

**RELIANCE**

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FUND

# Markets for You

22 Jan 2018

Indices Performance

Global Indices	19-Jan	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	26,072	26,018	54	0.21
Nasdaq	7,336	7,296	40	0.55
FTSE	7,731	7,701	30	0.39
Nikkei	23,808	23,763	45	0.19
Hang Seng	32,255	32,122	133	0.41
Indian Indices	19-Jan	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	35,512	35,260	251	0.71
Nifty 50	10,895	10,817	78	0.72
Nifty 100	11,316	11,235	81	0.72
Nifty Bank	26,910	26,537	372	1.40
SGX Nifty	10,918	10,820	98	0.90
S&P BSE Power	2,363	2,352	11	0.46
S&P BSE Small Cap	19,456	19,286	170	0.88
S&P BSE HC	14,868	14,804	64	0.43

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
19-Jan	26.06	1.08	27.44	1.04
Month Ago	25.01	1.13	26.79	1.09
Year Ago	21.30	1.44	22.44	1.31

Nifty 50 Top 3 Gainers

Company	19-Jan	Prev_Day	% Change <sup>#</sup>
Indiabulls HFC	1302	1244	4.67
Adani Ports & SEZ	433	416	4.13
Bajaj Finance	1702	1661	2.48

Nifty 50 Top 3 Losers

Company	19-Jan	Prev_Day	% Change <sup>#</sup>
Ambuja Cem	269	276	-2.56
Ultratech Cem	4300	4409	-2.46
Infosys	1143	1153	-0.80

Advance Decline Ratio

	BSE	NSE
Advances	1393	910
Declines	1506	886
Unchanged	131	52

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	1918	5769
MF Flows**	-344	4244

\*19<sup>th</sup> Jan 2018; \*\*18<sup>th</sup> Jan 2018

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	3.58%	3.14%	2.10%
	(Dec-17)	(Sep-17)	(Dec-16)
IIP	8.40%	4.80%	5.10%
	(Nov-17)	(Aug-17)	(Nov-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 ended in the green following stronger than expected Chinese GDP data, weaker yen and expectations for strong corporate earnings. However, modest losses from overnight U.S. markets, downbeat U.S. economic data and concerns about a possible government shutdown limited the upside. Today (As of Jan 22), Asian markets opened slightly lower as investors kept an eye on political developments in the U.S. after a government shutdown began last week. Both Nikkei and Hang Seng were trading lower 0.21% and 0.18%, respectively (8 a.m. IST).
- As per the last close, European market increased shrugging off concerns over a possible U.S. government shutdown. However, energy stocks fell due to pullback in crude oil prices.
- As per the last close, U.S market rose on optimism about the outlook for the economy and corporate earnings, which overshadowed concerns about a government shutdown at midnight. The spending bill includes a six-year extension of the popular Children's Health Insurance Program and also delays some Obamacare taxes.

Indian Equity Market

- Indian equity markets continued to extend the rally with investors taking positive cues after the government decided to cut tax rates on certain products and services. Strength in the Asian markets further supported buying interest following China's announcement of faster-than-expected fourth quarter growth for 2017.
- Key benchmark indices S&P BSE Sensex and Nifty 50 rose 0.71% and 0.72% to close at 35,511.58 and 10,894.70, respectively. Moreover, S&P BSE Mid Cap and S&P BSE Small Cap rose 0.77% and 0.88%, respectively.
- The overall market breadth on BSE was weak with 1,506 scrips declining and 1,393 scrips advancing. A total of 131 scrips remained unchanged.
- On the BSE sectoral front, all the major indices closed in the green. S&P BSE Bankex was the top gainer, up 1.52%, followed by S&P BSE Finance and S&P BSE Realty, which rose 1.32% and 1.26%, respectively. S&P BSE Industrials and S&P BSE Energy went up 1.10% and 0.94%, respectively.

Domestic News

- According to the telecom secretary, the Department of Telecommunications (DoT) plans to consider reducing licence fees, spectrum user charges and other levies in the new telecom policy (NTP). This will help attract more investments in the sector.
- The Goods and Services Tax Network (GSTN) announced that as many as 21,756 new registrations were received by the e-way bill portal on the first day of opening registrations for the system in all the states of the country. GSTN stated that the number of e-way Bills generated by all the registrants together stood at 167,725.
- National Stock Exchange (NSE) will auction investment limits for overseas investors for purchase of corporate bonds worth Rs. 9,475 crore on Jan 22, 2018. The auction will be conducted on NSE's e-bid platform after the close of market hours. The overseas investors get the right to invest in debt up to the stipulated limit with auction quota.
- According to media reports, the government is taking into consideration a plan to shift control of iron ore and coking coal mining to the steel ministry. This comes on the wake of boosting supplies of the key steel making materials. The proposal is under discussion and requires approval from the prime minister's office and the ministries. With integration, the steel ministry will be allowed to make better trade policies, accelerate approval of mining licenses and also make easy for foreign steelmakers to set up operations in India.
- Reliance Industries' consolidated net profit rose 25% YoY to Rs. 9,423 crore in the Dec quarter of 2017 due to higher refining margins. Also, its telecom arm Jio reported net profit in its second quarter of operations. Consolidated revenue of the company went up 30% YoY to Rs. 1.09 lakh crore.
- HDFC Bank's net profit increased 20.1% YoY to Rs. 4,640 crore in the Dec quarter of 2017 due to rise in interest and fee income. Total income went up 17.84% YoY to Rs. 24,450 crore. The bank's net interest income, or the interest earned minus interest expended, rose 24.1% to Rs. 10,314 crore.

