

RELIANCE

MUTUAL
FUND

Markets for You

13 Dec 2017

Indices Performance

Global Indices	12-Dec	Prev_Day	Abs. Change	% Change [#]
Dow Jones	24,505	24,386	119	0.49
Nasdaq	6,862	6,875	-13	-0.19
FTSE	7,500	7,453	47	0.63
Nikkei	22,866	22,939	-73	-0.32
Hang Seng	28,794	28,965	-171	-0.59
Indian Indices	12-Dec	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	33,228	33,456	-228	-0.68
Nifty 50	10,240	10,322	-82	-0.80
Nifty 100	10,664	10,753	-89	-0.83
Nifty Bank	25,125	25,405	-279	-1.10
SGX Nifty	10,259	10,338	-80	-0.77
S&P BSE Power	2,274	2,303	-29	-1.24
S&P BSE Small Cap	18,128	18,252	-124	-0.68
S&P BSE HC	14,031	14,120	-89	-0.63

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
12-Dec	24.52	1.17	26.22	1.11
Month Ago	24.45	1.17	26.35	1.08
Year Ago	20.63	1.48	21.45	1.35

Nifty 50 Top 3 Gainers

Company	12-Dec	Prev_Day	% Change [#]
Dr.Reddy	2256	2193	2.89
Adani Ports & SEZ	403	392	2.74
ONGC	183	179	2.46

Nifty 50 Top 3 Losers

Company	12-Dec	Prev_Day	% Change [#]
HPCL	415	433	-4.07
Bharti Infratel	355	368	-3.44
BPCL	499	514	-2.97

Advance Decline Ratio

	BSE	NSE
Advances	947	558
Declines	1742	1206
Unchanged	140	64

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-136	52955
MF Flows**	864	113466

*12th Dec 2017; **8th Dec 2017

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	3.59% (Oct-17)	1.88% (Jul-17)	1.27% (Oct-16)
IIP	2.20% (Oct-17)	1.00% (Jul-17)	4.20% (Oct-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

- Majority of the Asian markets closed in the red as investors awaited outcome of key central banks' meetings, across the globe. Market participants are also looking ahead to the outcome of a major annual Chinese economic planning conference in Beijing that will set policy priorities for the next 12 months. Today (As of Dec 13), Asian markets opened lower as investors were cautious ahead of U.S. Federal Reserve monetary policy meeting due tomorrow. Both Nikkei and Hang Seng was trading down 0.21% and 0.09%, respectively (as at 8.a.m. IST).
- As per the last close, European market ended higher following monetary policy reviews by central banks this week. Increase in crude oil prices also boosted market sentiments.
- As per the last close, U.S markets ended mixed. Growing optimism that Republican lawmakers would be able to revamp the corporate tax system boosted market sentiments. However, investors are reluctant to make any significant moves ahead of monetary policy announcement by the U.S. Federal Reserve on Dec 14.

Indian Equity Market

- Indian equity markets closed in the red ahead of the retail inflation data for Nov 2017 and Index of Industrial Production data for Oct 2017, scheduled post market hours. The recent strength in the global crude oil prices stoked concerns over inflation outlook, which in turn may impact the Reserve Bank of India's stance on future rate hike. Weak cues from the Asian markets further weighed on investor sentiment.
- Meanwhile, in response to Securities and Exchange Board of India's guidelines on categorisation and rationalisation of mutual fund schemes, the Asia Index has launched five indices to measure the performance of the large-cap, mid-cap and small-cap companies.
- Key benchmark indices S&P BSE Sensex and Nifty 50 slipped 0.68% and 0.80% to close at 33,227.99 and 10,240.15, respectively. Moreover, S&P BSE Mid-Cap and S&P BSE Small-Cap slipped 1.01% and 0.68%, respectively.
- On the BSE sectoral front, all the major indices closed in the red. S&P BSE Telecom was the major loser, down 2.12%, followed by S&P BSE Realty and S&P BSE Power, which slipped 1.62% and 1.24%, respectively. S&P BSE FMCG and S&P BSE Bankex fell 1.03% and 1.02%, respectively.

Domestic News

- The United Nations (U.N.) projected the growth of the Indian economy to accelerate from 6.7% in 2017 to 7.2% in 2018 and 7.4% in 2019. U.N. maintained a positive outlook for the Indian economy which it attributed to ongoing structural reforms, robust private consumption and public investment. However, U.N. noted some degree of uncertainty over the monetary policy stance in India even though it added that a good monsoon season and subdued domestic inflationary pressures may create possibility for further easing of monetary policy. On a separate note, U.N. expressed concerns regarding subdued credit growth, low capacity utilization in some industrial sectors and balance sheet problems associated with the banking and corporate sectors.
- Government data showed that the growth of Consumer Price Index (CPI) based inflation or retail inflation surged to a 15-month high of 4.88% in Nov 2017 from 3.58% in the previous month and 3.63% in the same period of the previous year. Retail inflation growth thus surpassed the Reserve Bank of India's (RBI) medium-term target of 4% for retail inflation. The Consumer Food Price Index also grew 4.42% in Nov 2017 from 1.90% in the previous month and 2.03% in the same period of the previous year.
- Government data showed that the growth of India's Index of Industrial Production (IIP) slowed to 2.2% in Oct 2017 from an upwardly revised 4.1% (3.8% originally reported) in Sep 17 and 4.2% in the same period of the previous year. The manufacturing sector also slowed to 2.5% in Nov 2017 from 4.8% in the same period of the previous year. IIP growth for the period from Apr to Oct 2017 also slowed to 2.5% from 5.5% in the same period of the previous fiscal.
- According to media reports, Reliance Industries is considering an initial public offering in late 2018 or early 2019 for its telecom arm Jio after \$31 billion of investments.

