

RELIANCE

MUTUAL
FUND

Markets for You

18 Dec 2017

Indices Performance

Global Indices	15-Dec	Prev_Day	Abs. Change	% Change [#]
Dow Jones	24,652	24,509	143	0.58
Nasdaq	6,937	6,857	80	1.17
FTSE	7,491	7,448	42	0.57
Nikkei	22,553	22,694	-141	-0.62
Hang Seng	28,848	29,166	-318	-1.09
Indian Indices	15-Dec	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	33,463	33,247	216	0.65
Nifty 50	10,333	10,252	81	0.79
Nifty 100	10,744	10,658	85	0.80
Nifty Bank	25,440	25,168	272	1.08
SGX Nifty	10,382	10,362	20	0.19
S&P BSE Power	2,267	2,258	9	0.41
S&P BSE Small Cap	18,171	17,923	247	1.38
S&P BSE HC	14,036	13,978	58	0.42

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
15-Dec	24.80	1.16	26.46	1.10
Month Ago	24.12	1.19	25.72	1.10
Year Ago	20.63	1.48	21.41	1.35

Nifty 50 Top 3 Gainers

Company	15-Dec	Prev_Day	% Change [#]
Vedanta Limited	298	285	4.73
M&M	1483	1432	3.62
Coal India	271	263	3.10

Nifty 50 Top 3 Losers

Company	15-Dec	Prev_Day	% Change [#]
Tech Mahindra	501	514	-2.63
Cipla	576	590	-2.37
Bosch	19730	19880	-0.75

Advance Decline Ratio

	BSE	NSE
Advances	1615	1170
Declines	1038	576
Unchanged	164	61

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	465	54619
MF Flows**	864	113466

*15th Dec 2017; **8th Dec 2017

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	3.93% (Nov-17)	3.24% (Aug-17)	1.82% (Nov16)
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 in the red amid uncertainty about the outlook for the U.S. Republican tax reform plan after both the U.S. Republican senators indicated his opposition to the legislation currently being negotiated. Japanese markets closed lower despite Bank of Japan's quarterly Tankan survey showed an improvement in business confidence for the latest quarter up to Dec 14. Today (As of Dec 18), Asian markets opened higher following gains on the Wall Street overnight. Both Nikkei and Hang Seng were trading higher 1.00% and 0.48%, respectively (8 a.m. IST).
- As per the last close, European market closed on a mixed note after moving in a sideways trend. Retailers declined after downbeat Sep quarter results from couple of domestic majors. Bank stocks also fell due to concerns over U.S. tax reform.
- As per the last close, U.S market rose reflecting optimism about Republican lawmakers passing tax reform legislation.

Indian Equity Market

- Indian equity markets witnessed buying spree as investors cheered the exit poll survey results, which predicted that the ruling party is set to retain Gujarat and gain Himachal Pradesh from the main opposition party. However, the uptick was restricted amid concerns about the progress of U.S. tax reform.
- Key benchmark indices S&P BSE Sensex and Nifty 50 rose 0.65% and 0.79% to close at 33,462.97 and 10,333.25, respectively. Moreover, S&P BSE Mid-Cap and S&P BSE Small-Cap went up 1.00% and 1.38%, respectively.
- The overall market breadth on BSE was positive with 1,615 scrips advancing and 1,038 scrips declining. A total of 164 scrips remained unchanged.
- On the BSE sectoral front, barring S&P BSE Telecom, all the indices closed in the green. S&P BSE Metal was the major gainer, up 2.82% followed by S&P BSE Realty and S&P BSE Consumer Durables, which rose 1.96% and 1.66%, respectively. S&P BSE Basic Materials and S&P BSE Consumer Discretionary Goods & Services went up 1.48% and 1.43%, respectively.

Domestic News

- According to the finance minister, recapitalisation of public sector banks would help them to lend to medium and small enterprises. This sector is gradually moving to the formal economy. As per the minister, banks' lending capacity was previously limited due to a shortage of capital. Therefore, the government is trying to fix the banks so that they will no longer be averse to lending to small borrowers. The minister further stated that taxation for small firms under the Goods and Services Tax (GST) regime was favourable.
- The finance ministry has raised the customs duty on mobile phones, and other electronic devices such as televisions, mobile projectors and water heaters to boost the "Make in India" reform. The customs duty on mobile phones and televisions has been increased from 10% to 15%. Similarly, the duty on monitors and projectors has been doubled to 20%.
- The Winter Session of the Parliament has begun on Dec 15, where 25 pending bills and 14 new ones will be picked up for discussion. Financial Resolution and Deposit Insurance (FRDI) Bill, GST (Compensation to States) Amendment Ordinance, 2017, and The Insolvency and Bankruptcy Code (Amendment) Ordinance, 2017, are few of the important economy-related bills. This session of the Parliament will have 14 sittings and will end on Jan 5, 2018.
- Government data showed that India's trade deficit expanded marginally to \$13.83 billion in Nov 2017 from \$13.40 billion in the same period of the previous year. However, trade deficit contracted from \$14.02 billion in the previous month. Exports grew 30.55% to \$26.20 billion in Nov after declining 1.12% to \$23.10 billion in the previous month due to improved global demand, government incentives and simplification of GST refund process. India's exports in the same period of the previous year stood at \$20.07 billion. India's imports in Nov grew 19.61% to \$40.02 billion from \$33.46 billion in the same period of the previous year.

