

RELIANCE

MUTUAL
FUND

Markets for You

21 Dec 2017

Indices Performance

Global Indices	20-Dec	Prev_Day	Abs. Change	% Change [#]
Dow Jones	24,727	24,755	-28	-0.11
Nasdaq	6,961	6,964	-3	-0.04
FTSE	7,525	7,544	-19	-0.25
Nikkei	22,892	22,868	24	0.10
Hang Seng	29,234	29,254	-20	-0.07
Indian Indices	20-Dec	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	33,777	33,837	-59	-0.18
Nifty 50	10,444	10,463	-19	-0.18
Nifty 100	10,882	10,898	-16	-0.14
Nifty Bank	25,592	25,716	-125	-0.48
SGX Nifty	10,466	10,465	1	0.01
S&P BSE Power	2,303	2,297	6	0.26
S&P BSE Small Cap	18,675	18,528	147	0.79
S&P BSE HC	14,298	14,277	21	0.15

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
20-Dec	24.97	1.14	26.75	1.09
Month Ago	24.57	1.17	26.18	1.08
Year Ago	20.50	1.49	21.24	1.37

Nifty 50 Top 3 Gainers

Company	20-Dec	Prev_Day	% Change [#]
Hindalco	258	254	1.59
ONGC	188	185	1.51
Wipro	297	292	1.40

Nifty 50 Top 3 Losers

Company	20-Dec	Prev_Day	% Change [#]
Eicher Motors	30175	30823	-2.10
Dr.Reddy	2356	2400	-1.81
Bharti Airtel	529	537	-1.44

Advance Decline Ratio

	BSE	NSE
Advances	1577	1064
Declines	1127	687
Unchanged	183	67

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1276	52591
MF Flows**	-885	114890

*20th Dec 2017; **19th 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 traded in mixed after Senate Republicans voted for the final tax reform bill, although, a technical vote in the House is impending before it can be sent for President' final approval. Weaker yen and improved crude prices also helped sentiments. However, weak cues from overnight U.S. markets and impact of U.S. tax reform bill on monetary policy and interest rates kept investors wary. Today (As of Dec 21), Asian markets opened mostly lower tracking decline on the Wall Street overnight. While Nikkei was trading down 0.29%, Hang Seng was almost steady at 0.04% (8 a.m. IST).

• As per the last close, European market fell after the U.S. tax reform bill was passed by both houses of Congress on Tuesday. Weak opening on the Wall Street also weighed on the market.

• As per the last close, U.S market declined marginally after moving in a range despite news that Republican lawmakers managed to send the tax reform bill to U.S. President's desk. On economic front, a report showing that existing home sales rose much higher than expected rise in Nov 2017.

Indian Equity Market

• Indian equity markets gave up its intra-day gains to close in the red. While, the ruling party's electoral victories in key states continued to support buying interest initially, investors soon turned cautious ahead of the minutes of the Monetary Policy Committee's meeting held earlier during the month, scheduled post market hours.

• Both S&P BSE Sensex and Nifty 50 fell 0.18% each to close at 33,777.38 and 10,444.20, respectively. Meanwhile, broader indices bucked the trend with S&P BSE Mid-Cap and S&P BSE Small-Cap rising by 0.36% and 0.79%, respectively.

• The overall market breadth on BSE was positive with 1,577 scrips rising and 1,127 scrips declining. A total of 183 scrips remained unchanged.

• On the BSE sectoral front, majority of the indices closed in the green. S&P BSE Realty was the top gainer, up 3.01%, followed by S&P BSE Metal and S&P BSE Industrials, which rose 0.75% and 0.68%, respectively. Both S&P BSE Basic Materials and S&P BSE Capital goods were up 0.64% each. Meanwhile, S&P BSE Finance was the major loser, down 0.41%, followed by S&P BSE Bankex and S&P BSE Auto, which fell 0.34% and 0.30%, respectively.

Domestic News

• According to the minutes of the Dec Monetary Policy Committee (MPC) meeting, status quo was announced in the key policy repo rate at 6%. As per the minutes, food inflation due to vegetables remains highly variable and there are several risks to projected inflation trajectory.

• The government is set to roll out a pan-India "faceless and nameless" e-assessment procedure for income tax payers from 2018. Central Board of Direct Taxes (CBDT) has created a nine-member committee to prepare a quick roadmap for the implementation of this ambitious proposal. The deadline for submitting the report is Feb 28, 2018.

• The government has issued a notification and directed banks and the national payment corporation of India (NPCI) to change the process of mapping Aadhaar-linked bank accounts for government subsidies. The direction comes amid allegations that a major telecom service provider used the electronic know-your-customer verification process mandated by the Aadhaar Act to open payments bank accounts and the users were not aware of this.

• According to a media report, Securities and Exchange Board of India (SEBI) is expected to review regulatory framework for credit rating agencies (CRA) and finalise norms for listing of Securities Receipts of Asset Restructuring Companies at its next board meeting scheduled for Dec 28. The regulator is also expected to re-introduce the clause for listed companies to disclose defaults on payment.

