

Indices Performance

Global Indices	18-Jan	Prev_Day	Abs. Change	% Change [#]
Dow Jones	19,805	19,827	-22	-0.11
Nasdaq	5,556	5,539	17	0.31
FTSE	7,248	7,220	27	0.38
Nikkei	18,894	18,814	81	0.43
Hang Seng	23,098	22,841	257	1.13
Indian Indices	18-Jan	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	27,258	27,236	22	0.08
Nifty 50	8,417	8,398	19	0.23
Nifty 100	8,678	8,653	25	0.29
Nifty Bank	19,165	19,067	97	0.51
SGX Nifty	8,435	8,410	25	0.29
S&P BSE Power	2,141	2,135	6	0.26
S&P BSE Small Cap	12,883	12,805	79	0.61
S&P BSE HC	15,062	15,025	37	0.25

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
18-Jan	21.30	1.43	22.39	1.31
Month Ago	20.57	1.49	21.37	1.36
Year Ago	18.15	1.48	19.86	1.57

Nifty 50 Top 3 Gainers

Company	18-Jan	Prev_Day	% Change [#]
Ultratech Cem	3502	3380	3.59
Hindalco	177	171	3.48
BHEL	132	128	3.48

Nifty 50 Top 3 Losers

Company	18-Jan	Prev_Day	% Change [#]
Idea Cellular	67	69	-2.60
NTPC	173	176	-1.68
Hero Moto	3086	3133	-1.49

Advance Decline Ratio

	BSE	NSE
Advances	1507	915
Declines	1257	706
Unchanged	161	84

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	186	-4065
MF Flows**	-102	2884

*18th Jan 2017; **13th Jan 2017

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	3.39% (Dec-16)	3.80% (Sep-16)	-1.06% (Dec-15)
IIP	5.70% (Nov-16)	-0.70% (Aug-16)	-3.40% (Nov-15)
GDP	7.30 (Sep-16)	7.10 (Jun-16)	7.60 (Sep -15)

Global Indices

- Most of the major Asian markets closed the session on a mixed note, as investors turned wary following the U.S. President-elect's statement that the U.S. dollar was too strong. British Prime Minister's announcement that U.K. will exit the European single market along with the European Union, did not go down well with the investors either. As on (Jan 19), Asian markets opened mixed after court in South Korea dismissed a warrant to arrest the head of the multinational company amid his alleged involvement in a corruption scandal. Furthermore, weaker yen supported Japanese shares. Nikkie was trading up 0.91% while, Hang Seng were traded down 0.21% (as at 8.00 a.m IST).
- As per the last close, European stocks closed mostly higher as investors digested a number of corporate reports and also remained cautious ahead of policy meeting of the European Central Bank on Jan 19, 2017.
- As per the last close, U.S. stocks closed mixed in a lack of direction and partly due to uncertainty about President-elect policies ahead of his inauguration on Jan 20, 2017.

Indian Equity Market

- The Indian equity market closed on a flat note despite trading high during the initial trading hours. The government's decision to hold back indirect transfer of shares by foreign investors boosted investor sentiment. But market participants turned cautious ahead of the upcoming corporate earnings and Union Budget. Meanwhile, the government has approved a 25% stake sale in each of the five fully-owned public sector general insurance companies by listing them on stock exchanges.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.08% and 0.23% to close at 27,257.64 points and 8,417.00 points, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap also moved up 0.45% and 0.61%, respectively.
- On the BSE sectoral front, most of the indices closed in the green and S&P BSE Metal (2.27%) stood as the major gainer followed by S&P BSE Basic Materials (1.88%) and S&P BSE Consumer Durables (0.71%). Metal sector got support after media reported that the government has demanded around Rs. 15,000 crore in dividend payout from one of the partly state-owned mining firm.

Domestic News

- According to Reserve Bank of India's governor, the value of demonetised currency notes has been estimated at Rs. 15.44 lakh crore and Rs. 9.2 lakh crore have been introduced in new currency so far.
- According to the United Nation's World Economic Situation and Prospects (WESP) 2017 report, India's economy is projected to grow by 7.7% in FY17 and 7.6% in FY18 on the back of strong private consumption and gradual introduction of significant domestic reforms. However, it has also put a cautious note that low capacity utilisation and stressed balance sheets of banks and businesses will prevent a strong investment revival in the short term.
- According to the International Monetary Fund (IMF), countries that have higher public debt levels like India should continue to implement their medium-term plans. The move will help lower their financial debt and fiscal deficit levels. IMF projected countries in the Asian region to grow above 5% in 2017 and 2018.
- According to a major global credit rating agency, strong domestic demand and cost competitiveness in exports will help Indian companies overcome uncertainties emanating from global geopolitical changes and domestic policy-making. The agency is of the view that reforms agenda undertaken by the government, strong macroeconomic fundamentals and stable credit profile of companies augurs well for foreign currency bonds by Indian issuers.
- According to media reports, the government has put on hold a circular on the taxation of indirect transfers of Indian assets. The government is considering amending the income tax law to provide stability and clarity to foreign portfolio investors in order to reinvigorate interest in the country as an investment destination.
- Zydus Cadila informed that it has received approval from the U.S. drug regulator for its chemotherapy drug methotrexate tablets for the U.S. markets.

