

**RELIANCE**

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FUND

# Markets for You

01 Jan 2018

**Indices Performance**

Global Indices	29-Dec	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	24,719	24,838	-118	-0.48
Nasdaq	6,903	6,950	-47	-0.67
FTSE	7,688	7,623	65	0.85
Nikkei	22,765	22,784	-19	-0.08
Hang Seng	29,919	29,864	55	0.19
Indian Indices	29-Dec	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	34,057	33,848	209	0.62
Nifty 50	10,531	10,478	53	0.50
Nifty 100	10,985	10,927	58	0.53
Nifty Bank	25,539	25,490	49	0.19
SGX Nifty	10,571	10,479	92	0.88
S&P BSE Power	2,382	2,347	34	1.46
S&P BSE Small Cap	19,231	19,109	121	0.64
S&P BSE HC	14,799	14,772	27	0.18

**P/E Dividend Yield**

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
29-Dec	25.22	1.12	26.92	1.08
Month Ago	24.83	1.16	26.51	1.07
Year Ago	20.55	1.49	21.89	1.36

**Nifty 50 Top 3 Gainers**

Company	29-Dec	Prev_Day	% Change <sup>#</sup>
Tata Motors	432	419	3.17
Axis Bank	564	547	3.13
Bharti Infratel	379	368	2.88

**Nifty 50 Top 3 Losers**

Company	29-Dec	Prev_Day	% Change <sup>#</sup>
GAIL	500	511	-2.26
BPCL	518	526	-1.62
HPCL	419	423	-0.96

**Advance Decline Ratio**

	BSE	NSE
Advances	1562	1021
Declines	1213	784
Unchanged	202	45

**Institutional Flows (Equity)**

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	860	51253
MF Flows**	1012	116555

\*29<sup>th</sup> Dec 2017; \*\*21<sup>st</sup> 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 on the final trading session of the calendar year 2017 due to stronger yen and as investors preferred to be on the sidelines ahead of the New Year. However, rise in crude oil prices and positive cues from overnight U.S. markets limited the downside. Today (As of Jan 1), Asian markets remained closed.
- As per the last close, European market ended almost lower amid thin trading volume and few catalysts that could drive trading. However, losses were capped amid buying interest in mining stocks.
- As per the last close, U.S. markets ended almost lower amid light trading and quiet day on U.S. economic front. Most of the major sectors witnessed only modest moves, however, significant weakness was visible among networking stocks.

**Indian Equity Market**

- Indian equity markets ended the last trading session of 2017 on a positive note as hopes of an improving economy and higher corporate earnings buoyed investor confidence. The ruling party's victory in Gujarat election raised expectations that the upcoming Union Budget would focus more on the rural areas, which in turn supported investor sentiment. Besides, the commencement of January series of the Futures and Options segment accelerated buying interest also supported the upside.
- Key benchmark indices S&P BSE Sensex and Nifty 50 rose 0.62% and 0.50% to close at 34,056.83 and 10,530.70, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap went up 0.74% and 0.64%, respectively.
- On the BSE sectoral front, majority of the indices closed in the green. S&P BSE Telecom was the top gainer, up 1.63%, followed by S&P BSE Power and S&P BSE Teck, which rose 1.46% and 1.24%, respectively. S&P BSE IT and S&P BSE Auto went up 1.20% and 1.16%, respectively. S&P BSE Oil & Gas, S&P BSE Metal and S&P BSE Energy were the only laggards falling by 0.46%, 0.44% and 0.30%, respectively.

**Domestic News**

- Government data showed that India's fiscal deficit during Apr to Nov 2017 stood at Rs. 6.12 lakh crore or 112.0% of the budgeted target for FY18 mainly due to lower Goods and Services Tax (GST) collections and higher expenditure. During the corresponding period last year, fiscal deficit was at 85.8% of the Budget Estimate. Total receipts were Rs. 8.67 lakh crore or 54.2% of the Budget Estimate, while total expenditure amounted to Rs. 14.79 lakh crore or 68.9% of the financial year estimates.
- Market regulator Securities and Exchange Board of India (SEBI) has announced its decision to put a 10% cross-shareholding cap in mutual funds. Simply put, any shareholder owning at least 10% stake in a mutual fund company will not be allowed to have 10% or more stake in another mutual fund house operating in the country. This action has been taken to avoid any potential conflict of interest.
- According to the road transport minister, the government is working on a plan to reduce annual oil import bill by \$100 billion by 2030 through extensive use of methanol in cooking gas and transportation fuel. Additionally, he has mentioned that methanol usage will be more environmental friendly and extensive use can reduce consumption of diesel by at least 20% in next 5-7 years.
- Zydus Pharmaceuticals (USA) Inc has announced the receipt of final approval from the U.S. Food and Drug Administration to market Clomipramine Hydrochloride capsules. The tablet is used to treat obsessive-compulsive disorder. The company will produce the drug at the group's formulations manufacturing facility at SEZ, Ahmedabad.
- According to media reports, Larsen & Toubro (L&T) has received a contract worth Rs. 1,000-crore. Per the contract, India's biggest infrastructure and project execution company will maintain 5 million smart meters in Uttar Pradesh and Bihar over the next eight years.

