

RELIANCE

MUTUAL
FUND

Markets for You

19 Jan 2018

Indices Performance

Global Indices	18-Jan	Prev_Day	Abs. Change	% Change [#]
Dow Jones	26,018	26,116	-98	-0.37
Nasdaq	7,296	7,298	-2	-0.03
FTSE	7,701	7,725	-24	-0.32
Nikkei	23,763	23,868	-105	-0.44
Hang Seng	32,122	31,983	139	0.43
Indian Indices	18-Jan	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	35,260	35,082	178	0.51
Nifty 50	10,817	10,789	28	0.26
Nifty 100	11,235	11,233	2	0.02
Nifty Bank	26,537	26,289	248	0.94
SGX Nifty	10,820	10,850	-30	-0.27
S&P BSE Power	2,352	2,395	-43	-1.80
S&P BSE Small Cap	19,286	19,688	-402	-2.04
S&P BSE HC	14,804	14,973	-169	-1.13

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
18-Jan	25.90	1.09	27.25	1.05
Month Ago	24.75	1.15	26.60	1.09
Year Ago	21.30	1.43	22.39	1.31

Nifty 50 Top 3 Gainers

Company	18-Jan	Prev_Day	% Change [#]
Indiabulls HFC	1244	1209	2.84
ITC	273	266	2.76
United Phos	801	781	2.53

Nifty 50 Top 3 Losers

Company	18-Jan	Prev_Day	% Change [#]
Bharti Infratel	344	366	-6.09
Adani Ports & SEZ	416	433	-3.96
Hindalco	254	263	-3.37

Advance Decline Ratio

	BSE	NSE
Advances	663	331
Declines	2301	1502
Unchanged	122	42

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	809	3851
MF Flows**	544	4588

*18th Jan 2018; **17th Jan 2018

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	3.58% (Dec-17)	3.14% (Sep-17)	2.10% (Dec-16)
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 traded in mixed following diverse economic data from China as Chinese GDP stood at 6.9% in 2017 marking the first expansion in seven years, industrial output accelerated while retail sales data stood lower than expected during Dec 2017. Meanwhile, positive cues from overnight U.S. markets limited the downside. Today (As of Jan 19), Asian markets opened mixed. Gains in auto and financial stocks boosted the indices. However, softer lead from Wall Street in the last session capped the gains. While Nikkei and grew 0.23%, Hang seng fell 0.18% (as at 8.a.m. IST).
- As per the last close, European market ended almost higher as mining stocks gained amid strong Chinese GDP data for 2017. However, gains were capped due to currency strength that continued to weigh on shares of exporters.
- As per the last close, U.S. markets ended almost lower amid concerns over potential government shutdown at the end of the week. Also, steep drop in new residential construction in Dec 2017 and decline in initial jobless claims for the week ended Jan 13, weighed on market sentiment.

Indian Equity Market

- Indian equity markets extended the rally with buying interest seen in banking stocks following reports of the government's plan to increase in foreign direct investment in banking sector. According to media reports, the government is considering raising the foreign investment ceiling in private banks to 100% and in public lenders to 49%.
- Key benchmark indices S&P BSE Sensex and Nifty 50 rose 0.51% and 0.26% to close at 35,260.29 and 10,817.00, respectively. Meanwhile, broader indices bucked the trend with S&P BSE Mid-Cap and S&P BSE Small-Cap falling by 1.69% and 2.04%, respectively.
- The market breadth on BSE was weak with 2,301 scrips declining and 663 advancing. A total of 122 scrips remained unchanged.
- On the BSE sectoral front, majority of the indices closed in the red. S&P BSE Realty was the major loser, down 4.07%, followed by S&P BSE Metal and S&P BSE Telecom, which slipped 2.87% and 2.63%, respectively. S&P BSE Basic Materials and S&P BSE Utilities fell 2.12% and 1.98%, respectively. Meanwhile, S&P BSE FMCG was the top gainer, up 0.74%, followed by S&P BSE Bankex, S&P BSE Finance and S&P BSE IT, that rose 0.69%, 0.56% and 0.13%, respectively.