FII Derivative Trade Statistics	18-Jan		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1619.99	1789.82	16995.11
Index Options	30510.38	30533.07	74606.21
Stock Futures	6977.79	7282.61	57947.31
Stock Options	4099.04	4040.14	6962.76
Total	43207.20	43645.64	156511.39

Derivative Statistics- Nifty Options			
	18-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.25	1.26	-0.01
Put Call Ratio(Vol)	1.19	1.22	-0.02

Debt Watch				
	18-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.00%	6.10%	6.14%	6.86%
CBLO	6.03%	6.21%	6.14%	6.96%
Repo	6.25%	6.25%	6.25%	6.75%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.23%	6.18%	6.19%	7.21%
364 Day T-Bill	6.24%	6.15%	6.22%	7.21%
10 Year Gilt	6.45%	6.39%	6.50%	7.67%
G-Sec Vol. (Rs.Cr)	43306	52644	78337	27119
1 Month CP Rate	6.68%	6.61%	6.64%	7.50%
3 Month CP Rate	6.96%	6.94%	6.64%	8.21%
5 Year Corp Bond	7.13%	7.09%	7.27%	8.29%
1 Month CD Rate	6.24%	6.23%	6.25%	7.22%
3 Month CD Rate	6.39%	6.34%	6.26%	7.68%
1 Year CD Rate	6.56%	6.57%	6.55%	7.74%

Currency Market			
Currency	18-Jan	Prev_Day	Change
USD/INR	67.94	68.05	-0.11
GBP/INR	83.84	82.46	1.38
EURO/INR	72.60	72.50	0.10
JPY/INR	0.60	0.60	0.00

Commodity Prices				
Commodity	18-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	51.12	52.19	51.93	28.94
Brent Crude(\$/bl)	53.42	53.46	53.90	27.11
Gold(\$/oz)	1204	1191	1134	1089
Gold(Rs./10 gm)	29203	28678	27305	26056

Source: ICRON Research

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Derivatives Market

- Nifty Jan 2017 Futures were at 8,429.35 points, a premium of 12.35 points, over the spot closing of 8,417.00 points. The turnover on NSE's Futures and Options segment went up from Rs. 3,53,711.06 crore on Jan 17 to Rs. 4,44,329.45 crore on Jan 18.
- The Put-Call ratio stood at 1.04, compared with the previous session's close of 1.06.
- The Nifty Put-Call ratio stood at 1.25, compared with the previous session's close of 1.26.
- The open interest on Nifty Futures stood at 23.52 million compared with the previous session's close of 22.51 million.

Indian Debt Market

- Bond yields rose as market participants exercised caution ahead of a speech by the U.S. Federal Reserve's chief, due later in the day. Worries as to what policies the new U.S. President-Elect will adopt after assuming office on Jan 20 also weighed on the market's sentiment.
- Yield on the 10-year benchmark bond (6.97% GS 2026) rose 3 bps to close at 6.45% compared with the previous close of 6.42%. During the session, bond yields moved in the region of 6.41% to 6.46%.
- Banks borrowed Rs. 1 crore under the central bank's Marginal Standing Facility on Jan 17, while none was borrowed on Jan 16.
- Data from RBI showed that reserve money decreased at an annualised rate of 28.4% in the week to Jan 13, compared with a rise of 12.3% a year earlier. The currency in circulation fell 40.2% during the week compared with a rise of 12.6% increase recorded a year earlier.

Currency Market Update

- Indian rupee weakened against the U.S. dollar as gains triggered by the President-elect's concerns about a strong U.S. currency was wiped out due to increased greenback demand from banks. The rupee fell 0.19% to close at 68.08 from the previous close of 67.95.
- The euro weakened against the U.S. dollar as investors were looking ahead of a speech from the U.S. Federal Reserve chair and U.S. inflation data for further hints on interest rate. Euro was trading at \$1.0684, down 0.26% from the previous close of \$1.0712.

Commodity Market Update

- Gold prices traded lower as investors remained cautious ahead of U.S. inflation data for Dec 2016, scheduled later during the day.
- Brent crude prices traded lower as investors preferred to cash in on recent gains after the OPEC in its monthly report, signaled a reduction in global glut situation in 2017.

International News

- The British Prime Minister in her speech said that Britain will be leaving the single market along with the European Union. However, she expressed interest to gain maximum access to it through a new trade agreement. She added that the final "Brexit" deal will be put to parliament for a vote.
- Data from Eurostat showed that eurozone's construction output grew for the second straight month in Nov 2016. Construction output grew 0.4% on a monthly basis in Nov, the same rate of increase as seen in Oct 2016. On an annual basis, construction output remained flat in Nov after a 1.8% growth in the preceding month.
- Final data from Eurostat showed that eurozone's inflation climbed as initially estimated in Dec 2016. Inflation rose to 1.1% in Dec from 0.6% in Nov 2016. On a yearly basis, inflation grew 0.5%.