

## Mutual Fund

### Indices Performance

Global Indices	03-Feb	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	20,071	19,885	187	0.94
Nasdaq	5,667	5,636	31	0.54
FTSE	7,188	7,141	48	0.67
Nikkei	18,918	18,915	4	0.02
Hang Seng	23,129	23,185	-55	-0.24
Indian Indices	03-Feb	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	28,241	28,227	14	0.05
Nifty 50	8,741	8,734	7	0.08
Nifty 100	9,021	9,014	7	0.08
Nifty Bank	20,197	20,070	127	0.63
SGX Nifty	8,773	8,750	23	0.26
S&P BSE Power	2,181	2,176	5	0.23
S&P BSE Small Cap	13,422	13,279	143	1.08
S&P BSE HC	15,255	15,013	242	1.61

### P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
3-Feb	21.98	1.43	23.29	1.26
Month Ago	20.68	1.48	22.12	1.35
Year Ago	17.99	1.49	19.65	1.57

### Nifty 50 Top 3 Gainers

Company	03-Feb	Prev_Day	% Change <sup>#</sup>
Bank of Baroda	186	178	4.95
Tech Mahindra	480	461	4.20
Cipla	608	584	4.03

### Nifty 50 Top 3 Losers

Company	03-Feb	Prev_Day	% Change <sup>#</sup>
Bosch	22419	22947	-2.30
Zee Entertainment	496	507	-2.28
Tata Motors-DVR	334	340	-1.69

### Advance Decline Ratio

	BSE	NSE
Advances	1637	1000
Declines	1183	636
Unchanged	154	73

### Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	720	69
MF Flows**	952	6185

\*3<sup>rd</sup> Feb 2017; \*\*1<sup>st</sup> Feb 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

- Asian markets traded in mixed as investors remained cautious about U.S. President's protectionist trade policies and after the Chinese central bank unexpectedly raised short-term interest rates in open market operations. Lower-than-expected Chinese manufacturing data along with upcoming U.S. jobs data for Jan also kept investors on the sidelines. However, weak yen and expansion of Japanese services sector in Jan limited downside. Today (As on Feb 06), Asian market opened higher following stronger than expected U.S. jobs growth in Jan 2017. Both Nikkei Average and Hang Seng were trading up 0.10% and 0.16% (as at 8.00 a.m IST).

- As per the last close, European market closed higher following news that the U.S. President will take steps to reduce regulations on the banking industry. Investor sentiment also boosted following stronger than expected U.S. jobs report in Jan 2017.

- As per the last close, U.S. market closed higher following the release of a report from the Labor Department showing stronger than expected job growth but a slowdown in the pace of wage growth in Jan 2017.

### Indian Equity Market

- Indian equity market closed in a flat note as investors preferred to be on the sidelines ahead of Reserve Bank of India's policy review. Contraction of service sector Purchasing Managers' Index (PMI) in Jan also weighed on sentiment as the Nikkei India Services PMI stood at 48.7 in Jan, below the 50 mark indicating contraction phase. Meanwhile, the seasonally adjusted Nikkei India Composite PMI Output Index rose to 49.4 in Jan from Dec figure of 47.6, pointing to a weaker contraction in private sector activity.

- Key benchmark indices S&P BSE Sensex and Nifty 50 gained marginally 0.05% and 0.08% to close at 28,240.52 points and 8,740.95 points, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap moved up 0.61% and 1.08%, respectively.

- On the BSE sectoral front, indices closed in a mixed trend as S&P BSE HC (1.61%) stood as the major gainer followed by S&P BSE Realty (0.91%) and S&P BSE Telecom (0.9%), while S&P BSE Auto (-0.78%) stood as the major laggard followed by S&P BSE Consumer Durables (-0.77%) and S&P BSE Metal (-0.56%). Banking sector continued with an upward trend.

### Domestic News

- According to the minister of state for finance, gross nonperforming assets (NPAs) or bad loans of public sector banks stood at 9.83% of gross advances in FY16 while the same for private sector banks stood at 2.70%. The minister further informed that in the current fiscal till Sep 2016 the gross NPAs grew to 11.82% of gross advances. The minister stated that the sector specific measures have been adopted namely in infrastructure, power, road, textile, and steel sector where incidence of NPA is high.

- Data from a private survey showed that the Nikkei India Services Purchasing Managers' Index (PMI) rose to 48.7 in Jan 2017, from 46.8 in Dec 2016. However, it is in contraction phase as the figure is below 50. Meanwhile, the seasonally adjusted Nikkei India Composite PMI Output Index rose to 49.4 in Jan from 47.6 in Dec.

- The Reserve Bank of India (RBI) approved Non Resident Indians (NRIs) to have access to the exchange traded currency derivatives (ETCD) market so that they can hedge currency risk arising out of their investments in India. However, this is subject to certain conditions under which NRIs will need to designate bank that will monitor and report their combined positions in the OTC (Over the Counter) and ETCD segments.

