

**RELIANCE**

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FUND

# Markets for You

12 Dec 2017

Indices Performance

Global Indices	11-Dec	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	24,386	24,329	57	0.23
Nasdaq	6,875	6,840	35	0.51
FTSE	7,453	7,394	60	0.80
Nikkei	22,939	22,811	128	0.56
Hang Seng	28,965	28,640	325	1.14
Indian Indices	11-Dec	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	33,456	33,250	205	0.62
Nifty 50	10,322	10,266	57	0.55
Nifty 100	10,753	10,698	55	0.51
Nifty Bank	25,405	25,321	84	0.33
SGX Nifty	10,338	10,297	42	0.40
S&P BSE Power	2,303	2,295	8	0.37
S&P BSE Small Cap	18,252	18,212	40	0.22
S&P BSE HC	14,120	14,023	97	0.69

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
11-Dec	24.73	1.16	26.43	1.10
Month Ago	24.45	1.17	26.35	1.08
Year Ago	20.82	1.46	21.87	1.34

Nifty 50 Top 3 Gainers

Company	11-Dec	Prev_Day	% Change <sup>#</sup>
Aurobindo Pharma	691	673	2.73
United Phos	746	728	2.40
Wipro	289	283	2.30

Nifty 50 Top 3 Losers

Company	11-Dec	Prev_Day	% Change <sup>#</sup>
Bharti Infratel	368	374	-1.51
NTPC	178	180	-1.14
Asian Paints	1126	1136	-0.85

Advance Decline Ratio

	BSE	NSE
Advances	1411	923
Declines	1294	847
Unchanged	176	58

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	44	53091
MF Flows**	300	109030

\*11<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

- Asian markets mostly gained on stronger than expected U.S. job growth in Nov, and further development on Brexit. However, the upside was limited ahead of the key policy meetings of the U.S. Federal Reserve, Bank of England, and the European Central Bank. Today (As of Dec 12), Asian markets opened mixed. Firm lead from U.S. market in the last session boosted the indices. However, losses in retailer and energy-related stocks capped the gains. Nikkei was up 0.02% and Hang seng fell 0.09%, respectively (as at 8.a.m. IST)
- As per the last close, European market ended slightly lower as investors remained cautious ahead of number of central bank meetings this week. However, losses were capped as weakening British pound boosted shares of exporters.
- As per the last close, U.S. markets ended almost higher amid higher energy prices and continued impact of upbeat jobs data for Nov 2017 released on Dec 8. However, investors remained cautious ahead of U.S. Federal Reserve's monetary policy announcement on Dec 13.

Indian Equity Market

- Indian equity markets closed on a positive note for the third consecutive session ahead of the industrial production and inflation data scheduled during the week. Positive cues from the other regional peers on the back of stronger jobs data from the U.S. and optimism that the ruling party may win the state elections in Gujarat further supported the gains. Meanwhile, the provisional figures of direct tax collections indicated that the net tax collections stood 14.4% higher during Apr-Nov 2017 compared with the corresponding period of last year.
- Key benchmark indices S&P BSE Sensex and Nifty 50 went up 0.62% and 0.55% to close at 33,455.79 and 10,322.25, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap rose 0.36% and 0.22%, respectively.
- The market breadth on BSE was positive with 1,411 scrips advancing and 1,294 scrips declining. A total of 176 scrips remained unchanged.
- On the BSE sectoral front, all the indices closed in the green barring S&P BSE Oil & Gas (-0.23%), S&P BSE Energy (-0.19%) and S&P BSE Realty (-0.13%). Meanwhile, S&P BSE IT (1.00%) stood as the major gainer followed by S&P BSE TECK (0.88%) and S&P BSE Healthcare (0.69%).

Domestic News

- Data from Securities and Exchange Board of India (SEBI) showed that domestic companies raised Rs. 50,855 crore through private placement of debt securities in Nov 2017. This corresponds to growth of 31.6% compared with the same period of the previous year. In terms of volume, 145 issues were made in Nov 2017 compared with 221 in same period of the previous year. With the latest mobilisation, the total fund raised through private placement of debt securities stood at Rs. 4.2 lakh crore. In the previous fiscal, domestic companies raised Rs. 6.4 lakh crore through private placement of bonds. Through private placement of bonds, firms issue securities or bonds to institutional investors to raise capital.
- Data from Society of Indian Automobile Manufacturers (SIAM) showed that sales of domestic passenger vehicles grew 14.29% to 2,75,417 units in Nov 2017 from 2,40,983 units in the same month of the previous year. Domestic car grew 4.49% to 1,81,395 units as against 1,73,607 units in Nov 2016. Sales of motorcycles grew 23.25% to 9,59,122 units as against 7,78,173 units in the same period of the previous year. Sales of two-wheeler vehicles grew 23.49% to 15,35,277 units compared to 12,43,246 units in Nov 2016. Sales of commercial vehicles grew 50.43% to 68,846 units in Nov 2017. Sales of vehicles across the categories witnessed a rise of 24.05% to 19,39,671 units from 15,63,658 units in Nov 2016.
- According to media reports, capital market regulator SEBI may soon announce new surveillance mechanism for stock exchanges. The objective of the move is to tighten scrutiny of derivative trades and high liquid stocks.
- Data from the Petroleum Planning and Analysis Cell (PPAC) of the oil ministry showed that fuel demand grew 6.2% in Nov 2017. Fuel consumption stood at 17.4 million tonnes (mt) in Nov 2017 as against 16.4 mt in the same period of the previous year.

