

RELIANCE

MUTUAL
FUND

Markets for You

14 Dec 2017

Indices Performance

Global Indices	13-Dec	Prev_Day	Abs. Change	% Change [#]
Dow Jones	24,585	24,505	81	0.33
Nasdaq	6,876	6,862	13	0.20
FTSE	7,497	7,500	-4	-0.05
Nikkei	22,758	22,866	-108	-0.47
Hang Seng	29,222	28,794	428	1.49
Indian Indices	13-Dec	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	33,053	33,228	-175	-0.53
Nifty 50	10,193	10,240	-47	-0.46
Nifty 100	10,606	10,664	-58	-0.54
Nifty Bank	25,000	25,125	-125	-0.50
SGX Nifty	10,227	10,259	-32	-0.31
S&P BSE Power	2,256	2,274	-18	-0.80
S&P BSE Small Cap	17,982	18,128	-146	-0.81
S&P BSE HC	13,889	14,031	-141	-1.01

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
13-Dec	24.36	1.18	26.10	1.11
Month Ago	24.17	1.19	25.99	1.09
Year Ago	20.78	1.47	21.59	1.34

Nifty 50 Top 3 Gainers

Company	13-Dec	Prev_Day	% Change [#]
HPCL	423	415	2.02
Indian Oil	402	395	1.80
BPCL	506	499	1.47

Nifty 50 Top 3 Losers

Company	13-Dec	Prev_Day	% Change [#]
Vedanta	284	293	-3.27
Cipla	578	592	-2.28
Adani Ports & SEZ	394	403	-2.11

Advance Decline Ratio

	BSE	NSE
Advances	888	516
Declines	1792	1242
Unchanged	142	51

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	801	53755
MF Flows**	864	113466

*13th 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

- Asian markets closed higher ahead of U.S. Federal Reserve's latest policy meeting, scheduled later during the day. Moreover, reports that U.S. democrats may win the Alabama special elections too boosted stock prices in the Asian region. Today (As of Dec 13), Asian markets opened mixed. Investors sentiments were boosted after U.S. Federal Reserve raised interest rates by 25 bps. However, Japanese market was lower due to decline in automaker stocks. Nikkei was trading down 0.12% and Hang Seng was trading up 0.19% (as at 8.a.m. IST).
- As per the last close, European market ended lower as investors were cautious ahead of announcement of monetary policy review from the U.S. Federal Reserve who is widely expected to hike rate.
- As per the last close, U.S markets ended almost higher after U.S. Federal Reserve raised interest rates by 25 basis point. Investors also digested news of Congressional leaders reaching a tentative agreement on a tax overhaul plan.

Indian Equity Market

- Indian equity markets commenced the session on a weak note as investor sentiment dampened after official data showed that industrial production growth hit a 3-month low in Oct 2017 and retail inflation rose to a 15-month high in Nov 2017. The inflation data justified the Reserve Bank of India's stance of a status quo in its monetary policy review held earlier this month. Nonetheless, investors remained optimistic that the U.S. Republican lawmakers would be able to revamp the U.S. corporate tax system. This, in turn, helped the markets to inch higher towards mid-day.
- Markets soon retreated towards the end of the session, amid cautious stance ahead of the outcome of the U.S. Federal Reserve's latest policy meeting, scheduled later during the day.
- Key benchmark indices S&P BSE Sensex and Nifty 50 slipped 0.53% and 0.46% to close at 33,053.04 and 10,192.95, respectively. Meanwhile, S&P BSE Mid-Cap and S&P BSE Small-Cap slipped 0.84% and 0.81%, respectively.
- The overall market breadth on BSE was weak with 1,792 scrips declining and 888 scrips advancing. A total of 142 scrips remained unchanged.

Domestic News

- Data from the Reserve Bank of India (RBI) showed that India's Current Account Deficit (CAD) narrowed to \$7.2 billion (1.2% of GDP) in Q2 of FY18 from \$15.0 billion (2.5% of GDP) in the preceding quarter but was higher than \$3.4 billion (0.6% of GDP) in the same quarter of the previous fiscal. CAD widened on a yearly basis due to higher trade deficit driven by a larger increase in merchandise imports relative to exports. On a cumulative basis, India's CAD grew to 1.8% of GDP in the first half of 2017-18 from 0.4% in the first half of 2016-17, which can be attributed to the widening trade deficit. India's trade deficit increased to US\$74.8 billion in the first half of 2017-18 from US\$49.4 billion in the first half of 2016-17.
- The Asian Development Bank (ADB) has lowered India's GDP forecast for the current fiscal by 0.3% to 6.7%. The downgrade can be attributed to subdued growth in the first half, demonetisation and implementation of Goods and Services Tax. It has also lowered GDP of the next fiscal beginning from Mar 2018 to 7.3% from 7.4% due to increase in global crude oil prices and lower growth in private sector investment. ADB expects growth to rise further in the remaining two quarters of the fiscal which it attributed to bank recapitalisation and measures taken by the government to ease compliance with GST.
- The ministry of finance expects investment to the tune of \$13 billion (about Rs. 85,000 crore) in infrastructure through the National Investment and Infrastructure Fund. The economic affairs secretary in this regard added that the government is mulling coming out with more such innovative instruments to fund national level infrastructure.
- A major domestic credit rating agency forecasted shrimp exports from India to nearly double to \$7 billion by 2022 which it attributed to strong demand, high quality, improved product mix, and an increase in aquaculture area. According to media reports, India was the biggest exporter of shrimps followed by Vietnam.

