

RELIANCE

MUTUAL
FUND

Markets for You

12 Jan 2018

Indices Performance

Global Indices	11-Jan	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,575	25,369	206	0.81
Nasdaq	7,212	7,154	58	0.81
FTSE	7,763	7,749	14	0.19
Nikkei	23,710	23,788	-78	-0.33
Hang Seng	31,120	31,074	47	0.15
Indian Indices	11-Jan	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	34,503	34,433	70	0.20
Nifty 50	10,651	10,632	19	0.18
Nifty 100	11,132	11,117	15	0.13
Nifty Bank	25,661	25,617	44	0.17
SGX Nifty	10,671	10,607	64	0.60
S&P BSE Power	2,420	2,421	-1	-0.04
S&P BSE Small Cap	19,984	19,903	81	0.41
S&P BSE HC	15,020	14,982	37	0.25

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
11-Jan	25.50	1.11	27.23	1.06
Month Ago	24.73	1.16	26.43	1.10
Year Ago	21.11	1.45	22.42	1.32

Nifty 50 Top 3 Gainers

Company	11-Jan	Prev_Day	% Change [#]
Infosys	1076	1052	2.24
Indiabulls HFC	1229	1204	2.03
Tech Mahindra	552	542	1.77

Nifty 50 Top 3 Losers

Company	11-Jan	Prev_Day	% Change [#]
IndusInd Bank	1700	1734	-1.95
Wipro	321	327	-1.71
Ambuja Cem	272	276	-1.58

Advance Decline Ratio

	BSE	NSE
Advances	1594	976
Declines	1340	813
Unchanged	134	58

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-392	2696
MF Flows**	725	1457

*11th Jan 2018; **10th Jan 2018

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	3.93%	3.24%	1.82%
	(Nov-17)	(Aug-17)	(Nov16)
IIP	2.20%	1.00%	4.20%
	(Oct-17)	(Jul-17)	(Oct-16)
GDP	6.30%	5.70%	7.50%
	(Sep-17)	(Jun-17)	(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 following weak cues from overnight U.S. markets and on news that China may reduce U.S. Treasuries purchase. Also, chances that the U.S. President may withdraw from the North American Free Trade Agreement (NAFTA) added to the losses. However, improved crude oil prices restricted the fall. Today (As of Jan 12), Asian markets opened mostly higher tracking rise on the Wall Street overnight. While Nikkei was trading lower 0.1%, Hang Seng was up 0.49% (8 a.m. IST).

• As per the last close, European market mostly fell after hovering between gains and losses during the session. The minutes of the latest policy meeting showed the European Central Bank could change the tone of its monetary policy communication early this year to reflect the improvement in growth prospects.

• As per the last close, U.S market rose partly due to easing concerns about treasuries after China dismissed a media news report that officials have recommended slowing or halting purchases of U.S. debt.

Indian Equity Market

• Indian equity markets closed in the green as investors remained optimistic ahead of key corporate earnings scheduled later this week. Gains in realty, information technology and Teck further boosted the indices. However, concerns that the government in the budget on Feb 1, 2018, would unveil measures involving heavier spending capped the gains.

• Key benchmark indices S&P BSE Sensex and Nifty 50 grew 0.20% and 0.18% to close at 34,503.49 and 10,651.20, respectively. Moreover, S&P BSE Mid-Cap and S&P BSE Small-Cap went up 0.27% and 0.41%, respectively.

• On the BSE sectoral front, the gainers comprised S&P BSE Realty, up 2.00%, followed by S&P BSE Information Technology and S&P BSE Teck, which grew 0.84% and 0.73%, respectively. S&P BSE Consumer Telecom and S&P BSE FMCG grew 0.55% and 0.39%, respectively. The losers comprised S&P BSE Energy, down 0.3%, followed by S&P BSE Oil & Gas (-0.29%), S&P BSE Consumer Durables (-0.26%) and S&P BSE Capital Goods (-0.16%).

Domestic News

• Data from Society of Indian Automobile Manufacturers (SIAM) showed that sales of domestic passenger vehicles grew 5.22% to 2,39,712 units in Dec 2017 from 2,27,823 units in the same month of the previous year. Domestic car sales fell marginally to 1,58,326 units as against 1,58,617 units sold in Dec 2016. Sales of motorcycles grew 40.31% to 7,88,156 units as against 5,61,710 units in the same period of the previous year. Sales of two-wheeler vehicles grew 41.45% to 12,87,592 units compared with 9,10,276 units. Sales of commercial vehicles grew 52.62% to 82,362 units. Sales of vehicles across the categories witnessed a rise of 36.39% to 16,66,646 units in Dec 2017 from 12,21,969 units in Dec 2016.

• The government has eased norms for investment in single brand retail, construction and power exchanges. The government has approved 100% foreign direct investment (FDI) under automatic route for single brand retail trading. Earlier also 100% FDI was allowed in the segment, however, the same required approval of the government. The move would give boost to foreign retailers. Also, the government has relaxed FDI policy for medical devices and audit firms associated with companies that receive funds from overseas. This comes apart from the government's permission for 49% investment by foreign airlines in India's national airline Air India.

• Tata Consultancy Services Ltd has posted a net profit of Rs. 65.31 billion for the quarter ended Dec 2017, slightly up 1.3% from Rs. 64.46 billion for the quarter ended Sep 2017. The profit was hurt by a decline in spending by banking and financial services clients.