FII Derivative Trade Statistics		29-Dec	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	7153.46	5532.05	12521.93
Index Options	71431.98	71890.15	44642.61
Stock Futures	34018.64	35494.92	65395.89
Stock Options	1813.85	1579.52	105.38
Total	114417.93	114496.64	122665.81

Derivative Statistics- Nifty Options			
	29-Dec	Prev_Day	Change
Put Call Ratio (OI)	1.62	1.62	0.00
Put Call Ratio(Vol)	1.22	1.24	-0.03

Debt Watch				
	29-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.10%	5.97%	5.88%	6.12%
CBLO	6.05%	5.71%	5.88%	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	6.14%	6.18%	6.13%	6.21%
364 Day T-Bill	6.26%	6.37%	6.28%	6.27%
10 Year Gilt	7.33%	7.27%	7.03%	6.52%
G-Sec Vol. (Rs.Cr)	45921	38674	42327	49659
1 Month CP Rate	6.86%	6.89%	6.58%	6.65%
3 Month CP Rate	7.06%	7.03%	6.80%	6.70%
5 Year Corp Bond	7.68%	7.62%	7.44%	7.28%
1 Month CD Rate	6.34%	6.35%	6.05%	6.26%
3 Month CD Rate	6.33%	6.45%	6.24%	6.29%
1 Year CD Rate	6.98%	6.90%	6.62%	6.57%

Currency Market			
Currency	29-Dec	Prev_Day	Change
USD/INR	63.93	64.17	-0.24
GBP/INR	86.07	86.22	-0.16
EURO/INR	76.39	76.56	-0.18
JPY/INR	0.57	0.57	0.00

Commodity Prices				
Commodity	29-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	60.41	58.24	57.20	53.75
Brent Crude(\$/bl)	67.07	64.95	64.53	54.78
Gold( \$/oz)	1302	1275	1283	1158
Gold(Rs./10 gm)	29252	28686	29441	27671

Source: ICRON Research

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#### Derivatives Market

- Nifty Jan 2018 Futures were at 10,556.90, a premium of 26.20 points above the spot closing of 10,530.70. The turnover on NSE's Futures and Options segment went down from Rs. 13,50,886.08 crore on Dec 28 to Rs. 2,77,694.13 crore on Dec 29.
- The Put-Call ratio stood at 0.90 against the previous session's close at 0.98.
- The Nifty Put-Call ratio remained unchanged at 1.62 against previous session's close.
- Open interest on Nifty Futures stood at 23.94 million as against the previous session's close of 31.20 million.

#### Indian Debt Market

- Bond yields fell after the Reserve Bank of India (RBI) accepted bids for less than one-third of the total amount of bonds being sold at the auction. The central bank did not accept bids for auction of two papers worth Rs. 110 billion of the total Rs. 150 billion on sale.
- Yield on the 10-year benchmark paper (6.79% GS 2027) fell 7 bps to close at 7.33% from the previous close of 7.40%. During the session, bond yields traded in the range of 7.26% and 7.41%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 7,855 crore (gross) on Dec 29 compared with borrowings of Rs. 18,229 crore on Dec 28. Sale of securities under RBI's reverse repo window stood at Rs. 33,035 crore on Dec 28.
- Banks borrowed Rs. 620 crore under the central bank's Marginal Standing Facility on Dec 28 compared with borrowing of Rs. 885 crore on Dec 27.

#### Currency Market Update

- The Indian rupee rose against the greenback following selling of the greenback by exporters. The rupee rose 0.32% to close at 63.87 per dollar from the previous close of 64.08.
- The euro rose against the greenback as the latter came under selling pressure due to rebalancing of portfolio positions by market participants. The euro was trading at \$1.1991, up 0.42% compared with the previous close of \$1.1941.

#### Commodity Market Update

- Gold prices rose due to weak dollar and ongoing geopolitical tension.
- Brent crude prices after data from the Energy Information Administration (EIA) indicated that U.S. oil production dipped to 9.754 million barrels per day (bpd) in the week ended Dec 22.

#### International News

- A report from the Labor Department showed that U.S. initial jobless claims for the week ended Dec 23, 2017, came in at 245,000, unchanged from the previous week's level. Meanwhile, the continuing claims grew by 7,000 to 1.943 million in the week ended Dec 16, 2017.
- As per preliminary data from the statistical office Destatis, Germany's inflation slowed less than expected in Dec 2017. The consumer price index (CPI) rose 1.7% YoY after 1.8% increase in Nov 2017. However, on monthly basis, CPI rose 0.6% in Dec. In 2017, the annual average inflation surged 1.8%, highest in five years, from 0.5% in 2016.

Thank you for  
your time.