FII Derivative Trade Statistics			
	15-Dec		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2029.81	2690.98	16657.98
Index Options	93937.60	95676.24	95868.40
Stock Futures	7658.35	7047.18	72653.08
Stock Options	6227.32	6247.01	4911.66
Total	109853.08	111661.41	190091.12

Derivative Statistics- Nifty Options			
	15-Dec	Prev_Day	Change
Put Call Ratio (OI)	1.29	1.28	0.01
Put Call Ratio(Vol)	1.16	1.06	0.10

Debt Watch				
	15-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.99%	5.90%	5.85%	6.10%
CBLO	6.15%	5.13%	5.90%	6.19%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.16%	6.11%	6.11%	6.07%
364 Day T-Bill	6.32%	6.22%	6.26%	6.26%
10 Year Gilt	7.14%	7.09%	7.02%	6.54%
G-Sec Vol. (Rs.Cr)	41341	37214	40071	71425
1 Month CP Rate	6.70%	6.66%	6.54%	6.64%
3 Month CP Rate	6.84%	6.81%	6.75%	6.64%
5 Year Corp Bond	7.52%	7.44%	7.34%	7.21%
1 Month CD Rate	6.23%	6.19%	6.08%	6.25%
3 Month CD Rate	6.30%	6.23%	6.22%	6.26%
1 Year CD Rate	6.77%	6.68%	6.60%	6.55%

Currency Market			
Currency	15-Dec	Prev_Day	Change
USD/INR	64.10	64.28	-0.18
GBP/INR	86.13	86.35	-0.22
EURO/INR	75.52	76.00	-0.47
JPY/INR	0.57	0.57	0.00

Commodity Prices				
Commodity	15-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	57.24	57.10	55.23	50.85
Brent Crude(\$/bl)	64.55	64.32	61.69	51.31
Gold(\$/oz)	1255	1248	1278	1128
Gold(Rs./10 gm)	28585	28492	29544	27335

Source: ICRON Research

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Derivatives Market

- Nifty Dec 2017 Futures were at 10,359.5, a premium of 26.25 points above the spot closing of 10,333.25. The turnover on NSE's Futures and Options segment went down from Rs. 12,47,587.62 crore on Dec 14 to Rs. 4,54,995.00 crore on Dec 15.
- The Put-Call ratio stood at 1.01 against the previous session's close at 0.84.
- The Nifty Put-Call ratio stood at 1.29 against the previous session's close at 1.28.
- Open interest on Nifty Futures stood at 20.83 million as against the previous session's close of 21.91 million.

Indian Debt Market

- Bond yields rose as market participants awaited clarity on the government's fiscal stance. Increase in domestic inflationary pressures in Nov 2017 and rise in global crude oil prices also weighed on market's sentiment.
- Yield on the 10-year benchmark paper (6.79% GS 2027) inched up 1 bps to close at 7.14% from the previous close of 7.13%. During the session, bond yields traded in the range of 7.11% and 7.14%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 16,789 crore (gross) on Dec 15 compared with borrowings of Rs. 3,020 crore on Dec 14. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 13,687 crore on Dec 14.
- Banks did not borrow under the central bank's Marginal Standing Facility on Dec 14 and Dec 13.

Currency Market Update

- The Indian rupee rose against the greenback amid optimistic exit poll results of few Indian state assembly elections. However, dollar demand from state-run banks capped the gains. The rupee rose 0.47% to close at 64.04 per dollar from the previous close of 64.34.
- Euro rose against the greenback as the latter weakened following uncertainty about the outlook for the U.S. Republican tax reform plan. Euro was trading at \$1.1798, up 0.18% compared with the previous close of \$1.1777.

Commodity Market Update

- Gold prices inched up on renewed concerns over the U.S. tax reform policy after two U.S. Republican senators suggested changes to the tax reform bill.
- Brent crude prices moved up on supply disruption owing to pipeline leakage in the North Sea.

International News

- According to a report from the Labor Department, U.S. import price index grew 0.7% in Nov 2017 as against a gain of 0.1% in Oct 2017. Increase in import prices primarily reflect spike in prices for fuel imports that grew 7.6% in Nov as against a gain of 0.2% in Oct.
- The European Central Bank (ECB) has raised the growth expectation for the euro zone as it gained confidence from the strong momentum in 2017. Although, the inflation level remained short of its target into 2020, the ECB president stated that the central bank is still confident of inflation reaching its target of "below, but close to 2%" than it was two months before.

Thank you for
your time.