• IndusInd Bank posted increase in net profit by 24.73% YoY to Rs. 936.25 crore in quarter ended Dec 2017 as against net profit of Rs. 750.64 crore for the corresponding quarter last year. Gross non-performing assets (NPAs) increased 1.16% of total advance in the quarter ended Dec from 1.08% in the end of Sep 2017 quarter.

• According to media reports, global auditing firm Price Waterhouse has been banned by the Securities and Exchange Board of India (SEBI) from auditing listed companies in India for two years.

FII Derivative Trade Statistics		11-Jan		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	1183.77	1425.46	18158.99	
Index Options	49198.98	49108.94	68788.01	
Stock Futures	9233.75	8915.85	71836.00	
Stock Options	6932.85	6930.79	7350.31	
Total	66549.35	66381.04	166133.31	

Derivative Statistics- Nifty Options			
	11-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.75	1.66	0.09
Put Call Ratio(Vol)	1.56	1.35	0.21

Debt Watch				
	11-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.88%	5.81%	5.86%	6.10%
CBLO	5.88%	5.75%	5.90%	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	6.30%	6.11%	6.06%	6.18%
364 Day T-Bill	6.50%	6.47%	6.25%	6.15%
10 Year Gilt	7.44%	7.33%	7.17%	6.39%
G-Sec Vol. (Rs.Cr)	25901	25971	40196	52644
1 Month CP Rate	6.86%	6.85%	6.66%	6.61%
3 Month CP Rate	7.35%	7.19%	6.81%	6.94%
5 Year Corp Bond	7.72%	7.69%	7.49%	7.09%
1 Month CD Rate	6.24%	6.21%	6.18%	6.23%
3 Month CD Rate	6.83%	6.75%	6.24%	6.34%
1 Year CD Rate	7.09%	7.12%	6.72%	6.57%

Currency Market			
Currency	11-Jan	Prev_Day	Change
USD/INR	63.74	63.83	-0.09
GBP/INR	86.01	86.28	-0.27
EURO/INR	76.14	76.14	0.00
JPY/INR	0.57	0.57	0.00

Commodity Prices				
Commodity	11-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	63.76	61.93	57.79	52.14
Brent Crude(\$/bl)	71.18	69.22	66.16	53.45
Gold(\$/oz)	1322	1323	1242	1191
Gold(Rs./10 gm)	29606	29341	28535	28678

Source: ICRON Research

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Derivatives Market

- Nifty Jan 2018 Futures were at 10,654.05, a premium of 2.85 points above the spot closing of 10,651.20. The turnover on NSE's Futures and Options segment went up from Rs. 5,96,072.34 crore on Jan 10 to Rs. 10,20,259.56 crore on Jan 11.
- The Put-Call ratio closed at 0.87 against the previous session's close 0.81.
- The Nifty Put-Call ratio stood at 1.75 against previous session's close of 1.66.
- Open interest on Nifty Futures stood at 29.86 million as against the previous session's close of 29.67 million.

Indian Debt Market

- Bond yields closed steady and market sentiment remained bearish as global crude oil prices stood at elevated levels. Concerns of a likely acceleration in retail inflation and worries of subdued demand at the weekly debt auction due Jan 12, 2017 also dented sentiment.
- Buying interests were further dampened on reports that the Reserve Bank of India (RBI) had revised downwards the valuation prices (SLR and non-SLR) for month/quarter ended Dec 29, 2017.
- Yield on the existing 10-year benchmark paper (6.79% GS 2027) closed steady at 7.44%. During the session, bond yields traded in the range of 7.40% and 7.46%.
- Yield on the new 10-year benchmark paper (7.17% GS 2028) closed steady at 7.26%. During the session, bond yields traded in the range of 7.23% and 7.27%.

Currency Market Update

- The Indian rupee weakened against the greenback on strong dollar demand from oil and other importers. The rupee fell 0.10% to close at 63.66 per dollar from the previous close of 63.59 per dollar.
- The euro surged against the greenback after the European Central Bank indicated that it may revisit its monetary policy stance in early 2018, which fueled expectations that the central bank may soon start tightening its massive monetary stimulus program. Euro was trading at \$1.2009, up 0.54% compared with the previous close of \$1.1945.

Commodity Market Update

- The safe-haven appeal of the metal gained following the release of downbeat U.S. economic data.
- Brent crude prices remained at an elevated level after the U.S. Energy Information Administration mentioned that crude oil inventories fell by 4.9 million barrels in the week ended Jan.

International News

- A report from the Commerce Department showed that U.S. wholesale inventories surpassed market expectations and grew 0.8% in Nov 2017 from revised 0.4% fall in Oct 2017. Inventories of non-durable goods surged 1.3% as inventories of petroleum and farm products showed significant increases, while inventories of groceries showed a notable decline. Inventories of durable goods rose 0.5% owing to significant growth in inventories of electrical products, metals and machinery.
- A report from the Labor Department showed that U.S. import prices rose 0.1% in Dec 2017 as against upwardly revised increase of 0.8% in Nov 2017. The increase reflects a steep rise in prices for fuel imports. The report also reflected an unexpected decrease in export prices, which fell 0.1% in Dec after increasing 0.5% in Nov.

Thank you for
your time.