FII Derivative Trade Statistics		19-Jan		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	3079.56	2400.18	21949.79	
Index Options	131764.57	131996.84	81611.04	
Stock Futures	15440.50	13598.82	74754.50	
Stock Options	13352.68	13419.37	9619.94	
Total	163637.31	161415.21	187935.27	

Derivative Statistics- Nifty Options			
	19-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.74	1.64	0.10
Put Call Ratio(Vol)	1.27	1.28	-0.01

Debt Watch				
	19-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.93%	5.91%	6.02%	5.99%
CBLO	4.61%	5.87%	6.14%	5.99%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.36%	6.29%	6.10%	6.22%
364 Day T-Bill	6.48%	6.30%	6.21%	6.27%
10 Year Gilt	7.48%	7.46%	7.18%	6.47%
G-Sec Vol. (Rs.Cr)	35926	27029	25573	42219
1 Month CP Rate	6.89%	6.87%	6.75%	6.74%
3 Month CP Rate	7.58%	7.38%	6.88%	7.10%
5 Year Corp Bond	7.79%	7.74%	7.53%	7.15%
1 Month CD Rate	6.23%	6.25%	6.24%	6.24%
3 Month CD Rate	7.03%	6.86%	6.31%	6.38%
1 Year CD Rate	7.36%	7.13%	6.78%	6.55%

Currency Market			
Currency	19-Jan	Prev_Day	Change
USD/INR	63.72	63.84	-0.12
GBP/INR	88.64	88.28	0.36
EURO/INR	78.14	77.88	0.26
JPY/INR	0.57	0.57	0.00

Commodity Prices				
Commodity	19-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	63.33	64.17	57.44	51.34
Brent Crude(\$/bl)	68.71	70.46	63.80	52.72
Gold(\$/oz)	1331	1338	1262	1205
Gold(Rs./10 gm)	29958	29838	28629	29053

Source: ICRON Research

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#### Derivatives Market

- Nifty Jan 2018 Futures were at 10,901.05, a premium of 6.35 points above the spot closing of 10,894.70. The turnover on NSE's Futures and Options segment went down from Rs. 16,58,044.44 crore on Jan 18 to Rs. 7,56,949.97 crore on Jan 19.
- The Put-Call ratio closed at 0.96 against the previous session's close of 1.04.
- The Nifty Put-Call ratio stood at 1.74 against previous session's close of 1.64.
- Open interest on Nifty Futures stood at 34.22 million as against the previous session's close of 33.74 million.

#### Indian Debt Market

- Bond yields inched up amid lack of fresh domestic triggers. Market participants also exercised caution ahead of the Union Budget due to be unveiled on Feb 1, 2018.
- Yield on the existing 10-year benchmark paper (6.79% GS 2027) inched up 1 bps to close at 7.48% as against previous session's close of 7.47%. During the session, bond yields traded in the range of 7.44% and 7.49%.
- Yield on the new 10-year benchmark paper (7.17% GS 2028) rose 3 bps to close at 7.29% as against previous session close of 7.26%. During the session, bond yields traded in the range of 7.25% and 7.30%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,805 crore (gross) on Jan 19 as compared with Rs. 2,530 crore on Jan 18.

#### Currency Market Update

- The Indian rupee closed steady against the greenback as gains in the domestic equity market were offset due to dollar purchases by foreign banks. The greenback also remained under pressure amid concerns over a possible U.S. government shutdown.
- The euro rose against the dollar as the latter remained under pressure amid concerns over a possible U.S. government shutdown. Perception that central banks across the globe will begin to move toward tighter monetary policy also strengthened the common bloc currency.

#### Commodity Market Update

- Safe haven appeal of the metal gained amid worries over probable U.S. government shutdown.
- Brent crude prices moved down on concerns over supply glut after the IEA mentioned that rising U.S. crude oil production might offset the OPEC' effort to rebalance the crude oil market.

#### International News

- According to reports from the Labor Department, U.S. initial jobless claims fell to 220,000, down 41,000 from the previous week's level of 261,000. This marks the lowest level since Feb 1973. Meanwhile, continuing claims grew 76,000 to 1.952 million in the week ended Jan 6, 2018.
- A report from the Office for National Statistics showed that U.K. retail sales volume fell more than market expectations in Dec 2017. U.K. retail sales fell 1.5% in Dec as against the growth of 1% in Nov 2017. This marked the biggest decline since Jun 2016. Sales excluding auto fuel fell 1.6% in Dec as against 1.1% gain in Nov.

Thank you for  
your time.