

Indices Performance

Global Indices	04-Jan	Prev_Day	Abs. Change	% Change [#]
Dow Jones	19,942	19,882	60	0.30
Nasdaq	5,477	5,429	48	0.88
FTSE	7,190	7,178	12	0.17
Nikkei	19,594	Closed	NA	NA
Hang Seng	22,134	22,150	-16	-0.07
Indian Indices	04-Jan	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	26,633	26,643	-10	-0.04
Nifty 50	8,191	8,192	-2	-0.02
Nifty 100	8,408	8,411	-3	-0.04
Nifty Bank	17,891	18,036	-145	-0.80
SGX Nifty	8,202	8,205	-4	-0.04
S&P BSE Power	2,021	2,017	4	0.20
S&P BSE Small Cap	12,373	12,315	58	0.47
S&P BSE HC	14,868	14,839	29	0.20

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
4-Jan	20.78	1.48	21.94	1.35
Month Ago	20.47	1.49	21.25	1.37
Year Ago	19.84	1.37	21.07	1.48

Nifty 50 Top 3 Gainers

Company	04-Jan	Prev_Day	% Change [#]
Bharti Infratel	352	342	3.18
Bharti Airtel	314	304	3.10
HCL Tech	857	835	2.61

Nifty 50 Top 3 Losers

Company	04-Jan	Prev_Day	% Change [#]
Kotak Bank	696	712	-2.27
Bosch	20337	20799	-2.22
RIL	1067	1089	-2.04

Advance Decline Ratio

	BSE	NSE
Advances	1597	944
Declines	1192	659
Unchanged	133	81

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-553	-1580
MF Flows**	365	481

*4th Jan 2017; **3rd Jan 2017

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	3.15% (Nov-16)	3.85% (Aug-16)	-2.04% (Nov-15)
IIP	-1.90% (Oct-16)	-2.50% (July-16)	9.90% (Oct-15)
GDP	7.30 (Sep-16)	7.10 (Jun-16)	7.60 (Sep -15)

Global Indices

- Most of the major Asian markets closed higher following Japanese indices that gained on hopes of continued yen weakness. Optimistic outlook for the U.S. economy and Japanese manufacturing sector also added to gains. However, Hang Seng fell on worries over potential capital outflows into a firmer U.S. market. Today (As on Jan 05), Asian market opened mixed. Japanese market fell due to stronger yen. Release of the U.S. Federal Reserve (Fed)'s minutes of the monetary policy meeting supported the market. The minutes indicated that the Fed's decision to raise interest rates by 25 bps was partly due to an assumption of more expansionary fiscal policy under the President-elect. Nikkei Average traded down 0.12% and Hang Seng traded up 0.78% (as at 8.00 a.m IST).
- As per the last close, European market closed mixed. Eurozone inflation rose at the fastest pace since three years at the end of 2016 which boosted the investors. However, investors remained cautious ahead of release of minutes of the Fed's monetary policy meeting.
- As per the last close, U.S. market closed higher following the release of the minutes of the Fed's latest monetary policy meeting.

Indian Equity Market

- The Indian equity markets witnessed a volatile session and closed in the negative after Goods and Services Tax (GST) Council meet failed to reach consensus on the issue of dual control of Central and state governments. Weak services PMI data also weighed on the sentiment. Moreover, investors turned cautious ahead of corporate earnings results scheduled to release from the coming week.
- Key benchmark indices S&P BSE Sensex and Nifty 50 declined 0.04% and 0.02% to close at 26,633.13 points and 8,190.50 points, respectively. S&P BSE Mid-Cap fell 0.09% while S&P BSE Small-Cap gained 0.47%, respectively.
- On the BSE sectoral front, most of the indices closed in the green barring S&P BSE Energy (-0.86%), S&P BSE Bankex (-0.82%), S&P BSE Finance (-0.65%) and S&P BSE Oil & Gas (-0.55%), S&P BSE Metal (-0.14%) and S&P BSE Utilities (-0.12%). S&P BSE Telecom (2.57%) topped the chart followed by S&P BSE Realty (2.44%) and S&P BSE S&P BSE Consumer Durables (1.21%). Telecom sector gained after one of the major telecom giants announced it would offer free data to new and existing 4G customers. This will escalate a price war in the sector.

Domestic News

- Data from capital market regulator Securities and Exchange Board of India (SEBI) showed that Indian companies have raised Rs. 26,965 crore by issuing non-convertible debentures to retail investors so far in the current fiscal. Companies in the previous fiscal had raised Rs. 38,812 crore. Funds have been raised through 11 issuances so far compared with 20 in 2015-16.
- Data from a private survey showed that the Nikkei/Markit Services Purchasing Managers' Index (PMI) remained below 50 as it stood at 46.8 in Dec from 46.7 in Nov. The Nikkei India Composite PMI Output Index fell to 47.6 in Dec from 49.1 in Nov.
- The Department of Industrial Policy and Promotion in its year-end review stated that Foreign Direct Investment (FDI) in the country rose 27% during the period from Apr to Oct of 2016-17 to \$27.82 billion compared with the same period in the previous year. Singapore, Mauritius, Netherlands, and Japan contribute the maximum to overall FDI inflows.
- The Expenditure Finance Commission under the Ministry of Finance has cleared 29 proposals of various ministries involving expenditure of about Rs 2.11 lakh crore in the period from Jan 1, 2016 to Nov 30, 2016. This included proposals under the ministry of power, external affairs and road, transport and highway, which were worth Rs. 8,612 crore, Rs. 7,291 crore, and Rs. 6,461 crore, respectively.
- Wockhardt's Ankleshwar plant in Gujarat was inspected by the U.S. Food and Drug Administration (USFDA) and issued a warning letter for violating current good manufacturing practice norms, including its failure to ensure proper clothing for workers. USFDA has already banned the import of products from the facility into the U.S. market since Aug 5, 2016.