Domestic News

- The Goods and Services Tax (GST) council in its meeting put 29 handicraft items in 0% slab. GST rates have also been reduced on few agricultural products and 53 categories of services. The new rates are applicable from Jan 25, 2018. The council also decided that Rs. 35,000 crore of integrated GST will be provisionally divided between the central government and the state government. The GST council also cut tax rate on domestic LPG by private companies to 5% from 18% earlier. However, decision on whether to include real estate and petroleum products under GST have not been taken. This decision is expected to be taken in the next meeting.
- According to the Power Minister, the government will set up a \$350 million fund to finance solar projects. The objective of the move is to achieve its ambitious target of adding 175 gigawatts (GW) in renewable energy by 2022. The minister on a separate note added that the government would be able to achieve its target of 175 GW of installed renewable energy capacity well before 2020
- According to media reports, the government is considering permitting 100% foreign direct investment in private sector banks and 49% in state run banks. The move if implemented, may pave the way for higher foreign flows in the banking sector.
- The Insolvency and Bankruptcy Board of India (IBBI) came out with stricter norms for insolvency professionals. According to the norms mandated by the IBBI, insolvency professionals need to disclose their relationship with all associated parties including the corporate borrower and lenders within three days of appointment.
- According to media reports, UltraTech Cement Ltd posted a 23% drop in third-quarter profit due to rising pet coke and coal prices. Profit fell to Rs 4.56 billion (\$71.4 million) for the quarter ended Dec 31, from Rs 5.95 billion a year ago.
- According to media reports, the net profit of India's Hindustan Zinc fell by nearly 4% to Rs. 22.30 billion in the quarter ended Dec 31, 2017 from Rs. 23.20 billion in the same period of the previous year.

FII Derivative Trade Statistics		18-Jan	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2294.88	2962.06	21782.95
Index Options	90685.11	90119.16	84266.79
Stock Futures	13324.94	11448.52	75290.95
Stock Options	11596.90	11662.44	9404.71
Total	117901.83	116192.18	190745.40

Derivative Statistics- Nifty Options			
	18-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.64	1.76	-0.12
Put Call Ratio(Vol)	1.28	1.30	-0.02

Debt Watch				
	18-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.90%	5.88%	6.02%	6.00%
CBLO	5.86%	5.88%	6.13%	6.03%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.35%	6.30%	6.15%	6.23%
364 Day T-Bill	6.49%	6.50%	6.32%	6.24%
10 Year Gilt	7.47%	7.44%	7.18%	6.45%
G-Sec Vol. (Rs.Cr)	36341	25901	41416	43306
1 Month CP Rate	6.89%	6.86%	6.71%	6.68%
3 Month CP Rate	7.58%	7.35%	6.88%	6.96%
5 Year Corp Bond	7.77%	7.72%	7.55%	7.13%
1 Month CD Rate	6.24%	6.24%	6.22%	6.24%
3 Month CD Rate	6.98%	6.83%	6.30%	6.39%
1 Year CD Rate	7.31%	7.09%	6.75%	6.56%

Currency Market			
Currency	18-Jan	Prev_Day	Change
USD/INR	63.84	63.98	-0.14
GBP/INR	88.28	88.13	0.16
EURO/INR	77.88	78.35	-0.47
JPY/INR	0.57	0.58	0.00

Commodity Prices				
Commodity	18-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	63.91	63.76	57.12	51.07
Brent Crude(\$/bl)	69.62	71.18	64.82	53.41
Gold(\$/oz)	1327	1322	1261	1204
Gold(Rs./10 gm)	29891	29606	28555	29203

Source: ICRON Research

Disclaimer:

