India	245.9 -1.6%	Wipro	460.4 -1.7%
Vedanta Ltd	223.1 -1.7%	PNB	134.0 -1.7%	Dr Reddy	3,180.5 -1.8%	TCS	2,221.9 -1.8%	L&T	1,361.9 -1.9%
IDFC	55.5 -1.9%	HUL	831.5 -2.0%	ITC	228.5 -2.1%	Indusind Bank	1,056.5 -2.2%	HDFC Ltd	1,236.8 -2.6%
Kotak Bank	723.6 -2.9%	BPCL	608.2 -3.3%	Tata Motors	432.9 -3.4%	Maruti	5,068.1 -3.5%	Asian Paints	904.9 -3.7%

Today's Highlights

Markit US, Nikkei Japan PMI Services

Index Movement (past month)



	Close	Previous	Chg (%)	MTD(%)	YTD(%)	P/E (1yr fwd)
Sensex	26,560	26,653	-0.3	-0.3	1.7	18.4
Nifty	8,192.9	8,224.5	-0.4	-0.4	3.1	18.7

Institutional Activity

	CY14	CY15	YTD CY16	Yesterday	Last 5 Days
FII (₹ cr)	99,525	16,613	13,048	-191	-3,179
DII (₹ cr)	-30,570	66,249	26,584	-419	2,264

World Indices – Monthly performance

Nikkei	18,312	7.5%
Dow Jones	19,170	6.7%
Shanghai	3,216	4.5%
Nasdaq	5,256	2.9%
France	4,529	2.6%
Germany	10,513	1.4%
Kospi	1,970	-0.4%
U.K.	6,731	-1.7%
BSE	26,231	-4.7%
NSE	8,087	-5.0%

Markets Today

	Close	Previous	Change (%)	MTD(%)	YTD(%)
Commodities					
Gold (₹/10 gm)	28,401	28,356	0.2	-1.5	13.6
Silver (₹/kg)	39,925	39,950	-0.1	-1.9	21.0
Crude (\$/barrel)	53.8	54.5	-1.2	6.7	44.4
Copper (\$/tonne)	NA	NA	NA	-1.0	22.4
Currency					
USD/INR	68.23	68.35	-0.2	0.2	-3.0
EUR/USD	1.06	1.07	-1.0	-0.3	-2.8
USD/YEN	113.80	113.51	0.3	0.6	5.6
ADRs					
HDFC Bank	63.1	63.9	-1.4	-9.9	2.4
ICICI Bank	7.7	7.6	1.3	NA	NA
Tata Motors	32.0	32.4	-1.3	-15.5	8.6
Infosys	14.3	14.3	0.0	-5.6	-14.6
Dr Reddys Labs	46.3	46.1	0.5	-4.7	-0.1

Key Data Points

KEY ECONOMIC INDICATORS

Key Economic Indicator	Period	Latest	Prior Values
RBI Cash Reserve Ratio	N/A	4.00%	4.00%
RBI Repo Rate	N/A	6.25%	6.50%
RBI Reverse Repo Rate	N/A	5.75%	6.00%
CPI YY	October	4.20%	4.31%
Current Account Balance	Q2	-0.3bn \$	-0.3bn \$
Exports - USD	October	23.51bn \$	22.88bn \$
FX Reserves, USD Final	w/e	365.75bn \$	363.82bn \$
GDP Quarterly yy	Q2	7.30%	7.10%
GDP Annual	12M	7.60%	7.30%
Imports - USD	October	33.67bn \$	31.22bn \$
Industrial Output yy	September	0.70%	-0.70%
Manufacturing Output	September	0.90%	-0.30%
Trade Deficit - RBI	Q2	-23.8bn \$	-24.8bn \$
Trade Deficit Govt - USD	October	10.16bn \$	8.34bn \$
WPI Food yy	October	4.34%	5.75%
WPI Fuel yy	October	6.18%	5.58%
WPI Inflation yy	October	3.39%	3.57%
WPI Manufacturing Inflation yy	October	2.67%	2.48%

