

RELIANCE

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FUND

Markets for You

05 Jan 2018

Indices Performance

Global Indices	04-Jan	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,075	24,923	152	0.61
Nasdaq	7,078	7,066	12	0.18
FTSE	7,696	7,671	25	0.32
Nikkei	23,506	Closed	NA	NA
Hang Seng	30,736	30,561	176	0.57
Indian Indices	04-Jan	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	33,970	33,793	176	0.52
Nifty 50	10,505	10,443	62	0.59
Nifty 100	10,982	10,910	72	0.66
Nifty Bank	25,463	25,319	144	0.57
SGX Nifty	10,547	10,479	68	0.65
S&P BSE Power	2,421	2,413	8	0.33
S&P BSE Small Cap	19,516	19,345	170	0.88
S&P BSE HC	14,819	14,674	145	0.99

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
4-Jan	25.25	1.12	26.86	1.08
Month Ago	24.29	1.18	25.91	1.12
Year Ago	20.78	1.48	21.94	1.35

Nifty 50 Top 3 Gainers

Company	04-Jan	Prev_Day	% Change [#]
Tata Steel	760	735	3.44
L&T Ltd.	1316	1275	3.17
ONGC	200	193	3.13

Nifty 50 Top 3 Losers

Company	04-Jan	Prev_Day	% Change [#]
Tata Motors	430	434	-0.91
Eicher Motors	28571	28814	-0.85
BPCL	492	495	-0.69

Advance Decline Ratio

	BSE	NSE
Advances	1899	1158
Declines	1017	641
Unchanged	102	43

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	113	1254
MF Flows**	1209	8333

*04th Jan 2018; **29th 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 ended higher following positive cues from overnight U.S. markets, weak yen and higher crude oil prices. Improved key economic data from China and Japan also buoyed sentiment as the manufacturing sector in Japan continued to expand in Dec 2017 and service sector data from China also expanded during the same month. Today (As of Jan 05), Asian markets opened higher tracking rise on the Wall Street overnight. Both Nikkei and Hang Seng were trading up 0.16% and 0.30%, respectively (8 a.m. IST).
- As per the last close, European market increased following strong gains in Asia and positive start on the Wall Street. Energy stocks rose due to rise in crude oil prices while upbeat U.S. car sales data increased auto stocks prices. Bank stocks were also among the day's gainers. Upbeat Euro zone and U.S. economic data further added the upside.
- As per the last close, U.S market rose following better than expected rise in ADP based U.S private sector employment in Dec 2017. Oil stocks rose following rise in crude oil prices.

Indian Equity Market

- Indian equity markets edged higher with investors taking positive cues after the government sought Parliament's approval for Rs. 800 billion extra spending to re-capitalise state banks, as part of a move to help lenders deal with non-performing asset and revive credit growth. Buying interest found additional support after final reading of a private survey showed that Indian service sector witnessed modest growth in Dec 2017, after contracting in the previous month. Market participants are now waiting for the quarterly earnings results of major companies for Dec quarter of FY18, scheduled next week.
- Key benchmark indices S&P BSE Sensex and Nifty 50 rose 0.52% and 0.59% to close at 33,969.64 and 10,504.80, respectively. S&P BSE Mid-cap and S&P BSE Small-cap rose 0.71% and 0.88%, respectively.
- On the BSE sectoral front, barring S&P BSE Realty and S&P BSE Auto, all the indices closed in the green. S&P BSE Metal was the top gainer, up 2.77%, followed by S&P BSE Consumer Durables and S&P BSE Capital Goods, which rose 2.53% and 2.11%, respectively. S&P BSE Basic Materials and S&P BSE Telecom rose 1.99% and 1.41%, respectively.

Domestic News

- The Nikkei India Services Purchasing Managers' Index (PMI) Business Activity Index rose to 50.9 in Dec 2017 from 48.5 in Nov 2017 on the back of stable new orders and improved output requirements. Meanwhile, the Nikkei India Composite PMI Output Index rose to 53 from 50.3 in Nov.
- The Securities and Exchange Board of India (SEBI) has permitted commodity derivative exchanges to levy the highest transaction charge in turnover slab of any contract at a maximum of double the lowest charge in the same segment. Currently, 1.5:1 is the maximum permissible ratio for the highest and lowest transaction charge in a slab.
- SEBI has relaxed 'schemes of arrangement' norms for the listed firms. The 'schemes of arrangement' applies for mergers and demergers, including those involving subsidiaries and their divisions. The decision has been taken after SEBI received representations suggesting improvements to the existing regulatory framework and aims at accelerating the processing of draft schemes.
- Glenmark Pharmaceuticals announced that it has launched the biosimilar of Adalimumab under a licensing agreement with Cadila Healthcare Ltd. The biosimilar drug that will be marketed under the name of ADALY is used in the treatment of Plaque Psoriasis.
- Tata's British marquee Jaguar Land Rover India has announced that its volumes grew 49% at 3,954 units in 2017. The growth was driven by almost all the models beginning with XE at Rs. 35.85 lakh, followed by the XF, F-Pace, Discovery Sport and Range Rover Evoque.
- According to media reports, Hindalco Industries Ltd is one of the potential buyers that submitted bids for U.S. aluminium producer Alaris Corp. As per the report, Hindalco made a non-binding offer through its U.S. unit, Novelis Inc.
- According to media reports, Housing Development Finance Corporation and Abu Dhabi Investment Authority's joint investment platform is set to commit more than \$500 million or Rs. 3,175 crore to affordable and mid-income housing projects across India by Mar 2018.

