

RELIANCE

MUTUAL
FUND

Markets for You

02 Jan 2018

Indices Performance

Global Indices	01-Jan	Prev_Day	Abs. Change	% Change [#]
Dow Jones	Closed	24,719	NA	NA
Nasdaq	Closed	6,903	NA	NA
FTSE	Closed	7,688	NA	NA
Nikkei	Closed	22,765	NA	NA
Hang Seng	Closed	29,919	NA	NA
Indian Indices	01-Jan	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	33,813	34,057	-244	-0.72
Nifty 50	10,436	10,531	-95	-0.90
Nifty 100	10,898	10,985	-87	-0.80
Nifty Bank	25,318	25,539	-221	-0.87
SGX Nifty	10,492	10,571	-80	-0.75
S&P BSE Power	2,400	2,382	19	0.79
S&P BSE Small Cap	19,280	19,231	49	0.26
S&P BSE HC	14,811	14,799	11	0.08

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
1-Jan	25.03	1.13	26.68	1.09
Month Ago	24.19	1.19	25.90	1.12
Year Ago	20.88	1.46	21.93	1.35

Nifty 50 Top 3 Gainers

Company	01-Jan	Prev_Day	% Change [#]
Indiabulls HFC	1218	1197	1.80
Coal India	267	263	1.41
Wipro	317	314	0.73

Nifty 50 Top 3 Losers

Company	01-Jan	Prev_Day	% Change [#]
Bharti Infratel	370	379	-2.32
TCS	2646	2701	-2.06
Bosch	19792	20166	-1.85

Advance Decline Ratio

	BSE	NSE
Advances	1624	988
Declines	1241	835
Unchanged	185	49

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	533	533
MF Flows**	1012	116555

*1st Dec 2014; **21st 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 remained closed on account of New Year holiday. Today (As of Jan 2), Asian markets opened higher as markets pushed off the soft lead from Wall Street's last session amid positiveness in some of regional markets. Hangseng grew 1.43% (as at 8.a.m. IST). Nikkei remained closed.
- European market remained closed on account of New Year holiday.
- U.S markets remained closed on account of New Year holiday.

Indian Equity Market

- Indian equity markets ended the first trading session of the year 2018 in the red as investors preferred to book profits after the indices closed at record high on the previous closing day. Absence of cues from global markets that remained closed on account of New Year's Day also kept investors on the sidelines. Additionally, banking sectors witnessed selling pressure. The Insolvency and Bankruptcy Code (Amendment) Bill, 2017, was passed in the Lok Sabha on Dec 29 as per which willful defaulters and existing promoters will be debarred from bidding for stressed assets of companies. Also, auto stocks witnessed decline amid announcement of December sales numbers.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.72% and 0.90% to close at 33,812.75 and 10,435.55, respectively. Moreover, S&P BSE Mid-Cap and S&P BSE Small-Cap went up 0.08% and 0.26%, respectively.
- On the BSE sectoral front, the losers comprised S&P BSE Auto, down 0.78% followed by S&P BSE Bankex and S&P BSE Energy, which fell 0.75% and 0.68%, respectively.

Domestic News

- Government data showed that the index of eight core industries grew 6.8% in Nov 2017 from 5.0% in the previous month and 3.2% in the same period of the previous year. The increase in growth pace can be attributed to growth in cement, steel and refinery products sector that grew 17.3%, 16.6% and 8.2%, respectively. All the eight sectors witnessed growth during the month under review barring coal sector that contracted 0.2% in Nov 2017. However, the growth of the index of eight core industries from Apr to Nov of 2017 slowed to 3.9% from 5.3% in the same period of the previous year.
- Government data showed that retail inflation for industrial workers grew 3.97% on a yearly basis in Nov 2017 from 3.24% in the previous month and 2.59% during the corresponding month of the previous year. Similarly, the food inflation stood grew 3.91% against a growth of 2.26% in the previous month and 1.66% during the corresponding month of the previous year.
- The Ministry of Finance has permitted businesses to rectify mistakes in their monthly returns - GSTR-3B - and adjust tax liability accordingly. The objective of the move is to help businesses file correct returns without fear of penalty. The move will help business enterprises to claim tax credit correctly by rectifying the mistakes made initially while computing Goods and Services Tax (GST) liability.
- Mahindra and Mahindra (M&M) announced that its total sales grew an 8% YoY to 39,200 units in Dec 2017 from 36,464 units sold in the previous year period. Sales were up 7% to 36,979 units in the domestic market during the month. Meanwhile, exports grew 8% to 2,221 units in the month under review.
- State Bank of India announced that it has lowered base rate - the floor rate below which the bank does not give loans to prime customers - by 30 basis points to 8.65%. This marks a sharp reduction in lending rates for old customers whose loans were linked to base rates.

