

RELIANCE

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# Markets for You

11 Dec 2017

Indices Performance

Global Indices	08-Dec	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	24,329	24,211	118	0.49
Nasdaq	6,840	6,813	27	0.40
FTSE	7,394	7,321	73	1.00
Nikkei	22,811	22,498	313	1.39
Hang Seng	28,640	28,303	337	1.19
Indian Indices	08-Dec	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	33,250	32,949	301	0.91
Nifty 50	10,266	10,167	99	0.97
Nifty 100	10,698	10,595	104	0.98
Nifty Bank	25,321	25,057	264	1.05
SGX Nifty	10,297	10,187	110	1.07
S&P BSE Power	2,295	2,282	12	0.54
S&P BSE Small Cap	18,212	18,031	181	1.00
S&P BSE HC	14,023	13,837	187	1.35

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
8-Dec	24.57	1.17	26.26	1.11
Month Ago	24.31	1.18	26.37	1.08
Year Ago	20.87	1.46	21.83	1.34

Nifty 50 Top 3 Gainers

Company	08-Dec	Prev_Day	% Change <sup>#</sup>
HPCL	428	413	3.83
ITC	262	253	3.49
Indian Oil	405	392	3.41

Nifty 50 Top 3 Losers

Company	08-Dec	Prev_Day	% Change <sup>#</sup>
Bharti Infratel	374	382	-2.26
GAIL	483	493	-2.04
Zee Entertainment	563	573	-1.74

Advance Decline Ratio

	BSE	NSE
Advances	1584	1069
Declines	1116	692
Unchanged	149	64

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-963	53047
MF Flows**	300	109030

\*8<sup>th</sup> Dec 2017; \*\*27<sup>th</sup> Nov 2017

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	3.59% (Oct-17)	1.88% (Jul-17)	1.27% (Oct-16)
IIP	3.80% (Sep-17)	-0.30% (Jun-17)	5.00% (Sep-16)
GDP	6.30% (Sep-17)	5.70% (Jun-17)	7.50% (Sep-16)

Since May-17, MOSPI has revised base year of IIP & WPI from 2004-05 to 2011-12, and for CPI from 2010 to 2012

Global Indices

- Most of the Asian markets moved up on upbeat Chinese trade data in Nov 2017 and upward revised Japanese GDP data for Jul-Sep quarter. Investors also became optimistic after the U.S. Congress passed a stopgap spending bill to keep the government funding until Dec 22. Today (As of Dec 11), Asian markets opened mixed. Positive lead from U.S. market in the last session boosted the indices. However, tech stocks posted mixed performance. Nikkei was down 0.01% and Hang Seng grew 0.49%, respectively (as at 8.a.m. IST).
- As per the last close, European market ended higher after U.K. reached a divorce deal with the EU, thereby setting stage to proceed to the second phase of negotiations. Also, reports that global financial regulators agreed on the new banking regulations in Frankfurt boosted the indices.
- As per the last close, U.S. markets ended higher amid upbeat jobs data for Nov 2017. Also, reports that both the House and the Senate passed a stopgap spending bill to avoid a government shutdown boosted the indices. However weak wage growth for Nov capped the gains.

Indian Equity Market

- Indian equity markets closed in the green amid optimism that the ruling party may win the critical state elections in Gujarat, scheduled during the weekend. Positive cues from the Asian markets also buoyed investor sentiment after official data showed that Chinese exports grew at a faster-than-expected pace in Nov 2017 and Japan's gross domestic product growth for Sep quarter of 2017 was revised up from previous estimates.
- Key benchmark indices S&P BSE Sensex and Nifty 50 went up 0.91% and 0.97% to close at 33,250.30 and 10,265.65, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap rose 0.89% and 1.00%, respectively.
- On the BSE sectoral front, all the indices closed in the green. S&P BSE FMCG was the top gainer, up 2.23%, followed by S&P BSE Metal and S&P BSE Healthcare, which went up 1.36% and 1.35%, respectively. S&P BSE Basic Materials and S&P BSE Consumer Durables rose 1.33% and 1.15%, respectively.

Domestic News

- The government is considering permitting registration of Bharat Stage-IV vehicles beyond the deadline of Apr 1, 2020. However, production of BS-IV vehicles would not be allowed from Apr 1, 2020, as per the draft rules published by the Ministry of Road, Transport & Highways. Such vehicles produced before the deadline could be registered until Jun 30, 2020.
- The government is planning to bring in penalty mechanism for load-shedding by electricity distribution companies (discoms) even when there are no technical faults. This comes amid ensuring that states can supply electricity 24x7 by Mar 2019. The power minister announced that electricity regulators would decide the quantum of penalty to be charged to discoms in these cases.
- The Central Board of Direct Taxes (CBDT) has extended the date to link Aadhaar to Permanent Account Number (PAN) to Mar 31, 2018, from the previous deadline of Dec 31, 2017. The government has made it mandatory to link bank account and PAN with Aadhaar to weed out black money.
- According to a report on taxation in the digital economy, Employee Stock Option Plans (ESOP) should be taxed only when the benefits are realised by an employee. Companies offer stocks to their employees by way of ESOPs. As per the report, currently, at the time of such exercise of options and grant of shares, the difference between the 'Fair Market Value' of the shares and the exercise price paid is taxed in the hands of the employee. Meanwhile, the employer is subject to withholding tax obligations on the same.
- ITC Infotech is looking to acquire companies in the automation field, to become a futuristic software firm, and has set a budget ranging from \$25 million to \$50 million for this purpose.
- Tata Motors has posted increase in total global sales by 22% to 1,12,473 units in Nov 2017. In the passenger vehicles segment, total sales grew 10% to 71,628 units in Nov.