• As per media reports, the government-owned oil marketing companies are introducing stricter norms for monitoring of product movement and dispensing. The new norm will introduce a new facility called "e-key" facility. As per the new facility, the tankers carrying fuel from terminals to dealer outlets would not just have global positioning system (GPS) tracking but also an electronic key (e-key). The tanker can be opened through a one-time password (OTP) only at retail outlets. The new facility is expected to reduce adulteration and diversion of fuel.

FII Derivative Trade Statistics		20-Dec		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	2507.96	2287.51	16710.28	
Index Options	54964.52	54382.46	103905.17	
Stock Futures	7464.31	6976.91	75555.66	
Stock Options	7577.99	7530.56	5475.46	
Total	72514.78	71177.44	201646.57	

Derivative Statistics- Nifty Options			
	20-Dec	Prev_Day	Change
Put Call Ratio (OI)	1.50	1.45	0.05
Put Call Ratio(Vol)	1.29	1.39	-0.09

Debt Watch				
	20-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.98%	5.82%	5.88%	6.12%
CBLO	6.03%	5.83%	5.95%	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	6.19%	6.14%	6.10%	6.17%
364 Day T-Bill	6.40%	6.28%	6.23%	6.25%
10 Year Gilt	7.22%	7.17%	6.89%	6.48%
G-Sec Vol. (Rs.Cr)	22951	47734	78971	49964
1 Month CP Rate	6.76%	6.71%	6.58%	6.64%
3 Month CP Rate	6.89%	6.84%	6.80%	6.64%
5 Year Corp Bond	7.59%	7.52%	7.29%	7.28%
1 Month CD Rate	6.31%	6.19%	6.07%	6.23%
3 Month CD Rate	6.39%	6.26%	6.23%	6.26%
1 Year CD Rate	6.85%	6.70%	6.61%	6.56%

Currency Market			
Currency	20-Dec	Prev_Day	Change
USD/INR	64.06	64.12	-0.06
GBP/INR	85.76	85.79	-0.03
EURO/INR	75.83	75.64	0.19
JPY/INR	0.57	0.57	0.00

Commodity Prices				
Commodity	20-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	58.04	56.54	56.16	52.17
Brent Crude(\$/bl)	64.54	64.40	61.38	54.60
Gold(\$/oz)	1266	1255	1277	1132
Gold(Rs./10 gm)	28630	28411	29634	27305

Source: ICRON Research

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Derivatives Market

- Nifty Dec 2017 Futures were at 10470.15, a premium of 25.95 points above the spot closing of 10,444.20. The turnover on NSE's Futures and Options segment went down from Rs. 5,47,003.58 crore on Dec 19 to Rs. 7,37,691.44 crore on Dec 20.
- The Put-Call ratio stood at 0.98 against the previous session's close at 1.06.
- The Nifty Put-Call ratio stood at 1.50 against the previous session's close at 1.45.
- Open interest on Nifty Futures stood at 23.40 million as against the previous session's close of 22.12 million.

Indian Debt Market

- Bond yields rose as investors were cautious ahead of the release of the Monetary Policy Committee's Dec meeting minutes, due after market hours.
- Yield on the 10-year benchmark paper (6.79% GS 2027) rose 4 bps to close at 7.22% from the previous close of 7.18%. During the session, bond yields traded in the range of 7.19% and 7.22%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 10,175 crore (gross) on Dec 20 compared with borrowings of Rs. 24,894 crore on Dec 19. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 13,856 crore on Dec 19.
- Banks borrowed Rs. 100 crore under the central bank's Marginal Standing Facility on Dec 19 compared with borrowing of Rs. 2,275 crore on Dec 18.

Currency Market Update

- The Indian rupee weakened against the U.S. dollar as investors awaited final vote on the U.S. tax legislation. The rupee fell 0.13% to close at 64.11 per dollar from the previous close of 64.03.
- The euro slightly weakened against the U.S. dollar as the latter gained after U.S. Senate approved the tax legislation on Dec 20, thereby sending the reform back to the House of Representatives for a final vote. The euro fell 0.03% and was trading at \$ 1.1835, down from the previous close of 1.1838.

Commodity Market Update

- Gold prices traded high after Senate Republicans voted for the final tax reform bill.
- Brent crude prices continued with the upward trend after the American Petroleum Institute (API) data indicated that U.S. crude inventories fell in the week of Dec 15.

International News

- According to a report from the Commerce Department, U.S. housing starts surprisingly surpassed market expectations and grew 3.3% to an annual rate of 1.297 million in Nov 2017 from revised 1.256 million in Oct 2017. The increase was primarily driven by increase in new single-family home construction that surged 5.3%.
- A report from the Ministry of Economy, Trade and Industry showed that Japan's all industry activity index grew 0.3% MoM in Oct 2017 as against a decline of 0.5% in Sep 2017. Industrial production grew 0.5% over the month and tertiary activity increased 0.3%. Meanwhile, construction output fell 0.3%.

Thank you for
your time.