

Indices Performance

Global Indices	26-Jan	Prev_Day	Abs. Change	% Change [#]
Dow Jones	20,101	20,069	32	0.16
Nasdaq	5,655	5,656	-1	-0.02
FTSE	7,161	7,164	-3	-0.04
Nikkei	19,402	19,058	345	1.81
Hang Seng	23,374	23,049	325	1.41
Indian Indices	25-Jan	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	27,708	27,376	333	1.21
Nifty 50	8,603	8,476	127	1.50
Nifty 100	8,868	8,739	129	1.47
Nifty Bank	19,473	19,024	450	2.36
SGX Nifty	8,603	8,485	118	1.39
S&P BSE Power	2,149	2,150	-1	-0.05
S&P BSE Small Cap	13,043	12,930	112	0.87
S&P BSE HC	14,940	14,928	11	0.08

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
25-Jan	21.61	1.41	22.98	1.28
Month Ago	20.35	1.50	21.39	1.38
Year Ago	18.17	1.46	20.04	1.56

Nifty 50 Top 3 Gainers

Company	25-Jan	Prev_Day	% Change [#]
Kotak Bank	795	743	6.98
Bosch	22878	21819	4.85
HDFC	1337	1281	4.42

Nifty 50 Top 3 Losers

Company	25-Jan	Prev_Day	% Change [#]
Bharti Airtel	311	317	-1.63
Wipro	474	482	-1.62
RIL	1017	1027	-0.97

Advance Decline Ratio

	BSE	NSE
Advances	1498	966
Declines	1245	651
Unchanged	209	92

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	111	-3373
MF Flows**	778	4079

*25th Jan 2017; **23rd 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

- Asian markets moved up following positive cues from overnight U.S. markets amid improved earnings reports. Chinese market got support after data showed that profits earned by Chinese industrial firms grew the most in three years in 2016. However, gains were curbed as investors traded cautiously ahead of the Chinese Lunar New Year. Improved producer prices in Japan also helped sentiment. Today (As on Jan 27), Asian market opened mixed. Improvements in Japan's inflation data in Dec and weaker yen boosted Japanese market. However, investors also awaited China's Dec industrial profits and U.S. fourth quarter gross domestic product (GDP) data due today. Nikkei Average was trading up 0.30% and Hang Seng was trading down 0.09% (as at 8.00 a.m IST).
- As per the last close, European market closed mixed. Strong economic reports from Germany and the U.K. boosted investor's sentiment. However, profit making by the investors after experiencing initial highs cooled the market with mixed results.
- As per the last close, U.S. market closed little changed as investors were awaiting Q4 GDP results and durable goods order due today.

Indian Equity Market

- Indian equity market went up led by financial stocks that were boosted by positive quarterly results, while investors also looked forward to the upcoming federal budget. Sentiment was also helped by positive rollovers of derivatives to February series.
- Key benchmark indices S&P BSE Sensex and Nifty 50 went up 1.21% and 1.50% to close at 27,708.14 points and 8,602.75 points, respectively. Moreover, S&P BSE Mid-Cap and S&P BSE Small-Cap gained 0.90% and 0.87%, respectively.
- The overall market breadth on BSE was positive with 1,498 scrips advancing and 1,245 scrips declining. A total of 209 scrips remained unchanged.
- On the BSE sectoral front, most indices closed in the green. S&P BSE Finance, up 2.59%, was the top gainer, while some of the other major gainers included S&P BSE Bankex (2.33%), S&P BSE Consumer Durables (2.26%), S&P BSE Oil & Gas (1.75%), and Capital Goods (1.53%). S&P BSE Telecom (-0.57%) was the chief loser, followed by S&P BSE IT (-0.23%), S&P BSE Utilities (-0.13%), S&P BSE Teck (-0.08%), and S&P BSE Power (-0.05%).

Domestic News

- A major global credit rating agency urged the Indian finance minister to maintain the pace of fiscal consolidation in the annual budget, scheduled next week. Fiscal consolidation would help the country to reduce the country's debt level, which would help improve the prospects of a rating upgrade. The move comes amid rising expectations that the finance minister in the Union Budget on Feb 1 would lower taxes and hike spending even though the government had earlier committed to lower the fiscal gap to 3% of GDP in 2017-18 from the 3.5 % budgeted this year.
- The Income Tax department notified the final guidelines that will be used to determine if an entity can be considered an Indian resident and taxed in the country. The guidelines have been made effective from Apr 1, 2016 (FY16), which the Indian multinationals had expected to get implemented from the next financial year.
- The Central Board of Direct Taxes notified that income from transfer of unlisted shares would not be taxed in some specific categories of Alternative Investment Funds (AIFs) that are registered with Securities and Exchange Board of India. The exemption would be applicable for Category I and II AIFs. The move is expected to bring major relief to foreign investors.
- Wipro reported a profit of Rs. 2,115 crore in the quarter ended Dec 2016, which fell 5.8% YoY. However, the revenue grew 6.4% to Rs. 13,688 crore.
- Indian Bank reported 671.65% growth in profit at Rs. 373.48 crore for the quarter ended Dec 2016 as compared with Rs. 48.4 crore in the same period last year. Total income grew from Rs. 4,444.58 in the same period of the previous fiscal to Rs. 4,557.25 crore in the third quarter of this fiscal.

