

RELIANCE

MUTUAL
FUND

Markets for You

03 Jan 2018

Indices Performance

Global Indices	02-Jan	Prev_Day	Abs. Change	% Change [#]
Dow Jones	24,824	Closed	NA	NA
Nasdaq	7,007	Closed	NA	NA
FTSE	7,648	Closed	NA	NA
Nikkei	Closed	Closed	NA	NA
Hang Seng	30,515	Closed	NA	NA
Indian Indices	02-Jan	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	33,812	33,813	0	0.00
Nifty 50	10,442	10,436	7	0.06
Nifty 100	10,899	10,898	2	0.01
Nifty Bank	25,338	25,318	20	0.08
SGX Nifty	10,484	10,492	-8	-0.08
S&P BSE Power	2,408	2,400	8	0.32
S&P BSE Small Cap	19,158	19,280	-122	-0.63
S&P BSE HC	14,703	14,811	-108	-0.73

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
2-Jan	25.07	1.13	26.70	1.09
Month Ago	24.19	1.19	25.90	1.12
Year Ago	20.72	1.48	22.08	1.35

Nifty 50 Top 3 Gainers

Company	02-Jan	Prev_Day	% Change [#]
Tata Motors	439	424	3.50
Bharti Infratel	379	370	2.39
United Phos	773	756	2.34

Nifty 50 Top 3 Losers

Company	02-Jan	Prev_Day	% Change [#]
Eicher Motors	28670	29893	-4.09
Indiabulls HFC	1184	1218	-2.84
Bharti Airtel	517	528	-2.15

Advance Decline Ratio

	BSE	NSE
Advances	1119	647
Declines	1729	1164
Unchanged	106	44

Institutional Flows (Equity)

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

*1st Jan 2018; **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

- Most of the Asian markets closed high after trading activity resumed post New Year holiday. Expectations of improvement in geopolitical situation after North Korean leader said he is open to talk to South Korea, as reported by media, helped sentiment. Additionally, Chinese manufacturing activity data surpassed market expectations despite edging down slightly in Dec 2017. Today (As of Jan 3), Asian markets opened higher amid gains in Wall Street. Gains in technology and mining stocks boosted the indices. Hangseng grew 0.49% (as at 8.a.m. IST). Nikkei remained closed.

- As per the last close, European markets ended almost lower as shares of exporters were under pressure as Euro gained ground against the dollar. Also, auto stocks fell amid weak registrations data. However, losses were capped as amid some key positive economic data.

- As per the last close, U.S. markets ended almost higher amid optimism amongst investors about the outlook for the markets and the economy in 2018. However, traders preferred to remain on the sidelines amid lack of major U.S. economic data.

Indian Equity Market

- Indian equity markets ended on a flat note as investors preferred to be on the sidelines ahead of the corporate earnings season and key economic data releases. Rise in crude oil prices and subdued European market further dented sentiment. However, downside was limited after the Nikkei India Manufacturing Purchasing Managers' Index marked a three-year high on the back of sharpest increase in output and new orders since Dec 2012 and Oct 2016, respectively.

- Key benchmark indices S&P BSE Sensex remained flat and Nifty 50 grew 0.06% to close at 33,812.26 and 10,442.20, respectively. Moreover, S&P BSE Mid-Cap and S&P BSE Small-Cap went down 0.62% and 0.63%, respectively.

- On the BSE sectoral front, the losers comprised S&P BSE Telecom, down 1.41%, followed by S&P BSE Realty and S&P BSE Healthcare, which fell 0.95% and 0.73%, respectively. S&P BSE Consumer Discretionary Goods & Services and S&P BSE FMCG went down 0.66% and 0.57%, respectively. Among the gainers comprised, S&P BSE Metal (0.63%), S&P BSE Power (0.32%), S&P BSE Industrials (0.13%) and S&P BSE Basic Materials and Auto (0.09%).

Domestic News

- The Nikkei India Manufacturing Purchasing Managers' Index (PMI) rose to 54.7 in Dec 2017 from 52.6 in Nov 2017, marking a three-year high. The upside was driven by sharpest increase in output and new orders since Dec 2012 and Oct 2016, respectively. This is the fifth consecutive month during which the manufacturing PMI came in above 50, indicating expansion.

- The Department of Telecommunications (DoT) is in discussion with the operators and is looking for ways to reduce litigation, especially on legacy issues such as penalties. This comes as a part of the new telecom policy and is expected to bring huge relief to both the parties.

- The Department of Economic Affairs has clarified that the 8% GOI savings bond will not be closed for subscription, instead will be replaced by 7.75% Savings Bonds Scheme. The clarification came a day after the government notified that 8% GOI Savings bond 2003 shall stop from being subscribed from Jan 2, 2018. These 8% bonds with a sovereign rating remained a preferred option for many senior citizens, retirees and those looking for fixed income, thus marking it as the safest product for retail investors.

- Larsen & Toubro's construction arm has received orders worth Rs. 14.54 billion. The contracts won also include one from Egypt.

