

RELIANCE

MUTUAL
FUND

Markets for You

15 Jan 2018

Indices Performance

| Global Indices | 12-Jan | Prev_Day | Abs. Change | % Change [#] |
|-------------------|--------|----------|-------------|-----------------------|
| Dow Jones | 25,803 | 25,575 | 228 | 0.89 |
| Nasdaq | 7,261 | 7,212 | 49 | 0.68 |
| FTSE | 7,779 | 7,763 | 16 | 0.20 |
| Nikkei | 23,654 | 23,710 | -57 | -0.24 |
| Hang Seng | 31,413 | 31,120 | 292 | 0.94 |
| Indian Indices | 12-Jan | Prev_Day | Abs. Change | % Change [#] |
| S&P BSE Sensex | 34,592 | 34,503 | 89 | 0.26 |
| Nifty 50 | 10,681 | 10,651 | 30 | 0.28 |
| Nifty 100 | 11,159 | 11,132 | 27 | 0.24 |
| Nifty Bank | 25,749 | 25,661 | 88 | 0.34 |
| SGX Nifty | 10,698 | 10,671 | 28 | 0.26 |
| S&P BSE Power | 2,409 | 2,420 | -11 | -0.47 |
| S&P BSE Small Cap | 19,993 | 19,984 | 9 | 0.05 |
| S&P BSE HC | 14,968 | 15,020 | -52 | -0.34 |

P/E Dividend Yield

| Date | Sensex | | Nifty | |
|-----------|--------|------------|-------|------------|
| | P/E | Div. Yield | P/E | Div. Yield |
| 12-Jan | 25.66 | 1.11 | 27.28 | 1.06 |
| Month Ago | 24.52 | 1.17 | 26.22 | 1.11 |
| Year Ago | 21.29 | 1.43 | 22.50 | 1.31 |

Nifty 50 Top 3 Gainers

| Company | 12-Jan | Prev_Day | % Change [#] |
|-------------------|--------|----------|-----------------------|
| ICICI Bank | 318 | 310 | 2.65 |
| Bharti Infratel | 375 | 368 | 1.92 |
| Zee Entertainment | 591 | 580 | 1.90 |

Nifty 50 Top 3 Losers

| Company | 12-Jan | Prev_Day | % Change [#] |
|------------------|--------|----------|-----------------------|
| United Phos | 775 | 786 | -1.38 |
| Aurobindo Pharma | 667 | 675 | -1.11 |
| Lupin | 919 | 929 | -1.09 |

Advance Decline Ratio

| | BSE | NSE |
|-----------|------|------|
| Advances | 1331 | 761 |
| Declines | 1584 | 1047 |
| Unchanged | 155 | 49 |

Institutional Flows (Equity)

| Description (Cr) | Inflow/Outflow | YTD |
|------------------|----------------|------|
| FII Flows* | -523 | 2172 |
| MF Flows** | 725 | 1457 |

*12th Jan 2018; **10th Jan 2018

Economic Indicator

| YoY(%) | Current | Quarter Ago | Year Ago |
|--------|-------------------|-------------------|-------------------|
| WPI | 3.93% (Nov-17) | 3.24% (Aug-17) | 1.82% (Nov16) |
| IIP | 8.40% (Nov-17) | 4.80% (Aug-17) | 5.10% (Nov-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 closed in the green after China ruled out the news of lowering U.S. bond purchases and mentioned it as an erroneous information. However, lower exports and imports data from China for Dec 2017 limited the upside. Today (As of Jan 15), Asian markets opened higher amid strong lead from Wall Street's last session. Gains in technology and financial stocks further boosted the indices. Nikkei and Hang seng grew 0.29% and 0.78%, respectively (as at 8.a.m. IST).
- As per the last close, European market ended higher as investor sentiment got a boost with German coalition party leaders reaching a breakthrough in preliminary talks to form a new government. Also, investor sentiment improved after ECB revealed that the tone of monetary policy communication could be changed early in 2018 to reflect improvement in growth prospects.
- As per the last close, U.S markets ended higher amid strong corporate results by some of the U.S. majors. Also, retail stocks gained amid retail sales data that came in-line with market expectations for Dec 2017, thereby further boosting the indices.