FII Derivative Trade Statistics		11-Dec	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2325.92	3070.87	16879.85
Index Options	38468.91	36274.84	92304.21
Stock Futures	7941.39	7722.28	71439.32
Stock Options	6040.74	6073.85	4240.78
Total	54776.96	53141.84	184864.16

Derivative Statistics- Nifty Options			
	11-Dec	Prev_Day	Change
Put Call Ratio (OI)	1.30	1.26	0.04
Put Call Ratio(Vol)	0.86	0.93	-0.07

Debt Watch				
	11-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.86%	5.83%	5.88%	6.19%
CBLO	5.90%	5.72%	5.11%	5.57%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.06%	6.12%	6.10%	6.20%
364 Day T-Bill	6.25%	6.19%	6.24%	5.96%
10 Year Gilt	7.17%	7.08%	6.96%	6.44%
G-Sec Vol. (Rs.Cr)	40196	29146	43728	73893
1 Month CP Rate	6.66%	6.56%	6.51%	6.66%
3 Month CP Rate	6.81%	6.81%	6.74%	6.68%
5 Year Corp Bond	7.49%	7.46%	7.25%	7.20%
1 Month CD Rate	6.18%	6.07%	6.06%	6.39%
3 Month CD Rate	6.24%	6.25%	6.19%	6.33%
1 Year CD Rate	6.72%	6.63%	6.60%	6.61%

Currency Market			
Currency	11-Dec	Prev_Day	Change
USD/INR	64.36	64.46	-0.10
GBP/INR	86.33	87.04	-0.71
EURO/INR	75.81	75.80	0.01
JPY/INR	0.57	0.57	0.00

Commodity Prices				
Commodity	11-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	57.79	57.43	56.70	51.46
Brent Crude(\$/bl)	66.16	64.24	64.84	51.73
Gold( \$/oz)	1242	1276	1276	1158
Gold(Rs./10 gm)	28535	29086	29501	28070

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 10346.4, a premium of 24.15 points above the spot closing of 10,322.25. The turnover on NSE's Futures and Options segment went down from Rs. 3,71,532.10 crore on Dec 8 to Rs. 3,33,055.76 crore on Dec 11.
- The Put-Call ratio stood at 0.87 against the previous close at 0.80.
- The Nifty Put-Call ratio stood at 1.30 against the previous close of 1.26.
- India VIX moved up 3.47% to 14.1475 from 13.6725 in the previous trading session.
- Open interest on Nifty Futures stood at 22.00 million as against the previous session's close of 21.67 million.

#### Indian Debt Market

- Bond yields surged as market participants sold debt securities on concerns that retail inflation may increase sharply in Nov 2017 due to rise in food and oil prices. Retail inflation print for Nov 2017 is due Dec 12, 2017. Market participants also remained on the sidelines ahead of the outcome of U.S. Federal Reserve's monetary policy review due on Dec 13.
- Yield on the 10-year benchmark paper (6.79% GS 2027) surged 8 bps to close at 7.17% from the previous close of 7.09%. During the session, bond yields traded in the range of 7.08% and 7.18%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 7,430 crore (gross) on Dec 11 compared with borrowings of Rs. 12,667 crore on Dec 8. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 18,276 crore on Dec 8.

#### Currency Market Update

- The Indian rupee rose against the greenback following gains in the domestic equity market. However, dollar purchases by state-run banks, most likely on behalf of the central bank capped the gains. The rupee rose 0.13% to close at 64.36 from the previous close of 64.45.
- Euro strengthened against the greenback on reports of an explosion in midtown Manhattan. Downbeat U.S. wages data for Nov 2017 further weighed on the greenback. Euro was trading at \$1.1792, up 0.24% compared with the previous close of \$1.1764.

#### Commodity Market Update

- Gold prices inched up ahead of the Federal Open Market Committee (FOMC) meeting during the week.
- Brent crude prices moved up marginally due to production cuts by the OPEC and non-OPEC producers.

#### International News

- Data from the U.S. Commerce Department showed that wholesale inventories in the U.S. fell 0.5% in Oct 2017, more than market expectations of a fall of 0.1% after inching up by a downwardly revised 0.1% (0.3% increase originally reported) in Sep 2017. The bigger than expected fall can be attributed to a steep drop in inventories of non-durable goods, which fell 1.3% during the same month.
- Data from the People's Bank of China showed that China's bank lending increased in Nov 2017. New yuan loans totaled CNY 1.12 trillion, much bigger than the expected level of CNY 800 billion and CNY 663.2 billion in Oct 2017.

Thank you for  
your time.