FII Derivative Trade Statistics	04-Jan		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1665.08	1707.28	10139.99
Index Options	35472.00	34098.90	51546.07
Stock Futures	6781.31	6156.40	51813.77
Stock Options	2710.94	2729.87	2065.38
Total	46629.33	44692.45	115565.21

Derivative Statistics- Nifty Options			
	04-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.08	1.07	0.01
Put Call Ratio(Vol)	0.95	1.02	-0.07

Debt Watch				
	04-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.08%	6.13%	6.08%	6.65%
CBLO	5.96%	6.19%	6.06%	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	6.07%	6.23%	5.90%	7.07%
364 Day T-Bill	6.18%	6.32%	5.70%	7.23%
10 Year Gilt	6.36%	6.58%	6.24%	7.72%
G-Sec Vol. (Rs.Cr)	71236	21075	91129	37102
1 Month CP Rate	6.60%	6.68%	6.46%	7.43%
3 Month CP Rate	6.84%	6.73%	6.47%	7.68%
5 Year Corp Bond	7.11%	7.37%	6.81%	8.30%
1 Month CD Rate	6.16%	6.27%	6.07%	7.10%
3 Month CD Rate	6.32%	6.28%	6.04%	7.39%
1 Year CD Rate	6.56%	6.56%	6.37%	7.65%

Currency Market			
Currency	04-Jan	Prev_Day	Change
USD/INR	68.18	68.09	0.09
GBP/INR	83.53	83.76	-0.23
EURO/INR	70.99	71.38	-0.39
JPY/INR	0.58	0.58	0.00

Commodity Prices				
Commodity	04-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	53.26	54.01	51.70	36.81
Brent Crude(\$/bl)	54.47	55.01	51.90	37.26
Gold(\$/oz)	1163	1142	1177	1074
Gold(Rs./10 gm)	28092	27532	28401	25419

Source: ICRON Research

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Derivatives Market

- Nifty Jan 2017 Futures were at 8,204.05 points, a premium of 13.55 points, over the spot closing of 8,190.50 points. The turnover on NSE's Futures and Options segment went down from Rs. 3,26,278.51 crore on Jan 3 to Rs. 3,09,865.38 crore on Jan 4.
- The Put-Call ratio stood at 0.74, compared with the previous session's close of 0.87.
- The Nifty Put-Call ratio stood at 1.08, compared with the previous session's close of 1.07.
- The open interest on Nifty Futures stood at 18.81 million compared with the previous session's close of 18.44 million.

Indian Debt Market

- Bond yields fell on expectations that government will adhere its fiscal consolidation roadmap after it lowered its borrowing level for the second half of the fiscal year.
- Yield on the 10-year benchmark bond (6.97% GS 2026) declined 8 bps to close at 6.36% compared with the previous close of 6.44%. During the session, bond yields moved in the region of 6.36% to 6.42%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility stood at Rs. 1,400 crore (gross) on Jan 4, compared with gross borrowing of Rs. 1,520 crore on Jan 3. Sale of securities under the central bank's reverse repo window stood at Rs. 21,450 crore on Jan 3.
- Banks borrowed Rs. 505 crore under the central bank's Marginal Standing Facility on Jan 3, compared with a borrowing of Rs. 375 crore on Jan 2.

Currency Market Update

- The Indian rupee strengthened against the U.S. dollar following selling of the greenback by foreign banks. Profit booking on the greenback also boosted the domestic currency to some extent. The rupee rose 0.41% to close at 68.05 from the previous close of 68.33.
- The euro rose against the greenback after euro area's private sector logged its fastest growth since May 2011 in Dec and inflation in eurozone rose more than expected in the same month. Euro was trading at \$1.0438, up 0.33% compared with the previous close of \$1.0404.

Commodity Market Update

- Gold prices traded higher following weakness in the U.S. dollar against a basket of currencies.
- Brent crude prices traded lower as investors monitored the developments surrounding the deal between the OPEC and non-OPEC oil producers to reduce their output this year.

International News

- According to a report released by the Institute for Supply Management (ISM), U.S. manufacturing Purchasing Managers' Index (PMI) rose better than forecast to 54.7 in Dec 2016 from 53.2 in Nov 2016. Faster rise in manufacturing activity is attributed to the pace of growth in new orders that surged to 60.2 in Dec from 53.0 in Nov. Also, the production index rose to 60.3 from 56.0.
- According to the Eurostat, eurozone's inflation (preliminary) accelerated higher than expected to 1.1% YoY in Dec 2016 from 0.6% in Nov 2016 due to higher energy and food prices. Consumer prices rose at its fastest pace in more than 3 years. Core inflation (excluding energy, food, alcohol and tobacco) rose 0.9% YoY, higher than 0.8%. Energy prices surged 2.5% in Dec, reversing from 1.1% fall in Nov and food prices jumped to 1.2% from 0.7%.