

RELIANCE

MUTUAL
FUND

Markets for You

11 Jan 2018

Indices Performance

Global Indices	10-Jan	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,369	25,386	-17	-0.07
Nasdaq	7,154	7,164	-10	-0.14
FTSE	7,749	7,731	17	0.23
Nikkei	23,788	23,850	-62	-0.26
Hang Seng	31,074	31,011	62	0.20
Indian Indices	10-Jan	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	34,433	34,443	-10	-0.03
Nifty 50	10,632	10,637	-5	-0.05
Nifty 100	11,117	11,125	-8	-0.07
Nifty Bank	25,617	25,704	-87	-0.34
SGX Nifty	10,607	10,646	-39	-0.37
S&P BSE Power	2,421	2,426	-5	-0.20
S&P BSE Small Cap	19,903	19,911	-8	-0.04
S&P BSE HC	14,982	14,996	-13	-0.09

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
10-Jan	25.40	1.12	27.18	1.07
Month Ago	24.57	1.17	26.26	1.11
Year Ago	20.97	1.46	22.39	1.33

Nifty 50 Top 3 Gainers

Company	10-Jan	Prev_Day	% Change [#]
TCS	2807	2709	3.60
Wipro	327	317	3.00
HCL Tech	916	894	2.46

Nifty 50 Top 3 Losers

Company	10-Jan	Prev_Day	% Change [#]
Eicher Motors	28098	28597	-1.75
NTPC	174	177	-1.56
United Phos	779	791	-1.49

Advance Decline Ratio

	BSE	NSE
Advances	1299	722
Declines	1629	1071
Unchanged	126	56

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-22	3087
MF Flows**	250561	250075

*10th Jan 2018; **8th Jan 2018

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 mostly traded low after the Bank of Japan suddenly reduced its bond purchase amount and consumer prices inflation in China missed market expectations. Also, producer prices in China stood lower than the previous month. Stronger yen further dented sentiment. However, positive cues from overnight U.S. markets and improved crude oil prices restricted the fall. Today (As of Jan 11), Asian markets opened almost lower following weakness in the Wall Street weighed on the market. Investors were also awaiting few key corporate results. Nikkei was trading down 0.39% and Hang Seng was trading up 0.05% (as at 8.a.m. IST).

- As per the last close, European market ended mixed. Better than expected U.K. industrial output data in Nov 2017 and strong performance by the bank stocks boosted market. However, profit taking by investors weighed on the market.

- As per the last close, U.S markets ended lower amid profit taking by the investors and after media reports indicated that Chinese officials have recommended slowing or halting purchases of U.S. Treasuries.

Indian Equity Market

- Indian equity markets ended slightly lower as investors preferred to remain cautious ahead of the key corporate earnings results scheduled later this week. Also, investor sentiment remained subdued ahead of the federal budget expected to release on Feb 1, 2018. The investors are somewhat concerned that the government might unveil some measures that involve heavier spending than in FY18. Also, weakness in Asian stocks muted buying interest.

- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.03% and 0.05%, respectively, to close at 34,433.07 and 10,632.20, respectively. Moreover, S&P BSE Mid-Cap and S&P BSE Small-Cap went down 0.31% and 0.04%, respectively.

- On the BSE sectoral front, the losers comprised S&P BSE Auto, down 0.68% followed by S&P BSE Consumer Durables and S&P BSE Finance, which fell 0.65% and 0.46%, respectively. S&P BSE Consumer Discretionary Goods & Services and S&P BSE Utilities went down 0.40% and 0.39%, respectively. The top gainers comprised S&P BSE Information Technology (1.84%), S&P BSE Teck (1.46%), S&P BSE Realty (1.16%) and S&P Energy (0.17%).

Domestic News

- According to data from the Reserve Bank of India, banks' bad loans surged by 23% or Rs. 11,400 crore to Rs. 60,200 crore in FY17 from Rs. 48,800 crore in FY16. It has jumped 142.74% from Rs. 24,800 crore in FY12. Demonetisation and farm loan waivers have also led to high bad loans. The data also stated that the maximum default took place in 2017.

- In order to allow foreign carriers to pick up stake in the national carrier Air India, the Union cabinet has approved Foreign Direct Investment (FDI) norm changes. Foreign carriers would now be able to own 49% in Air India under the approval route with an Indian partner.

- The World Bank announced that it expects India's growth rate to be 7.3% in 2018 and 7.5% in 2019 and 2020 both. It stated that this comes amid an ambitious government undertaking comprehensive reforms. Also, it stated that India has "enormous growth potential" compared with other emerging economies. However, to materialise its potential India needs to take steps to boost investment prospects, said the World Bank.

- According to the oil ministry's petroleum and analysis cell, India's oil consumption in 2017 grew at the slowest rate in four years as demonetization and implementation of Goods and Services Tax (GST) weakened the economy. Country's oil consumption slowed to 2% in 2017 from 11% in 2016.

- According to the chief executive of AirAsia, the company's Indian unit could explore initial public offering (IPO) options. The company will seek approval at AirAsia India's next board meeting to choose a banker to begin the preliminary process of IPO.