FII Derivative Trade Statistics		25-Jan	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	8127.84	7756.57	21143.05
Index Options	40789.66	41139.33	73482.44
Stock Futures	27653.86	27700.17	73745.97
Stock Options	5337.38	5474.42	7366.91
Total	81908.74	82070.49	175738.37

Derivative Statistics- Nifty Options			
	25-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.67	1.34	0.34
Put Call Ratio(Vol)	1.11	1.25	-0.14

Debt Watch				
	25-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.98%	6.00%	6.13%	7.04%
CBLO	6.10%	6.03%	4.59%	6.91%
Repo	6.25%	6.25%	6.25%	6.75%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.20%	6.23%	6.19%	7.23%
364 Day T-Bill	6.16%	6.24%	6.30%	7.16%
10 Year Gilt	6.42%	6.45%	6.54%	7.68%
G-Sec Vol. (Rs.Cr)	54682	43306	35749	21828
1 Month CP Rate	6.76%	6.68%	6.66%	7.80%
3 Month CP Rate	7.08%	6.96%	6.68%	8.68%
5 Year Corp Bond	7.09%	7.13%	7.32%	8.24%
1 Month CD Rate	6.22%	6.24%	6.23%	7.26%
3 Month CD Rate	6.42%	6.39%	6.27%	7.81%
1 Year CD Rate	6.54%	6.56%	6.57%	7.80%

Currency Market			
Currency	25-Jan	Prev_Day	Change
USD/INR	68.16	68.16	0.00
GBP/INR	85.31	85.15	0.16
EURO/INR	73.09	73.23	-0.14
JPY/INR	0.60	0.60	0.00

Commodity Prices				
Commodity	26-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	53.24	51.34	51.88	29.41
Brent Crude(\$/bl)	55.89	52.72	53.72	30.68
Gold(\$/oz)	1188	1205	1134	1120
Gold(Rs./10 gm)*	29092	29203	27221	26373

Source: ICRON Research *As on 25-Jan

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Derivatives Market

- Nifty Jan 2017 Futures settled at spot closing of 8,602.75 points. Nifty Feb 2017 Futures were at 8,614.85 points, a premium of 12.10 points over the spot closing. The turnover on NSE's Futures and Options segment went up from Rs. 5,65,242.64 crore on Jan 24 to Rs. 8,65,180.73 crore on Jan 25.
- The Put-Call ratio stood at 0.90, compared with the previous session's close of 1.05.
- The Nifty Put-Call ratio stood at 1.67, compared with the previous session's close of 1.34.
- The open interest on Nifty Futures stood at 26.19 million compared with the previous session's close of 24.22 million.

Indian Debt Market

- Bond yields fell as market participants covered their short positions ahead of the Republic day holiday on Jan 26.
- Yield on the 10-year benchmark bond (6.97% GS 2026) fell 2 bps to close at 6.42% compared with the previous close of 6.44%. During the session, bond yields moved in the region of 6.42% to 6.45%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility stood at Rs. 1,510 crore (gross) on Jan 25, compared with the gross borrowing of Rs. 1,400 crore on Jan 24. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 5,152 crore on Jan 24.
- Banks borrowed Rs. 250 crore under the central bank's Marginal Standing Facility on Jan 24, while there was no borrowing on Jan 23.
- Data from RBI showed that reserve money decreased at an annualised rate of 26.9% in the week to Jan 20, compared with 12.1% a year earlier.

Currency Market Update

- The Indian rupee rose against the greenback following gains in the domestic equity market. However, month-end dollar demand from oil importers capped the gains. The rupee inched up 0.10% to close at 68.08 per dollar from the previous close of 68.15.
- The euro fell against the U.S. dollar as prospects of stronger U.S. economic growth under the new administration boosted the greenback. However, worries about the new U.S. President's approach to geopolitical and social issues restricted further losses. Euro was trading at \$1.0725, down 0.18% compared with the previous close of \$1.0744.

Commodity Market Update

- Gold prices moved down as its safe-haven appeal was dampened following strength in global equity market.
- Brent crude prices inched down amid ongoing concerns over rising U.S. oil inventories after the U.S. EIA reported that crude supplies rose by 2.9 million barrels last week to 488.3 million barrels.

International News

- Survey from the Markit showed U.S. flash manufacturing Purchasing Managers' Index (PMI) improved to 55.1 in Jan 2017 from 54.3 in Dec 2016. Overall operating conditions improved at the fastest pace in nearly two years. The solid improvement in business conditions was largely driven by sharper increases in output and new orders.
- The Ministry of Finance reported that Japan's merchandise trade surplus surged 361.6% YoY to 641.433 billion yen in Dec 2016, beating forecast. Exports increased 5.4% YoY to 6.679 trillion yen in Dec compared with 0.4% fall in the prior month. In the similar period, imports fell 2.6% YoY to 6.037 trillion yen, slower than 8.8% decline.