

Indices Performance

Global Indices	02-Feb	Prev_Day	Abs. Change	% Change [#]
Dow Jones	19,885	19,891	-6	-0.03
Nasdaq	5,636	5,643	-6	-0.11
FTSE	7,141	7,108	33	0.47
Nikkei	18,915	19,148	-234	-1.22
Hang Seng	23,185	23,318	-134	-0.57
Indian Indices	02-Feb	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	28,227	28,142	85	0.30
Nifty 50	8,734	8,716	18	0.20
Nifty 100	9,014	8,988	25	0.28
Nifty Bank	20,070	20,021	50	0.25
SGX Nifty	8,750	8,740	11	0.12
S&P BSE Power	2,176	2,173	4	0.17
S&P BSE Small Cap	13,279	13,153	125	0.95
S&P BSE HC	15,013	14,749	264	1.79

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
2-Feb	21.94	1.44	23.38	1.26
Month Ago	20.72	1.48	22.08	1.35
Year Ago	18.24	1.47	19.90	1.55

Nifty 50 Top 3 Gainers

Company	02-Feb	Prev_Day	% Change [#]
Auro Pharma	690	668	3.26
Dr Reddys Lab	3097	3001	3.19
Bank of Baroda	178	173	2.66

Nifty 50 Top 3 Losers

Company	02-Feb	Prev_Day	% Change [#]
M&M	1265	1302	-2.88
Hindalco	193	199	-2.79
ACC	1432	1469	-2.50

Advance Decline Ratio

	BSE	NSE
Advances	1557	912
Declines	1254	735
Unchanged	127	65

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	75	-651
MF Flows**	-253	5234

*2nd Feb 2017; **31st Jan 2017

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	3.39% (Dec-16)	3.80% (Sep-16)	-1.06% (Dec-15)
IIP	5.70% (Nov-16)	-0.70% (Aug-16)	-3.40% (Nov-15)
GDP	7.30 (Sep-16)	7.10 (Jun-16)	7.60 (Sep-15)

Global Indices

- Most of the Asian markets moved down amid uncertainty over U.S. President's economic policy. Stronger yen overshadowed the positive impact of improved Japanese consumer confidence data in Jan. Meanwhile, the Federal Open Market Committee maintained status quo in line with market expectation as it preferred to wait for further cues on fiscal development. Today (As on Feb 03), Asian market opened mixed as investors await a trend as China markets reopen after the week-long Lunar New Year holiday break. While Nikkei Average was trading up 0.28%, Hang Seng was down 0.25% (as at 8.00 a.m IST).

- As per the last close, European market closed with mixed results after hovering between gains and losses during the session. U.S. Federal Reserve's kept interest rates unchanged, triggered some movement in the market. Bank of England kept interest rates unchanged but raised its growth forecast for 2017.

- As per the last close, U.S. market closed almost unchanged after moving in a range during the session. Market participants remained cautious ahead of the U.S. nonfarm payroll data for Jan.

Indian Equity Market

- Indian equity market witnessed another positive session post Union Budget 2017-18. However, some cautious note was witnessed ahead of Reserve Bank of India's policy review scheduled on Feb 8 and upcoming corporate earnings releases. Investors also awaited to take cues from Bank of England's policy meet and European Central Bank President's speech. Fall in Jan sales number of major auto companies further capped the upside.

- On the BSE sectoral front, most of the indices closed in the green barring S&P BSE Auto (-1.07%), S&P BSE Capital Goods (-0.79%), S&P BSE Industrials (-0.42%), S&P BSE Basic Materials (-0.25%), and S&P BSE Consumer Discretionary Goods & Services (-0.16%). S&P BSE Consumer Durables (2.18%) stood as the top gainer followed by S&P BSE Healthcare (1.79%) and S&P BSE IT (1.78%). Oil & Gas sector gained after the finance minister proposed to form an integrated public sector oil company whose performance will be equivalent to that of international and domestic private sector oil and gas companies and also to set up strategic oil storage facilities at Odisha and Rajasthan.

Domestic News

- Two global rating agencies lauded the government's commitment to improve fiscal performance over the medium term. However, they are of the view that a rating upgrade for India will take some time as heavy debt burden and weak public finances remain key rating constraints.

- According to a major rating agency, the government's decision to infuse Rs. 10,000 crore in the public sector banks is insufficient. The rating agency is of the view that the requirement for banks is much higher and that the lack of capital may delay the clean-up of their balance sheets.

- According to the Union Budget, the government expects to collect Rs. 29700 crore from cess levied on domestic coal production in the next financial year. The government expects to generate Rs. 28,500 crore from the same in the current financial year ending Mar 31. Estimates for the current year has been increased from the earlier estimate of Rs. 26148 crore.

- According to the disinvestment secretary, the government is planning to divest Rs. 11,000 crore worth of stake in state run general insurance companies to meet the disinvestment target of Rs. 72,500 crore next fiscal.

- The Reserve Bank of India cautioned investors against investing in instruments like Bitcoins and added that it has not authorised dealings in or use of virtual currencies.