- Tata Motors has posted 23% growth in total global sales to 1,16,677 units in Dec 2017. In the passenger vehicles segment, total sales increased 8% to 69,495 in Dec.

- State Bank of India has announced to raise Rs. 5,000 crore by issuing long-term bonds. The proposed bond raising programme aims at funding infrastructure and affordable housing.

FII Derivative Trade Statistics		10-Jan	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1355.70	1064.04	18307.70
Index Options	40308.39	40410.16	67010.07
Stock Futures	9819.54	9459.24	71518.34
Stock Options	6965.25	7142.71	6943.67
Total	58448.88	58076.15	163779.78

Derivative Statistics- Nifty Options			
	10-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.66	1.67	-0.02
Put Call Ratio(Vol)	1.35	1.33	0.02

Debt Watch				
	10-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.89%	5.84%	5.90%	6.09%
CBLO	5.87%	5.75%	5.13%	6.21%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.32%	6.11%	6.11%	6.18%
364 Day T-Bill	6.49%	6.46%	6.22%	6.16%
10 Year Gilt	7.44%	7.32%	7.09%	6.40%
G-Sec Vol. (Rs.Cr)	35340	41316	37214	44287
1 Month CP Rate	6.85%	6.83%	6.66%	6.61%
3 Month CP Rate	7.34%	7.23%	6.81%	6.94%
5 Year Corp Bond	7.73%	7.69%	7.44%	7.07%
1 Month CD Rate	6.24%	6.22%	6.19%	6.21%
3 Month CD Rate	6.75%	6.60%	6.23%	6.33%
1 Year CD Rate	7.08%	7.04%	6.68%	6.55%

Currency Market			
Currency	10-Jan	Prev_Day	Change
USD/INR	63.83	63.47	0.36
GBP/INR	86.28	86.15	0.13
EURO/INR	76.14	75.92	0.22
JPY/INR	0.57	0.56	0.00

Commodity Prices				
Commodity	10-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	63.55	61.56	57.10	50.77
Brent Crude(\$/bl)	70.61	68.24	64.32	53.04
Gold(\$/oz)	1317	1313	1248	1188
Gold(Rs./10 gm)	29563	29434	28492	28507

Source: ICRON Research

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Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.

Derivatives Market

- Nifty Jan 2018 Futures were at 10637.05, a premium of 4.85 points above the spot closing of 10,632.20. The turnover on NSE's Futures and Options segment went up from Rs. 4,67,898.63 crore on Jan 9 to Rs. 5,96,072.34 crore on Jan 10.
- The Put-Call ratio closed at 0.81 against the previous session's close 0.88.
- The Nifty Put-Call ratio stood at 1.66 against previous session's close of 1.67.
- Open interest on Nifty Futures stood at 29.67 million as against the previous session's close of 28.71 million.

Indian Debt Market

- Bond yields rose tracking gains in U.S. Treasury yields and rise in global crude oil prices. U.S. Treasury prices fell after the Bank of Japan said it will trim purchases of Japanese government bonds. The announcement raised speculation that the central bank may wind down its monetary stimulus this year.
- Yield on the existing 10-year benchmark paper (6.79% GS 2027) rose 7 bps to close at 7.44% from the previous close of 7.37%. During the session, bond yields traded in the range of 7.41% and 7.46%.
- Yield on the new 10-year benchmark paper (7.17% GS 2028) rose 10 bps to close at 7.26% from the previous close of 7.16%. During the session, bond yields traded in the range of 7.19% and 7.27%.
- Data from RBI showed that reserve money increased at an annualised rate of 60.6% in the week to Jan 5, 2018, compared with a decrease of 31.0% a year earlier.

Currency Market Update

- The Indian rupee rose against the U.S. dollar as selling of the greenback by foreign banks outweighed dollar demand from oil importers. The rupee rose 0.18% to close at 63.59 per dollar from the previous close of 63.71.
- The euro surged against the greenback as the latter came under pressure on reports that China was ready to slow or halt its U.S. treasury purchases. Euro was trading at \$1.1999, up 0.54% from the previous close of \$1.1935.

Commodity Market Update

- Gold prices gained after the dollar weakened following Bank of Japan's sudden decision to reduce the size of its long-dated bond purchases.
- Brent crude prices touched a multi-year high after U.S. crude inventories fell by 11.2 million barrels in the week ending Jan 5.

International News

- The World Bank raised its global growth projections to 3.1% in 2018 from 2.9% predicted earlier. The outlook for 2019 was raised to 3.0% from 2.9%. For 2020, the bank forecast 2.9% expansion. According to the World Bank, boosting workforce participation, shared prosperity and ending extreme poverty will help central banks to increase their countries' productivity.
- Data from the Office for National Statistics showed that U.K. industrial production growth doubled in Nov 2017. Industrial production rose 0.4% on a monthly basis in Nov as compared with 0.2% growth in Oct 2017. However, on a yearly basis, industrial production slowed to 2.5% in Nov from 4.3% in Oct.

Thank you for
your time.