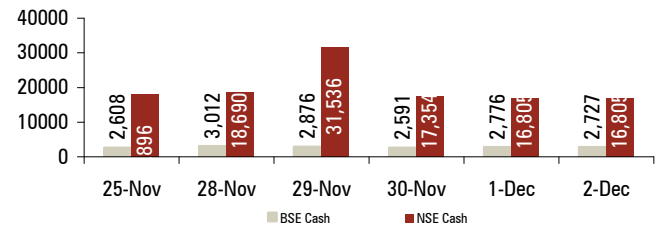
Sectoral Index

Sector	Close	Previous	Change	% Change	Volume
Auto	19645.38	19967.1	-321.72	(1.61)	3558000
Banks	20874.34	21067.72	-193.38	(0.92)	8304000
BSE Small Cap	11792.74	11901.39	-108.65	(0.91)	66926000
Capital Goods	13838.09	14050.19	-212.1	(1.51)	5023000
Consumer Durables	10965.07	11225.16	-260.09	(2.32)	352000
FMCG	8304.6	8368.14	-63.54	(0.76)	1023000
Healthcare	17870.57	18140.06	-269.49	(1.49)	1830000
IT	11396.98	11501.95	-104.97	(0.91)	1254000
Metals	10377.04	10485.72	-108.68	(1.04)	4865000
Mid Cap	10993.02	11070.76	-77.74	(0.70)	64406000
Oil & Gas	11727.14	11881.25	-154.11	(1.30)	2012000
Power	1987.63	1996.83	-9.2	(0.46)	10475000
PSU	7734.09	7803.65	-69.56	(0.89)	18404000
Real Estate	1249.89	1267.58	-17.69	(1.40)	8304000

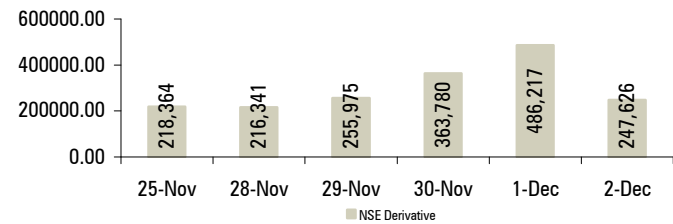
Key News for Today

Company/ Industry	News	View	Impact
Indraprastha Gas/Mahanagar Gas	Indraprastha Gas (IGL) and Mahanagar Gas (MGL) have incorporated price hikes in CNG and PNG in their respective geographical areas with effect from the midnight of December 3, 2016. IGL has hiked its CNG price by ₹1.85/kg in Delhi and ₹ 2.15/kg in Noida & Ghaziabad whereas its PNG prices were hiked by ₹1.05/scm. MGL hiked CNG prices by ₹ 0.85/kg and PNG by ₹ 0.5/scm	The price hikes came on the back of an increase in input gas cost by gas suppliers as a result of a reduction in input tax credit. The resultant price hike was completely passed on to customers. Hence, it will have a neutral impact on IGL and MGL	↔

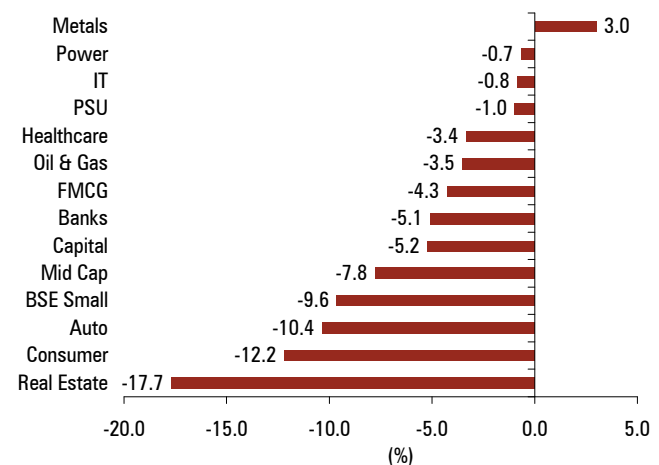
Exchange Cash Turnover (₹ crore)



NSE Derivative Turnover (₹ crore)