The information herein is meant only for general reading purposes and contains all factual and statistical information pertaining to industry and markets which have been obtained from independent third party sources and which are deemed to be reliable. The information provided cannot be considered as guidelines, recommendations or as a professional guide for the readers. It may be noted that since Reliance Nippon Life Asset Management Company Limited (RNLAM) (formerly Reliance Capital Asset Management Limited) has not independently verified the accuracy or authenticity of such information or data, or for that matter the reasonableness of the assumptions upon which such data and information has been processed or arrive data; RNLAM does not in any manner assure the accuracy or authenticity of such data and information. Some of the statements & assertions contained in these materials may reflect RNLAM's views or opinions, which in turn may have been formed on the basis of such data or information. The Sponsor(s), the Investment Manager, the Trustee or any of their respective directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such data or information. Whilst no action has been solicited based upon the information provided herein, due care has been taken to ensure that the facts are accurate and opinions given are fair and reasonable, to the extent possible. This information is not intended to be an offer or solicitation for the purchase or sale of any financial product or instrument. Recipients of this information should rely on information/data arising out of their own investigations. Before making any investments, the readers are advised to seek independent professional advice, verify the contents in order to arrive at an informed investment decision. None of the Sponsor(s), the Investment Manager, the Trustee, their respective directors, employees, affiliates or representatives shall be liable in any way for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including on account of lost profits arising from the information contained in this material.

Readers are requested to click here for ICRON disclaimer - <http://www.icronline.com/legal/standard-disclaimer.html>

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

Derivatives Market

- Nifty Jan 2018 Futures were at 10810.8, a discount of 6.20 points below the spot closing of 10,817.00. The turnover on NSE's Futures and Options segment went up from Rs. 9,10,681.41 crore on Jan 17 to Rs. 16,58,044.44 crore on Jan 18.
- The Put-Call ratio closed at 1.04 against the previous session's close of 0.96.
- The Nifty Put-Call ratio stood at 1.64 against previous close of 1.76.
- India VIX moved up 0.72% to 13.9600 from 13.8600 in the previous session.
- Open interest on Nifty Futures stood at 33.74 million as against the previous session's close of 33.14 million.

Indian Debt Market

- Bond yields inched up as market participants remained on the sidelines ahead of the weekly debt auction due on Jan 19, 2018.
- Yield on the existing 10-year benchmark paper (6.79% GS 2027) rose 5 bps to close at 7.47% as against previous session close of 7.42%. During the session, bond yields traded in the range of 7.43% and 7.48%.
- Yield on the new 10-year benchmark paper (7.17% GS 2028) rose 4 bps to close at 7.26% as against previous session close of 7.22%. During the session, bond yields traded in the range of 7.23% and 7.28%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,530 crore (gross) on Jan 18 as compared with Rs. 2,980 on Jan 17. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 29,080 crore on Jan 17.

Currency Market Update

- The Indian rupee inched up against the greenback as gains in the domestic equity market were almost neutralized by dollar demand from oil importers. The rupee inched up 0.05% to close at 63.85 per dollar from the previous close of 63.88 per dollar.
- The euro rose against the dollar as the latter remained under pressure on growing possibility that central banks across the globe will begin to move toward tighter monetary policy amid a more synchronised global recovery. Euro was last seen trading at \$1.2229, up 0.37% compared with the previous close of \$1.2184.

Commodity Market Update

- Gold prices gained as investors remained focused on upcoming U.S. data.
- Brent crude prices inched up after API data indicated that U.S. oil inventories dropped by nearly 5.1 million barrels in the week ending Jan 12.

International News

- Data from the National Bureau of Statistics showed that China's economy expanded at a steady pace at the end of 2017. Gross domestic product grew 6.8% on a yearly basis in the fourth quarter of 2018, the same pace of growth as seen in the third quarter. In 2017, the economy expanded at a faster pace of 6.9% after rising 6.7% in 2016.
- Data from the National Bureau of Statistics showed that industrial production in China grew 6.2% on a yearly basis in Dec 2017, faster than 6.1% growth seen in Nov 2017. For the whole year of 2017, industrial production grew 6.6%.

Thank you for
your time.