FII Derivative Trade Statistics		04-Jan		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	809.80	1820.97	14611.13	
Index Options	51112.84	50597.34	56663.60	
Stock Futures	9067.60	9026.17	68634.31	
Stock Options	4964.32	4648.32	4466.38	
Total	65954.56	66092.80	144375.42	

Derivative Statistics- Nifty Options			
	04-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.54	1.48	0.06
Put Call Ratio (Vol)	1.11	1.07	0.04

Debt Watch				
	04-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.81%	6.00%	5.83%	6.08%
CBLO	5.75%	6.03%	5.72%	5.96%
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%	6.13%	6.12%	6.07%
364 Day T-Bill	6.47%	6.39%	6.19%	6.18%
10 Year Gilt	7.33%	7.40%	7.08%	6.36%
G-Sec Vol. (Rs.Cr)	25971	37930	29146	71236
1 Month CP Rate	6.85%	6.91%	6.56%	6.60%
3 Month CP Rate	7.19%	7.01%	6.81%	6.84%
5 Year Corp Bond	7.69%	7.71%	7.46%	7.11%
1 Month CD Rate	6.21%	6.37%	6.07%	6.16%
3 Month CD Rate	6.75%	6.40%	6.25%	6.32%
1 Year CD Rate	7.12%	6.98%	6.63%	6.56%

Currency Market			
Currency	04-Jan	Prev_Day	Change
USD/INR	63.39	63.48	-0.09
GBP/INR	85.74	86.41	-0.66
EURO/INR	76.25	76.54	-0.29
JPY/INR	0.56	0.57	0.00

Commodity Prices				
Commodity	04-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	61.93	59.79	57.43	53.21
Brent Crude(\$/bl)	69.22	66.48	64.24	54.46
Gold(\$/oz)	1323	1295	1276	1163
Gold(Rs./10 gm)	29341	29250	29086	28092

Source: ICRON Research

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Derivatives Market

- Nifty Jan 2018 Futures were at 10,526.2, a premium of 21.40 points above the spot closing of 10,504.80. The turnover on NSE's Futures and Options segment went up from Rs. 5,74,381.93 crore on Jan 3 to Rs. 10,36,180.25 crore on Jan 4.
- The Put-Call ratio remained unchanged from the previous session's close of 0.84.
- The Nifty Put-Call ratio stood at 1.48 against previous session's close of 1.50.
- Open interest on Nifty Futures stood at 24.85 million as against the previous session's close of 24.36 million.

Indian Debt Market

- Bond yields rose as additional borrowing plan by the government and rising crude oil prices dampened market sentiment. Market participants also waited for the outcome of the auction results of the new 10-year benchmark paper due Jan 5, 2017.
- Yield on the 10-year benchmark paper (6.79% GS 2027) rose 1 bps to close at 7.33% from the previous close of 7.32%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,195 crore (gross) on Jan 4, 2018, compared with the borrowings of Rs. 3,315 crore on Jan 3. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 36,679 crore on Jan 3.
- Banks borrowed Rs. 550 crore under the central bank's Marginal Standing Facility on Jan 3 compared with borrowing of Rs. 600 crore on Jan 2.

Currency Market Update

- The Indian rupee rose against the greenback following gains in the domestic equity market. The rupee rose 0.20% to close at 63.40 per dollar from the previous close of 63.53.
- The euro rose against the greenback as market participants remained optimistic over global growth. However, the greenback continued to be supported after the U.S. private sector jobs data for Dec 2017 came better than market expectations. The euro was trading at \$1.2065, up 0.44% compared with the previous close of \$1.2012.

Commodity Market Update

- Gold prices inched down after the minutes from the U.S. Federal Reserve's Dec 2017 meeting indicated that Fed officials discussed for a faster pace of rate hike in 2018.
- Brent crude prices gained following unrest in Iran that has raised supply concerns.

International News

- According to a report from the Institute for Supply Management, U.S. manufacturing Purchasing Managers' Index (PMI) surpassed market expectations and grew to 59.7 in Dec 2017 from 58.2 in Nov 2017
- According to IHS Markit and Chartered Institute of Procurement & Supply, U.K. services PMI rose more than expected to 54.2 in Dec 2017 from 53.8 in Nov 2017.
- According to a report from the IHS Markit, euro zone's composite output index came in at 58.1 in Dec 2017, highest since Feb 2011 and up from 57.5 in Nov 2017. The services PMI rose to 56.6 in Dec from 56.2 in Nov.

Thank you for
your time.