Indian Equity Market

- Investors preferred to remain on the sidelines ahead of consumer inflation and industrial output data that was scheduled after market hours. Additionally, investors remained wary after the four Supreme Court judges have raised concerns on administration of the top court. However, indices later gained momentum and closed in the green amid optimism over corporate earnings results. Gains in information technology and banking and financial sectors further boosted the indices.
- Key benchmark indices S&P BSE Sensex and Nifty 50 grew 0.26% and 0.28% to close at 34,592.39 and 10,681.25, respectively. Moreover, while S&P BSE Mid-Cap fell 0.17%, S&P BSE Small-Cap went up 0.05%.
- On the BSE sectoral front, the top gainers were S&P BSE Energy, up 0.72% followed by S&P BSE Oil & Gas and S&P BSE Bankex, which grew 0.69% and 0.50%, respectively. S&P BSE Consumer Capital Goods and S&P BSE Metal grew 0.48% and 0.45%, respectively. The losers comprised S&P BSE Realty down 1.46%, followed by S&P BSE FMCG (-0.52%), S&P BSE Power (-0.47%) and S&P BSE Utilities and S&P BSE Healthcare (each -0.34%).

Domestic News

- Government data showed that growth of Consumer Price Index (CPI) based inflation or retail inflation surged to a 17-month high of 5.21% in Dec 2017 from 4.88% in the previous month and 3.41% in the same period of the previous year. Retail inflation growth thus surpassed the Reserve Bank of India's (RBI) medium-term target of 4% for the second consecutive month. The Consumer Food Price Index also grew 4.96% in Dec 2017 from 4.35% in the previous month and 1.37% in the same period of the previous year.
- Government data showed that India's Index of Industrial Production (IIP) grew 8.4% in Nov 2017 from downwardly revised 2.0% in Oct 2017 (2.2% originally reported) and 5.10% in the same period of the previous year. This is the highest IIP level since Oct 2015. The manufacturing sector also surged 10.2% in Nov 2017 from 4.0% in the same period of the previous year. However, IIP growth for Apr to Nov 2017 slowed to 3.2% from 5.5% in the same period of the previous fiscal.
- Infosys posted 38% QoQ rise in net profit to Rs. 51.29 billion in the quarter ended Dec 2017 as against Rs. 37.26 billion in previous quarter and revenue rose 1.3% to Rs. 177.94 billion as compared with Rs. 175.67 billion in quarter ended Sep 2017.
- HT Media reported increase in consolidated net profit by 28.74% to Rs. 136.96 crore in quarter ended Dec 2017 as against net profit of Rs. 106.36 crore during same quarter of the previous fiscal year.
- Few non-banking finance companies including HDFC Ltd, Mahindra Finance, IndiaBulls Housing Finance, Shriram Transport Finance and Dewan Housing Finance (DHFL) have received approval from the Reserve Bank of India to sell masala bonds to foreign investors abroad.
- Tata Consultancy Services has entered into an agreement with Transamerica, a leading provider of life insurance, retirement and investment solutions, to transform the administration of its U.S. insurance and annuity business lines.

| FII Derivative Trade Statistics | 12-Jan | | |
|---------------------------------|----------|----------|-----------|
| (Rs Cr) | Buy | Sell | Open Int. |
| Index Futures | 1364.01 | 2550.35 | 17231.70 |
| Index Options | 77515.62 | 76152.80 | 71026.77 |
| Stock Futures | 8477.41 | 8324.67 | 72580.18 |
| Stock Options | 6434.83 | 6473.92 | 7887.32 |
| Total | 93791.87 | 93501.74 | 168725.97 |

| Derivative Statistics- Nifty Options | 12-Jan | Prev_Day | Change |
|--------------------------------------|--------|----------|--------|
| Put Call Ratio (OI) | 1.74 | 1.75 | -0.01 |
| Put Call Ratio(Vol) | 1.46 | 1.56 | -0.09 |