- RBI proposed to enhance disclosure norms for companies who are looking to raise money through commercial papers (CPs). RBI mandated a minimum of six disclosures in the offer document that would include details of any default history on bank loans and other details regarding all outstanding credit facilities with banks. The move will help investors make informed decisions.

- Lupin has received final approval from the U.S. Food and Drug Administration to sell market its generic version of Mylan's triamcinolone acetonide cream, which are used for treatment of skin disease.

FII Derivative Trade Statistics	03-Feb		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2477.38	2736.22	18146.07
Index Options	49952.18	46613.76	65652.48
Stock Futures	8744.77	9603.24	65461.41
Stock Options	4544.02	4508.25	4667.96
Total	65718.35	63461.47	153927.92

Derivative Statistics- Nifty Options			
	03-Feb	Prev_Day	Change
Put Call Ratio (OI)	1.08	1.04	0.04
Put Call Ratio(Vol)	1.02	0.96	0.06

Debt Watch				
	03-Feb	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.00%	6.02%	6.00%	6.63%
CBLO	4.53%	6.16%	5.83%	6.41%
Repo	6.25%	6.25%	6.25%	6.75%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.10%	6.20%	6.05%	7.32%
364 Day T-Bill	6.15%	6.16%	6.19%	7.21%
10 Year Gilt	6.41%	6.40%	6.44%	7.73%
G-Sec Vol. (Rs.Cr)	40676	60281	104796	32806
1 Month CP Rate	6.68%	6.76%	6.60%	8.30%
3 Month CP Rate	7.00%	7.08%	6.79%	9.00%
5 Year Corp Bond	7.06%	7.13%	7.12%	8.29%
1 Month CD Rate	6.21%	6.23%	6.19%	7.40%
3 Month CD Rate	6.40%	6.43%	6.35%	8.10%
1 Year CD Rate	6.55%	6.54%	6.55%	8.15%

Currency Market			
Currency	03-Feb	Prev_Day	Change
USD/INR	67.38	67.45	-0.07
GBP/INR	84.32	85.49	-1.17
EURO/INR	72.44	72.80	-0.35
JPY/INR	0.60	0.60	0.00

Commodity Prices				
Commodity	03-Feb	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	53.81	53.18	52.36	32.29
Brent Crude(\$/bl)	55.62	54.85	54.90	31.93
Gold( \$/oz)	1220	1191	1159	1143
Gold(Rs./10 gm)	28977	28696	27791	27052

Source: ICRON Research

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#### Derivatives Market

- Nifty Feb 2017 Futures were at 8,754.35 points, a premium of 13.40 points over the spot closing of 8,740.95. The turnover on NSE's Futures and Options segment went down from Rs. 7,33,779.32 crore on Feb 2 to Rs. 2,71,091.67 crore on Feb 3.
- The Put-Call ratio stood at 0.87, compared with the previous session's close of 0.83.
- The Nifty Put-Call ratio stood at 1.08, compared with the previous session's close of 1.04.
- The open interest on Nifty Futures stood at 22.87 million compared with the previous session's close of 22.99 million.

#### Indian Debt Market

- Bond yields increased as weekly debt auction added to the supply of papers in the market. Investors also awaited the monetary policy review due next week.
- Yield on the 10-year benchmark bond (6.97% GS 2026) increased 1 bps to close at 6.41% compared with the previous close of 6.40%. 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. 1,690 crore (gross) on Feb 3, compared with the gross borrowing of Rs. 1,400 crore on Feb 2. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 8,393 crore on Feb 2.
- Banks did not borrow under the central bank's Marginal Standing Facility on Feb 2, while Rs. 7,500 crore was borrowed on Feb 1.

#### Currency Market Update

- The Indian rupee strengthens against the greenback following gains in the equity market. However, gains were capped ahead of U.S. jobs data to be released later in the day. The rupee inched up 0.09% to close at 67.31 per dollar from the previous close of 67.37.
- The euro rose against the greenback after U.S. dollar fell following the release of mixed U.S. employment data for Jan. Euro was trading at \$1.0770, compared with the previous close of \$1.0758.

#### Commodity Market Update

- Gold prices dipped after U.S. jobs data for Jan came better than expected.
- Brent crude prices moved down because growing stockpiles in the U.S. storage facilities overshadowed the effects of the supply cut efforts by the OPEC and other key exporters.

#### International News

- Data from the U.S. Labour Department showed that non-farm payroll employment grew 227,000 jobs in Jan after climbing by a revised 157,000 jobs (156,000 jobs originally reported) in Dec. However, the unemployment rate inched up to 4.8% in Jan from 4.7% in Dec. The annual rate of average hourly employee earnings growth slowed to 2.5% in January from 2.8% in Dec.
- The People's Bank of China unexpectedly increased its interest rates on open market operations and funds provided via Standing Lending Facility that increased the speculation of further tightening ahead. The central bank raised the 7-day reverse repo rate by 10 basis points to 2.35% and the 14-day reverse repo rate to 2.5%. The 28-day repo rate was also increased by 10 basis points. The overnight rate for the Standing Lending Facility loan was increased to 3.1%.