FII Derivative Trade Statistics		12-Dec	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1447.45	1337.54	16377.85
Index Options	33427.12	32689.81	92752.01
Stock Futures	6987.95	6933.84	72671.81
Stock Options	5008.73	4997.91	4461.74
Total	46871.25	45959.10	186263.41

Derivative Statistics- Nifty Options			
	12-Dec	Prev_Day	Change
Put Call Ratio (OI)	1.26	1.30	-0.03
Put Call Ratio(Vol)	0.98	0.86	0.12

Debt Watch				
	12-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.82%	5.82%	5.88%	6.19%
CBLO	5.94%	5.76%	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	6.13%	6.11%	6.10%	6.20%
364 Day T-Bill	6.24%	6.23%	6.24%	5.96%
10 Year Gilt	7.19%	7.06%	6.96%	6.44%
G-Sec Vol. (Rs.Cr)	42456	30226	43728	73893
1 Month CP Rate	6.69%	6.60%	6.51%	6.66%
3 Month CP Rate	6.82%	6.83%	6.74%	6.68%
5 Year Corp Bond	7.48%	7.46%	7.25%	7.20%
1 Month CD Rate	6.19%	6.17%	6.06%	6.39%
3 Month CD Rate	6.25%	6.23%	6.19%	6.33%
1 Year CD Rate	6.72%	6.63%	6.60%	6.61%

Currency Market			
Currency	12-Dec	Prev_Day	Change
USD/INR	64.48	64.36	0.12
GBP/INR	86.05	86.33	-0.28
EURO/INR	75.93	75.81	0.12
JPY/INR	0.57	0.57	0.00

Commodity Prices				
Commodity	12-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	57.07	57.61	56.70	52.69
Brent Crude(\$/bl)	65.65	64.24	64.84	53.53
Gold(\$/oz)	1243	1266	1276	1162
Gold(Rs./10 gm)	28443	29068	29501	28070

Source: ICRON Research

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Derivatives Market

- Nifty Dec 2017 Futures were at 10,264.5, a premium of 24.35 points above the spot closing of 10,240.15. The turnover on NSE's Futures and Options segment went up from Rs. 3,33,055.76 crore on Dec 11 to Rs. 4,53,633.00 crore on Dec 12.
- The Put-Call ratio stood at 0.85 against the previous session's close at 0.87.
- The Nifty Put-Call ratio stood at 1.26 against the previous session's close of 1.30.
- Open interest on Nifty Futures stood at 22.20 million as against the previous session's close of 22.00 million.

Indian Debt Market

- Bond yields rose for the fourth consecutive trading session as increase in global crude oil prices weighed on market sentiment. Worries of a spike in retail inflation in Nov 2017 also added to the losses.
- Yield on the 10-year benchmark paper (6.79% GS 2027) rose 2 bps to close at 7.19% from the previous close of 7.17%, its highest level since Aug 3, 2016.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,615 crore (gross) on Dec 12 compared with borrowings of Rs. 7,430 crore on Dec 11. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 8,948 crore on Dec 11.
- Banks borrowed Rs. 300 crore under the central bank's Marginal Standing Facility on Dec 11 compared with that of Dec 8 when it borrowed Rs. 1,180 crore.

Currency Market Update

- The Indian rupee inched down against the greenback following losses in the domestic equity market as increase in global crude oil prices weighed on the market sentiment. The rupee inched down 0.06% to close at 64.40 from the previous close of 64.36.
- Euro weakened against the greenback on growing concerns that the U.S. Federal Reserve will increase interest rates in its monetary policy review due on Dec 13. Euro was trading at \$1.1742, down 0.22% compared with the previous close of \$1.1768.

Commodity Market Update

- Gold prices remained steady ahead of U.S. Fed's policy review meeting scheduled on Dec 13, for further cues on the direction of U.S. interest rates.
- Brent crude prices surged after a shutdown in U.K.'s biggest North Sea oil pipeline raised chances of supply disruption.

International News

- Data from the U.S. Labour Department showed that producer price index for final demand in the U.S. climbed 0.4% in Nov 2017 matching the increases seen in the two previous months. Core producer price index grew 0.3% in Nov 2017 after growing 0.4% in Oct 2017.
- Results of a private survey showed that the ZEW Indicator of Economic Sentiment for Germany fell 1.3 points to 17.4 in Dec 2017. The indicator thus remained below its long-term average of 23.7 and the expected level of 17.6. However, the assessment of the current economic situation rose 0.5 points to 89.3 points in the same month and this was the highest level since Jul 2011.

Thank you for
your time.