| Debt Watch | 12-Jan | Wk. Ago | Mth. Ago | Year Ago |
|--------------------|--------|---------|----------|----------|
| Call Rate | 5.91% | 5.88% | 5.82% | 6.08% |
| CBLO | 5.87% | 4.79% | 5.94% | 6.18% |
| Repo | 6.00% | 6.00% | 6.00% | 6.25% |
| Reverse Repo | 5.75% | 5.75% | 5.75% | 5.75% |
| 91 Day T-Bill | 6.29% | 6.13% | 6.13% | 6.14% |
| 364 Day T-Bill | 6.30% | 6.47% | 6.24% | 6.17% |
| 10 Year Gilt | 7.46% | 7.29% | 7.19% | 6.37% |
| G-Sec Vol. (Rs.Cr) | 27029 | 52738 | 42456 | 85173 |
| 1 Month CP Rate | 6.87% | 6.81% | 6.69% | 6.64% |
| 3 Month CP Rate | 7.38% | 7.24% | 6.82% | 6.92% |
| 5 Year Corp Bond | 7.74% | 7.67% | 7.48% | 7.06% |
| 1 Month CD Rate | 6.25% | 6.20% | 6.19% | 6.23% |
| 3 Month CD Rate | 6.86% | 6.77% | 6.25% | 6.36% |
| 1 Year CD Rate | 7.13% | 7.10% | 6.72% | 6.57% |

| Currency Market | 12-Jan | Prev_Day | Change |
|-----------------|--------|----------|--------|
| Currency | | | |
| USD/INR | 63.53 | 63.74 | -0.21 |
| GBP/INR | 86.05 | 86.01 | 0.04 |
| EURO/INR | 76.53 | 76.14 | 0.39 |
| JPY/INR | 0.57 | 0.57 | 0.00 |

| Commodity Prices | 12-Jan | Wk Ago | Mth. Ago | Year Ago |
|--------------------|--------|--------|----------|----------|
| Commodity | | | | |
| NYMEX Crude(\$/bl) | 64.17 | 61.44 | 57.07 | 52.96 |
| Brent Crude(\$/bl) | 70.46 | 68.50 | 65.65 | 54.35 |
| Gold(\$/oz) | 1338 | 1320 | 1243 | 1196 |
| Gold(Rs./10 gm) | 29838 | 29443 | 28443 | 28891 |

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 10,686.35, a premium of 5.10 points above the spot closing of 10,681.25. The turnover on NSE's Futures and Options segment went down from Rs. 10,20,259.56 crore on Jan 11 to Rs. 5,62,613.13 crore on Jan 12.
- The Put-Call ratio closed at 1.07 against the previous session's close 0.87.
- The Nifty Put-Call ratio stood at 1.74 against previous session's close of 1.75.
- Open interest on Nifty Futures stood at 30.22 million as against the previous session's close of 29.86 million.

Indian Debt Market

- Bond yields rose after India's retail inflation rate accelerated to 5.21% in Dec 2017 from a year earlier, the fastest pace of annual expansion since Jul 2016.
- Yields also rose after the central bank sold the complete quantum of bonds worth Rs. 150 billion, while traders were anticipating cancellation of the auction for some notes.
- Yield on the existing 10-year benchmark paper (6.79% GS 2027) rose 2 bps to close at 7.46% as against previous session close of 7.44%. During the session, bond yields traded in the range of 7.39% and 7.46%.
- Yield on the new 10-year benchmark paper (7.17% GS 2028) rose 2 bps to close at 7.28% as against previous session close of 7.26%. During the session, bond yields traded in the range of 7.24% and 7.29%.

Currency Market Update

- The Indian rupee rose against the U.S. dollar following gains in the domestic equity market. However, dollar demand from oil importers capped most of the gains. The rupee rose 0.04% to close at 63.63 per dollar from the previous close of 63.66 per dollar.
- The euro continued to surge against the greenback on expectations that the European Central Bank might tighten its huge monetary stimulus. Euro was trading at \$1.2125, up 0.78% compared with the previous close of \$1.2031.

Commodity Market Update

- Gold prices touched four-month high ahead of the key retail sales and inflation data in the U.S.
- Brent crude prices inched down ahead of U.S. rig count data.

International News

- A report from the Labor Department showed that U.S. consumer price index missed market expectations in Dec 2017. However, it inched up by 0.1% in Dec as against a gain of 0.4% in Nov 2017. Meanwhile, core consumer prices, (excluding food and energy prices) grew 0.3% in Dec as against a gain of 0.1% in Nov.
- A report from the commerce department showed that retail sales came in line with market expectations and grew 0.4% in Dec 2017 as against an upwardly revised gain of 0.9% (0.8% originally reported) in Nov 2017.
- According to a report from the Labor department, U.S. producer price index for final demand missed market expectations and slightly fell 0.1% in Dec 2017 as against a gain of 0.4% in Nov 2017.

Thank you for
your time.