- Tata Motors' total sales increased 52.48% to 54,627 units in Dec 2017 as compared with 35,825 units sold in the same month of previous year. Domestic sales of commercial vehicles and passenger vehicles increased 61.8% and 30.96%, respectively.

- Suzuki Motorcycle India Pvt Ltd has posted an increase in total sales by 50.16% to 39,786 units as compared with 26,495 units sold in Dec 2016. Domestic sales of the company rose 53.47% to 32,786 units from 21,362 units in Dec 2016.

FII Derivative Trade Statistics		02-Jan	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	524.13	712.09	13045.97
Index Options	7255.56	6831.34	52542.50
Stock Futures	4153.29	4480.20	67470.63
Stock Options	2521.54	2582.77	2333.78
Total	14454.52	14606.40	135392.88

Derivative Statistics- Nifty Options			
	02-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.50	1.56	-0.06
Put Call Ratio(Vol)	1.01	1.14	-0.13

Debt Watch				
	02-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.87%	5.96%	5.89%	6.07%
CBLO	5.77%	6.01%	5.84%	5.77%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.11%	6.20%	6.12%	6.10%
364 Day T-Bill	6.29%	6.37%	6.23%	6.25%
10 Year Gilt	7.38%	7.28%	7.06%	6.40%
G-Sec Vol. (Rs.Cr)	23331	30454	48027	96859
1 Month CP Rate	6.81%	6.90%	6.58%	6.63%
3 Month CP Rate	7.23%	7.03%	6.80%	6.78%
5 Year Corp Bond	7.67%	7.62%	7.44%	7.16%
1 Month CD Rate	6.21%	6.34%	6.05%	6.23%
3 Month CD Rate	6.61%	6.46%	6.25%	6.28%
1 Year CD Rate	7.01%	6.89%	6.61%	6.56%

Currency Market			
Currency	02-Jan	Prev_Day	Change
USD/INR	63.67	63.67	0.00
GBP/INR	86.11	85.90	0.21
EURO/INR	76.59	76.41	0.18
JPY/INR	0.57	0.57	0.00

Commodity Prices				
Commodity	02-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	60.32	59.20	58.30	53.70
Brent Crude(\$/bl)	66.99	66.82	65.36	54.65
Gold(\$/oz)	1318	1283	1280	1152
Gold(Rs./10 gm)	29374	28883	29176	27812

Source: ICRON Research

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Derivatives Market

- Nifty Jan 2018 Futures were at 10,472.20, a premium of 30.00 points above the spot closing of 10,442.20. The turnover on NSE's Futures and Options segment went up from Rs. 2,94,484.63 crore on Jan 1 to Rs. 5,25,119.01 crore on Jan 2.
- The Put-Call ratio stood at 0.93 against the previous session's close at 0.89.
- The Nifty Put-Call ratio stood at 1.50 against previous session's close of 1.56.
- Open interest on Nifty Futures stood at 23.48 million as against the previous session's close of 23.25 million.

Indian Debt Market

- Bond yields rose for the second consecutive day following jump in international crude oil prices. It triggered fears that domestic inflation may stay above Reserve Bank of India's (RBI) target.
- Yield on the 10-year benchmark paper (6.79% GS 2027) rose 4 bps to close at 7.38% from the previous close of 7.34%. During the session, bond yields traded in the range of 7.33% and 7.40%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,490 crore (gross) on Jan 2, 2018, similar to the borrowings on Jan 1. Sale of securities under RBI's reverse repo window stood at Rs. 29,262 crore on Jan 1.
- Banks borrowed Rs. 1,705 crore under the central bank's Marginal Standing Facility on Jan 1 compared with borrowing of Rs. 9,315 crore on Dec 29.

Currency Market Update

- The Indian rupee rose against the U.S. dollar for the fourth consecutive session following selling of the greenback likely on behalf of custodian and corporate clients. The rupee rose 0.31% to close at 63.48 per dollar from the previous close of 63.68.
- The euro strengthened against the greenback as market participants remained optimistic regarding the economic outlook of the euro zone economy. The euro was trading at \$1.2064, up 0.47% compared with the previous close of \$1.2008.

Commodity Market Update

- Gold prices traded high after dollar weakened against the euro and as investors remained cautious ahead of the U.S. non-farm payrolls data for Dec 2017.
- Brent crude prices traded higher amid unrest in Iran that raised concerns over potential supply disruptions in the region.

International News

- A report from the IHS Markit showed that U.K.'s IHS Markit/Chartered Institute of Procurement & Supply Purchasing Managers' Index fell to 56.3 in Dec 2017 from 58.2 in Nov 2017. Also, it missed market expectations.
- According to a report from the IHS Markit, euro zone's factory Purchasing Managers' Index (PMI) grew to 60.6 in Dec 2017 from 60.1 in Nov 2017. This came in-line with preliminary expectations and marked the highest score since mid-1997.
- According to a report from the IHS Markit, China Caixin PMI grew to 51.5 in Dec 2017 from 50.8 in Nov 2017. This marked the fastest growth in four months.

Thank you for
your time.