- Vodafone India reported decrease in service revenue by 1.9% in the quarter ended Dec 2016 to Rs. 10,556 crore. Competitive pressures after the entry of Reliance Jio Infocomm and the government's demonetisation move hurt prepaid top-up volumes.

- Bajaj Auto has reported decrease in total sales by 18% YoY to 2,41,917 units in Jan 2017 from 2,93,939 units in the year-ago period. Motorcycle sales and commercial vehicle sales fell 16% and 27%, respectively.

FII Derivative Trade Statistics	02-Feb		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	3380.92	3261.70	16938.52
Index Options	87032.00	84821.63	63789.86
Stock Futures	11083.20	11530.22	64433.39
Stock Options	6461.41	6387.98	4078.95
Total	107957.53	106001.53	149240.72

Derivative Statistics- Nifty Options	02-Feb	Prev_Day	Change
Put Call Ratio (OI)	1.04	1.00	0.05
Put Call Ratio(Vol)	0.96	1.01	-0.05

Debt Watch	02-Feb	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.96%	5.98%	6.07%	6.65%
CBLO	5.93%	6.10%	5.77%	6.77%
Repo	6.25%	6.25%	6.25%	6.75%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.13%	6.20%	6.10%	7.15%
364 Day T-Bill	6.15%	6.16%	6.25%	7.24%
10 Year Gilt	6.40%	6.42%	6.40%	7.72%
G-Sec Vol. (Rs.Cr)	56171	54682	96859	45637
1 Month CP Rate	6.71%	6.76%	6.63%	8.16%
3 Month CP Rate	7.03%	7.08%	6.78%	9.15%
5 Year Corp Bond	7.09%	7.09%	7.16%	8.26%
1 Month CD Rate	6.22%	6.22%	6.23%	7.37%
3 Month CD Rate	6.39%	6.42%	6.28%	8.07%
1 Year CD Rate	6.56%	6.54%	6.56%	8.07%

Currency Market	02-Feb	Prev_Day	Change
USD/INR	67.45	67.65	-0.20
GBP/INR	85.49	84.95	0.54
EURO/INR	72.80	72.92	-0.12
JPY/INR	0.60	0.60	0.00

Commodity Prices	02-Feb	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	53.55	52.14	53.75	29.90
Brent Crude(\$/bl)	55.64	54.24	54.90	30.53
Gold(\$/oz)	1216	1200	1152	1129
Gold(Rs./10 gm)	29207	29092	27812	26867

Source: ICRON Research

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Derivatives Market

- Nifty Feb 2017 Futures were at 8,743.95 points, a premium of 9.70 points over the spot closing of 8,734.25. The turnover on NSE's Futures and Options segment went up from Rs. 6,55,407.69 crore on Feb 1 to Rs. 7,33,779.32 crore on Feb 2.
- The Put-Call ratio stood at 0.83, compared with the previous session's close of 0.92.
- The Nifty Put-Call ratio stood at 1.04, compared with the previous session's close of 1.00.
- The open interest on Nifty Futures stood at 22.99 million compared with the previous session's close of 22.14 million.

Indian Debt Market

- Bond yields fell after the government announced plans to maintain fiscal consolidation in the budget, increasing hopes of a rate cut by the Monetary Policy Committee in upcoming policy decision.
- Yield on the 10-year benchmark bond (6.97% GS 2026) declined 3 bps to close at 6.40% compared with the previous close of 6.43%. During the session, bond yields moved in the region of 6.40% to 6.42%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility stood at Rs. 1,400 crore (gross) on Feb 2, similar compared with the gross borrowing stood on Feb 1. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 13,422 crore on Feb 1.
- Banks borrowed Rs. 7,500 crore under the central bank's Marginal Standing Facility on Feb 1, compared with Rs. 100 crore borrowed on Jan 31.

Currency Market Update

- The Indian rupee strengthened against the greenback after U.S. Federal Reserve kept interest rates unchanged. Furthermore, lack of clarity about the timing of future rate hikes added to gains. The rupee inched up 0.16% to close at 67.37 per dollar from the previous close of 67.48.
- The euro rose against the greenback after U.S. Fed kept interest rate unchanged and gave no clear signal on the timing of its next rate hike. Euro was trading at \$1.0805, compared with the previous close of \$1.0767.

Commodity Market Update

- Gold prices gained following the U.S. Federal Reserve's announcement of keeping its interest rates unaltered at its first meet since the new President took over.
- Brent crude prices climbed as proofs of the OPEC and other major exporters curbing supply lifted sentiment.

International News

- The U.S. Federal Reserve kept interest rates unchanged as it waited for the fiscal stimulus plans. According to the Central Bank, the U.S. economy and household spending continued to expand at moderate rate. Also, consumer and business sentiment have improved recently. However, the bank gave no indications about when the next interest rate would come.
- According to a report released by the Institute for Supply Management (ISM), U.S. manufacturing Purchasing Managers' Index (PMI) rose better than forecast to 56.0 in Jan 2017, highest since Nov 2014, from revised figure of 54.5 in Dec 2016.
- The Commerce Department showed that construction spending went unexpectedly fell 0.2% to an annual rate of \$1.182 trillion in Dec 2016 from Oct 2016's revised estimate of \$1.184 trillion.