Sectoral Performance – Monthly Returns (%)



Sensex Chart

SENSEX(21-09-16 TO 02-12-16)Daily



Pivot Points

Index/Stocks	Close	S1	S2	R1	R2	Trend
SENSEX	26230.66	26121.35	26040.05	26261.45	26331.45	-ve
NIFTY	8086.80	8051.45	8026.65	8096.10	8118.40	-ve
ACC	1325.70	1316.40	1309.40	1326.45	1331.45	-ve
AXIS BANK	459.95	456.35	453.80	460.80	463.00	-ve
HDFC BANK	1189.10	1176.55	1172.85	1189.20	1195.50	-ve
SBI	254.10	250.95	249.35	255.15	257.25	-ve
HDFC	1236.80	1226.35	1217.35	1240.10	1247.00	-ve
MARUTI SUZUKI	5068.10	4997.35	4967.55	5092.45	5140.00	-ve
TATA MOTORS	432.90	424.85	421.75	436.05	441.65	-ve
M & M	1145.55	1136.80	1127.55	1148.00	1153.55	-ve
BAJAJ AUTO	2701.35	2680.10	2664.60	2711.05	2726.55	Neutral
TCS	2221.85	2194.45	2185.45	2227.25	2243.65	-ve
INFOSYS	964.50	960.55	954.90	964.80	966.90	-ve
CIPLA	571.20	568.80	566.85	572.75	574.75	Neutral
ONGC	291.25	289.15	286.75	291.85	293.20	-ve
RELIANCE	994.75	989.35	983.15	995.95	999.25	-ve
BHARTI AIRTEL	318.60	316.60	314.85	320.10	321.85	Neutral
DLF	109.85	108.65	107.45	110.05	110.75	-ve

Technical Outlook

We said, "Close below the candle would turn the bias negative, test the lower Green channel..." The index opened with a gap-down action, and then breaking the green channel, finally settled with a net loss of 329 points or 1.2%. Most sectors ended with losses of over a percent. As a result, the A/D ratio worsened further to 1:4.

The action formed a second consecutive Bear candle, with uncovered gap-down above its Head. It comprised a 170+ point intra-day recovery, which failed to cover the gap-down area. After five days of a higher high-low, the bias turned negative with a lower high-low. For today, however, we may watch if the index holds the Grey "overlap" level or not.

CNX Nifty Technical Picture

Nifty 50	Intraday	Short Term
Trend	Range bound	Range bound
Trend Reversal		0
Support	8055-8010	7900
Resistance	8125-8160	8300
20 Days EMA		8211
200 days EMA		8299