FII Derivative Trade Statistics		13-Dec		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	1722.70	1457.20	17266.60	
Index Options	42118.89	41851.01	94214.12	
Stock Futures	7357.45	6975.56	72590.44	
Stock Options	5635.15	5595.28	4695.09	
Total	56834.19	55879.05	188766.25	

Derivative Statistics- Nifty Options			
	13-Dec	Prev_Day	Change
Put Call Ratio (OI)	1.26	1.26	-0.01
Put Call Ratio(Vol)	0.98	0.98	0.00

Debt Watch				
	13-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.82%	5.80%	5.91%	6.06%
CBLO	5.83%	5.77%	5.89%	5.63%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.14%	6.12%	6.09%	6.17%
364 Day T-Bill	6.28%	6.10%	6.24%	6.10%
10 Year Gilt	7.17%	7.03%	6.97%	6.42%
G-Sec Vol. (Rs.Cr)	47734	53249	31175	61921
1 Month CP Rate	6.71%	6.60%	6.51%	6.57%
3 Month CP Rate	6.84%	6.81%	6.74%	6.64%
5 Year Corp Bond	7.52%	7.44%	7.27%	7.17%
1 Month CD Rate	6.19%	6.18%	6.06%	6.31%
3 Month CD Rate	6.26%	6.24%	6.20%	6.29%
1 Year CD Rate	6.70%	6.65%	6.60%	6.56%

Currency Market			
Currency	13-Dec	Prev_Day	Change
USD/INR	64.45	64.48	-0.03
GBP/INR	85.94	86.05	-0.11
EURO/INR	75.78	75.93	-0.15
JPY/INR	0.57	0.57	0.00

Commodity Prices				
Commodity	13-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	56.54	55.77	56.72	52.94
Brent Crude(\$/bl)	64.40	62.71	63.43	52.67
Gold(\$/oz)	1255	1264	1278	1158
Gold(Rs./10 gm)	28411	28977	29514	27844

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 10,215.2, a premium of 22.25 points above the spot closing of 10,192.95. The turnover on NSE's Futures and Options segment went up from Rs. 4,53,633.00 crore on Dec 12 to Rs. 8,38,732.64 crore on Dec 13.
- The Put-Call ratio stood at 0.80 against the previous session's close at 0.85.
- The Nifty Put-Call ratio stood unchanged from the previous session's close at 1.26.
- India VIX moved up 4.47% to 15.9450 from 15.2625 in the previous trading session.
- Open interest on Nifty Futures stood at 22.34 million.

Indian Debt Market

- Bond yields fell after the Reserve Bank of India (RBI) announced to buy back bonds worth Rs. 20,000 crore in the coming week. However, inflationary concerns among the market participants capped the gains.
- Yield on the 10-year benchmark paper (6.79% GS 2027) fell 2 bps to close at 7.17% from the previous close of 7.19%. During the session, bond yields traded in the range of 7.16% and 7.25%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,115 crore (gross) on Dec 13 compared with borrowings of Rs. 3,615 crore on Dec 12. Sale of securities under RBI's reverse repo window stood at Rs. 20,506 crore on Dec 12.
- Banks did not borrow under the central bank's Marginal Standing Facility on Dec 12 compared with that of Dec 11 when it borrowed Rs. 300 crore.

Currency Market Update

- The Indian rupee fell against the U.S. dollar after retail inflation surged in Nov 2017 that dampened market sentiment. Concerns that the U.S. Federal Reserve (Fed) might hike interest rates in its monetary policy review due Dec 13 also hurt the rupee.
- Euro rose against the greenback after core consumer price index based inflation in the U.S. moderated in Nov 2017, which increased hopes that the U.S. Fed might not be able to execute multiple rate increases next year.

Commodity Market Update

- Gold prices inched down as investors remained wary ahead of the Federal Reserve's policy meeting.
- Brent crude prices moved down on mixed data from the American Petroleum Institute for the previous week

International News

- A report from the Office for National Statistics showed that U.K.'s ILO jobless rate was 4.3% in the three months to Oct 2017, thereby remaining unchanged from the three-month period ended Jul 2017. This marked the lowest rate since Mar to May 1975.
- A preliminary report from the Eurostat showed that euro zone's employment grew 0.4% in the third quarter from the previous quarter. The pace of growth remained steady compared with the previous quarter. Employment grew 1.7% YoY in the third quarter as against a 1.6% gain in the second quarter.



Thank you for
your time.