FII Derivative Trade Statistics		08-Dec	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1851.02	2765.24	16341.09
Index Options	80002.79	80107.39	89401.76
Stock Futures	7151.89	7493.96	69918.97
Stock Options	5100.93	5042.16	3858.90
Total	94106.63	95408.75	179520.72

Derivative Statistics- Nifty Options			
	08-Dec	Prev_Day	Change
Put Call Ratio (OI)	1.26	1.17	0.09
Put Call Ratio(Vol)	0.93	0.84	0.09

Debt Watch				
	08-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.90%	5.89%	5.91%	6.28%
CBLO	5.13%	5.84%	5.97%	6.33%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.11%	6.12%	6.10%	6.21%
364 Day T-Bill	6.22%	6.23%	6.22%	6.00%
10 Year Gilt	7.09%	7.06%	6.94%	6.40%
G-Sec Vol. (Rs.Cr)	37214	48027	31597	83157
1 Month CP Rate	6.66%	6.58%	6.53%	6.54%
3 Month CP Rate	6.81%	6.80%	6.74%	6.71%
5 Year Corp Bond	7.44%	7.44%	7.25%	7.16%
1 Month CD Rate	6.19%	6.05%	6.07%	6.45%
3 Month CD Rate	6.23%	6.25%	6.21%	6.34%
1 Year CD Rate	6.68%	6.61%	6.55%	6.61%

Currency Market			
Currency	08-Dec	Prev_Day	Change
USD/INR	64.46	64.54	-0.07
GBP/INR	87.04	86.31	0.73
EURO/INR	75.80	76.08	-0.29
JPY/INR	0.57	0.57	0.00

Commodity Prices				
Commodity	08-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	57.10	58.30	56.77	50.79
Brent Crude(\$/bl)	64.32	65.36	64.65	51.14
Gold( \$/oz)	1248	1280	1281	1170
Gold(Rs./10 gm)	28492	29176	29382	28131

Source: ICRON Research

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**Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.**

#### Derivatives Market

- Nifty Dec 2017 Futures were at 10,291.65, a premium of 26.00 points above the spot closing of 10,265.65. The turnover on NSE's Futures and Options segment went down from Rs. 11,62,965.13 crore on Dec 7 to Rs. 3,71,532.10 crore on Dec 8.
- The Put-Call ratio remained unchanged from the previous session's close at 0.80.
- The Nifty Put-Call ratio stood at 1.26 against the previous session's close of 1.17.
- Open interest on Nifty Futures stood at 21.67 million as against the previous session's close of 21.09 million.

#### Indian Debt Market

- Bond yields rose following lower than expected cut-off price in the auctions. Investors are also cautious ahead of U.S. non-farm payrolls data to be released on Dec 8.
- Yield on the 10-year benchmark paper (6.79% GS 2027) rose 4 bps to close at 7.09% from the previous close of 7.05%. During the session, bond yields traded in the range of 7.07% and 7.11%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 12,667 crore (gross) on Dec 8 compared with borrowings of Rs. 2,795 crore on Dec 7. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 29,019 crore on Dec 7.
- Banks did not borrow under the central bank's Marginal Standing Facility on Dec 6 and Dec 7.

#### Currency Market Update

- The Indian rupee witnessed its biggest single session gain in nearly two weeks against the greenback following strength in the domestic equity market. However, market participants remained on the sidelines ahead of the U.S. non-farm payroll data for Nov 2017 due later in the day. The rupee rose 0.19% to close at 64.45 from the previous close of 64.57.
- Euro weakened against the greenback after U.S. non-farm payroll data for Nov 2017 came better than market expectations. Euro was trading at \$1.1756, down 0.13% compared with the previous close of \$1.1771.

#### Commodity Market Update

- Gold prices moved up ahead of the U.S. non-farm payroll data. Improved Chinese trade data also helped sentiment.
- Brent crude prices gained on stronger Chinese trade data, which indicated that China's crude oil imports rose to 37.04 million tonnes in Nov 2017.

#### International News

- A report from the Labor Department showed that U.S non-farm payroll employment grew by 228,000 jobs in Nov 2017 as against a surge of downwardly revised 244,000 (261,000 jobs originally reported) in Oct 2017. The unemployment rate came in at 4.1% in Nov unchanged from Oct.
- A report from the Federal Reserve showed that consumer credit grew more than market expectations in Oct 2017. It grew by \$20.5 billion in Oct as against a downwardly revised increase by \$19.2 billion (\$20.8 billion originally reported) in Sep 2017. Non-revolving credit surged by \$12.2 billion and revolving credit grew by \$8.3 billion in Oct. Consumer credit grew by an annual rate of 6.5% in Oct as revolving credit grew 9.9% and non-revolving credit grew 5.3%.

Thank you for  
your time.