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THURSDAY, DECEMBER 29, 2016




SENSEX
26,210.68
2.76




NIFTY
8,034.85
2




DOLLAR
Rs68.24
Rs0.18



EURO
Rs71.07
Rs0.03



GOLD
Rs27,532
Rs30




OIL
\$56.44
\$0.35

The note ban effect on ATMs

A majority of the ATMs in India are in a predominantly defunct state, more than six weeks after the demonetization announcement. In spite of the recalibration of nearly all the machines in the country, the value of currency being routed through the ATM network is fairly low, with the new Rs500 currency notes being filled into ATMs at a negligible level. Over these days, some regional variations were observed, with the central and east zones faring better than the north and south. CMS Infosystems manages approximately 55,000 of the 220,000 ATMs across India. Of the total number of ATMs, 60% are outsourced by banks and tend to be mostly off-site. On a regular day, CMS visits close to 30,000 ATMs for replenishment across 92% of the districts in India. Since demonetization, the number of ATMs CMS visits daily has not crossed 13,000, and is sometimes as low as 11,000. This depends on cash availability on a day-to-day basis.

Replenishment pre- and post-demonetization

Value of currency replenished per day from 1 Nov to 20 Dec. Day 0 is 8 Nov. The average value of currency loaded was Rs582.8 crore from 1 to 8 Nov. This dropped 71% to Rs455 crore from 9 Nov to 20 Dec.



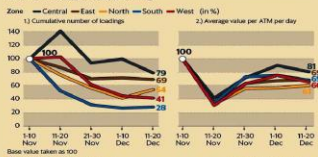
Frequency of ATM loading

Chart 1 shows that the number of ATMs not been replenished even once shot up from 7% to 50% till the first week of December, then dropping to 46%. Chart 2 shows that private sector banks are focusing on replenishing lower ATMs, while white-label ATMs (WLA) are simply not getting enough cash.

1) Overall		2) Bank-wise split	
PSU banks (01-20 Dec)	7	PSU banks (01-20 Dec)	50
PSU banks (01-10 Nov)	14	PSU banks (01-10 Nov)	71
Prvt. banks (01-20 Dec)	10	Prvt. banks (01-20 Dec)	34
Prvt. banks (01-10 Nov)	10	Prvt. banks (01-10 Nov)	54
Foreign banks (01-20 Dec)	11	Foreign banks (01-20 Dec)	18
Foreign banks (01-10 Nov)	10	Foreign banks (01-10 Nov)	27
WLA (01-20 Dec)	16	WLA (01-20 Dec)	84
WLA (01-10 Nov)	12	WLA (01-10 Nov)	84

Regional split

Chart 1 shows that the number of loadings in each region has fallen, with the south zone faring the worst. Chart 2 shows that the central zone leads the pack in terms of average value per loading.



QUICK EDIT

Uncertain year

Investors in the Indian equity market will end the year with disappointment as benchmark indices are almost flat on a year-to-date basis. This, after the markets delivered negative returns in 2015.

The weakness in the market was compounded in recent months by capital outflows because of the changing global financial outlook and the currency exchange programme of the government which is likely to affect corporate earnings in the short to medium term.


These uncertainties will be carried forward into the new year. Among other things, the stock market will track how the policy shapes up under the new president in the US and its likely impact on global capital flows. The December-quarter results and the accompanying management commentary will also be closely followed to gauge the actual impact of the currency swap on earnings.

Meanwhile, markets would look forward to the budget for policy support amid rising uncertainty in the global environment.


QUOTE OF THE DAY

Samajwadi Party is not forming an alliance with anyone.

MULAYAM SINGH YADAV
SAMAJWADI PARTY CHIEF, ANNOUNCING CANDIDATES FOR 325 OF THE 403 UTTAR PRADESH ASSEMBLY SEATS




WHAT TO WATCH FOR TODAY





AIADMK general council to meet in Chennai


Left Democratic Front to form human chain in Kerala to protest against demonetization

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