Advances / Declines

	Advances	Declines	Unchanged
BSE	871	1794	130
NSE	344	1257	78

Daily Technical Calls

1. Buy CIPLA in the range of 569.50-570.50
2. Sell Zee Ent in the range of 450.00-452.00

*All recommendations are of December Future

See Momentum Pick for more details

Intraday Derivative Strategy

Buy AJAPHA DEC Fut at 1852.00-1855.00

View: Bullish Strategy: Buy Future

CMP: 1872

Target 1: 1863 Target 2: 1883

Stop Loss: 1843

0

Sell AXIBAN DEC Fut at 467.50-468.50

View: Bearish Strategy: Sell Future

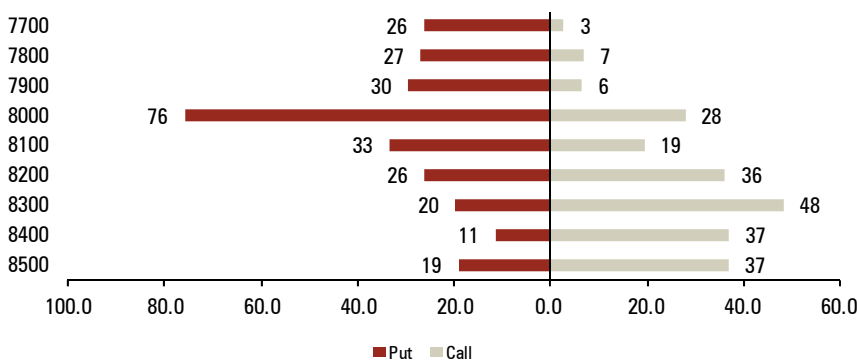
CMP: 463

Target 1: 464.7 Target 2: 458

Stop Loss: 471.3

See Daily Derivatives for more details

Nifty Call – Put Strike (No. of shares in lakh) – December 2016



Results/Events Calendar

21	November Monday	22	November Tuesday	23	November Wednesday	24	November Thursday	25	November Friday	26	November Saturday
Sobha Limited Japan Trade Balance		L&T IRB Infrastructures Ltd		Solar Industries Markit Eurozone Mfg PMI Markit US Mfg PMI		Nikkei Japan PMI Mfg		Bata UK GDP YoY			
28	November Monday	29	November Tuesday	30	November Wednesday	01	December Thursday	02	December Friday	03	December Saturday
Timken India Cox & Kings Oil India Mahanagar Gas Sadbhav Engg		US GDP Annualized QoQ		US GDP Annualized QoQ		US GDP Annualized QoQ		US GDP Annualized QoQ		US GDP Annualized QoQ	
05	December Monday	06	December Tuesday	07	December Wednesday	08	December Thursday	09	December Friday	10	December Saturday
Markit US Services PMI Nikkei Japan PMI Services Caixin China PMI Services		US Trade Balance Eurozone GDP SA YoY		RBI Repurchase Rate RBI Reverse Repo Rate RBI Cash Reserve Ratio PNC Infratech GMR Infra		SAIL Japan GDP SA QoQ China Trade Balance ECB Main Refinancing Rate		US Wholesale Inv MoM India Exports YoY China PPI YoY China CPI YoY			
12	December Monday	13	December Tuesday	14	December Wednesday	15	December Thursday	16	December Friday	17	December Saturday
India CPI YoY India Industrial Prod YoY		Coal India China Industrial Prod YoY UK CPI YoY		Japan Industrial Prod YoY US Industrial Prod MoM India Wholesale Prices YoY		US CPI YoY US FOMC Rate Decision Markit Eurozone Mfg PMI US FOMC Rate Decision Markit US Mfg PMI		EU CPI YoY			
19	December Monday	20	December Tuesday	21	December Wednesday	22	December Thursday	23	December Friday	24	December Saturday
Japan Trade Balance Markit US Services PMI		BOJ Policy Rate		US Existing Home Sales MoM		US GDP Annualized QoQ		UK GDP YoY UK GDP QoQ			

Major Economic Events this Week

Date	Event	Country	Period	Actual	Expected
5-Dec	Nikkei Japan PMI Services	JN	Nov	51.80	--
5-Dec	Caixin China PMI Services	CH	Nov	52.90	--
Date	Event	Country	Period	Expected	Previous
5-Dec	Markit Eurozone Services PI	EU	Nov F	54.10	54.10
5-Dec	Markit/CIPS UK Services PN	UK	Nov	54.00	54.50
5-Dec	Markit US Services PMI	US	Nov F	54.80	54.70
6-Dec	GDP SA YoY	EU	3Q F	1.6%	1.6%
7-Dec	Industrial Production YoY	UK	Oct	0.5%	0.3%
7-Dec	Manufacturing Production Y	UK	Oct	0.7%	0.2%
8-Dec	GDP Annualized SA QoQ	JN	3Q F	2.3%	2.2%
8-Dec	ECB Main Refinancing Rate	EU	8-Dec	0.0%	0.0%
8-Dec	ECB Deposit Facility Rate	EU	8-Dec	-0.4%	-0.4%
9-Dec	CPI YoY	CH	Nov	--	2.1%

Bulk Deals

Company	Client Name	Type	No. of shares	Price (₹)
BSE*				
Pennar Engineered	Zephyr Peacock India Fund Iii Limited	Sell	330000	150

Recent Releases

Date	Report
02 December 2016	Result Update- Graphite India
02 December 2016	Result Update- Sadbhav Engineering
01 December 2016	Result Update- Gujarat State Petronet
01 December 2016	Result Update- Balkrishna Industries
01 December 2016	Management Meet Update- Bodal Chemicals