FII Derivative Trade Statistics		01-Jan	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2403.49	1474.52	12635.23
Index Options	21882.77	19623.98	51377.61
Stock Futures	9337.38	8815.57	67525.89
Stock Options	3100.43	3232.47	1917.58
Total	36724.07	33146.54	133456.31

Derivative Statistics- Nifty Options			
	01-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.62	1.56	0.05
Put Call Ratio(Vol)	1.22	1.14	0.08

Debt Watch				
	01-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.92%	5.97%	5.89%	6.10%
CBLO	5.79%	5.71%	5.84%	6.14%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.12%	6.18%	6.12%	6.18%
364 Day T-Bill	6.29%	6.37%	6.23%	6.21%
10 Year Gilt	7.34%	7.27%	7.06%	6.51%
G-Sec Vol. (Rs.Cr)	21453	38674	48027	42530
1 Month CP Rate	6.80%	6.89%	6.58%	6.63%
3 Month CP Rate	7.20%	7.03%	6.80%	6.71%
5 Year Corp Bond	7.70%	7.62%	7.44%	7.25%
1 Month CD Rate	6.26%	6.35%	6.05%	6.27%
3 Month CD Rate	6.31%	6.45%	6.25%	6.28%
1 Year CD Rate	6.99%	6.90%	6.61%	6.58%

Currency Market			
Currency	01-Jan	Prev_Day	Change
USD/INR	63.67	63.93	-0.26
GBP/INR	85.90	86.07	-0.17
EURO/INR	76.41	76.39	0.02
JPY/INR	0.57	0.57	0.00

Commodity Prices				
Commodity	01-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	Closed	58.24	58.30	53.70
Brent Crude(\$/bl)	Closed	64.95	65.36	54.65
Gold(\$/oz)	Closed	1275	1280	1151
Gold(Rs./10 gm)	29363	28686	29176	27830

Source: ICRON Research

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Derivatives Market

- Nifty Jan 2018 Futures were at 10,498.7, a premium of 63.15 points above the spot closing of 10,435.55. The turnover on NSE's Futures and Options segment went up from Rs. 2,77,694.13 crore on Dec 29 to Rs. 2,94,484.63 crore on Jan 1.
- The Put-Call ratio stood at 0.89 against the previous session's close at 0.90.
- The Nifty Put-Call ratio stood at 1.56 against previous session's close of 1.62.
- Open interest on Nifty Futures stood at 23.25 million as against the previous session's close of 23.94 million.

Indian Debt Market

- Bond yields rose marginally amid muted trading activity on the first day of year 2018 due to lower appetite for buying after government announced to borrow more than budgeted during the Mar quarter of 2018. Meanwhile, market participants awaited likely announcement of a new 10-year paper.
- Yield on the 10-year benchmark paper (6.79% GS 2027) rose 1 bps to close at 7.34% from the previous close of 7.33%. During the session, bond yields traded in the range of 7.31% and 7.37%.
- Banks borrowed Rs. 9,315 crore under the central bank's Marginal Standing Facility on Dec 29 compared with borrowing of Rs. 620 crore on Dec 28.
- RBI conducted a 14-day variable rate reverse repo auction for a notified amount of Rs. 20,000 crore for which Rs. 8,600 crore were accepted. The cut-off rate stood at 5.99%.

Currency Market Update

- The Indian rupee rose against the U.S. dollar for the third consecutive session and grew to a near 5-month high following selling of the greenback by banks likely for custodian clients. The rupee rose 0.31% to close at 63.68 per dollar from the previous close of 63.87.
- The euro was almost steady against the greenback amid light trading as most markets in Europe and Asia remained closed for the New Year holiday. The euro was trading at \$1.1998, up 0.02% compared with the previous close of \$1.1996.

Commodity Market Update

- The commodity market was closed on account of New Year's Day.

International News

- Data from the Reserve Bank of Australia showed that Australia's private sector credit grew more than expected in Nov 2017. Private sector credit grew 5.4% on a yearly basis in Nov 2017, better than the 5.3% increase posted in Oct 2017. On a monthly basis, growth in private sector credit improved to 0.5% in Nov from 0.4% in Oct. Credit for housing grew 6.4% annually and that for business grew 4.7% while personal credit fell 1.2%.
- According to the Summary of Opinions, the Bank of Japan policymakers in the monetary policy review were of the view that going forward they may need to consider interest rate hike on the back of improving economic activity and prices.

Thank you for
your time.