Research Product Basket

Research Product	Perspective	Frequency	Time frame	Avg. Returns objective	Location on ICICIdirect.com
Pre-market view & Recommendation					
Opening Bell	Daily comprehensive snapshot containing information & in-depth analysis of Indian & US markets, major headlines, technical view, derivatives statistics, economic indicators, commodities, market indicators, domestic & global events.	Pre-market open – Daily	1 Day	-	Market Page, Trading Page- Scroller & iCLICK-2-GAIN
Daily Calls	Features four stocks & Nifty view with a trading outlook for the day based on short-term technical trends considering key technical indicators & statistical information.	Pre-market open – Daily	1 Day	2-3 %	Research page-We Recommend, Trading Page
Daily Derivative	Trading strategy for a day in the futures & options segment based on news events, market trends, technical & other factors governing movements in stocks.	Pre-market open – Daily	1 Day	2-3 %	Research page-We Recommend, Trading Page
Intraday Recommendation					
BTST Calls	Based on short-term technical trends and stock specific news/news expectations.	Daily	1 – 2 Days	1 - 2%	Trading Page - iCLICK-2-GAIN
Margin Calls	Based on short-term technical trends and stock specific news/news expectations.	Daily	1 Days	1 - 2%	Trading Page - iCLICK-2-GAIN
Derivative Calls	Based on short-term technical trends and stock specific news/news expectations.	Daily	1 – 2 Days	1 - 2%	Trading Page - iCLICK-2-GAIN
Derivative Strategies	Provides simplified derivative strategies such as spreads and covered calls				iClick-2-Gain
Weekly & Monthly recommendations					
Weekly Calls	Technical trends for a week considering key technical indicators & statistical information	Weekly	1-7 days	5%	Research page-We Recommend, Trading Page, iCLICK-2-GAIN & iClick-2-Invest
Weekly Technicals	Features stocks with a trading outlook for a week based on short-term technical trends considering key technical indicators & statistical information.	Weekly	1-7 days	4 – 5%	Research page-We Recommend, Trading Page
Weekly Derivatives	Trading opportunities in futures & options segment based on data analysis, overall market trend, volatility & open interest positions of securities.	Weekly	1-7 days	4 – 5%	Research page-We Recommend, Trading Page
Market Trends	Nifty outlook for the month based on F&O data, FI activity, Heavyweights OI analysis along with statistical inputs.	Monthly	30 days	-	Trading Page
Global Derivatives	Derivatives outlook on global equity indices, currencies and commodities. Also, elaborating the likely impact on the Indian bourses.	Monthly	30 days	-	Trading Page
Monthly Technical's	Trading outlook for a month based on medium-term technical trends considering key technical indicators & statistical information.	Monthly	30 days	10%	Research page-We Recommend, Trading Page, iClick-2-Invest
Medium & Long term recommendations					
Tecno Funda Pick/Technical Deliver Call	On basis of Technical and Fundamental whenever opportunity occurs we give these calls	Not regularly recommended	3 months	20%	Trading Page, iCLICK-2-GAIN & iClick-2-Invest
Positional Derivatives	Identifying Out-performers/Under-performers vis a vis index along with positional recommendation on Stocks/Nifty.	Fortnightly			Trading Page, iCLICK-2-GAIN
Stocks on the move	Covers stocks, which are likely to show significant upward movement in the next 15 days due to change in trader sentiment.	Monthly	3 months	15 – 20%	Research page-We Recommend, Trading Page, Scroller, iCLICK-2-GAIN
Detailed Company Report	Fundamental report understanding the business model and future prospects of the company & valuations.	When published	> 1 year	> 20% & above	Research page-We Recommend, Trading Page, iCLICK-2-GAIN & iClick-2-Invest
Equity Model Portfolio	A portfolio based on your risk appetite: large cap, midcap and diversified				Research page-We Recommend, iClick-2-Gain
High Dividend Yield Stocks	Features high dividend yielding stocks for assured returns on investment	Quarterly			Research page-We Recommend, iClick-2-Gain



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