

**RELIANCE**

MUTUAL  
FUND

# Markets for You

31 Jan 2018

Indices Performance

Global Indices	30-Jan	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	26,077	26,439	-363	-1.37
Nasdaq	7,402	7,467	-64	-0.86
FTSE	7,588	7,672	-84	-1.09
Nikkei	23,292	23,629	-337	-1.43
Hang Seng	32,607	32,967	-360	-1.09
Indian Indices	30-Jan	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	36,034	36,283	-250	-0.69
Nifty 50	11,050	11,130	-81	-0.73
Nifty 100	11,425	11,505	-81	-0.70
Nifty Bank	27,269	27,498	-229	-0.83
SGX Nifty	11,058	10,940	118	1.08
S&P BSE Power	2,328	2,330	-2	-0.11
S&P BSE Small Cap	18,874	19,129	-256	-1.34
S&P BSE HC	14,800	14,891	-91	-0.61

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
30-Jan	26.15	1.08	27.51	1.03
Month Ago	25.22	1.12	26.92	1.08
Year Ago	21.76	1.42	22.98	1.28

Nifty 50 Top 3 Gainers

Company	30-Jan	Prev_Day	% Change <sup>#</sup>
HPCL	393	375	4.76
Indian Oil	416	400	4.15
BPCL	486	470	3.36

Nifty 50 Top 3 Losers

Company	30-Jan	Prev_Day	% Change <sup>#</sup>
Eicher Motors	26689	27454	-2.78
Bharti Infratel	344	353	-2.53
Kotak Bank	1088	1115	-2.43

Advance Decline Ratio

	BSE	NSE
Advances	748	418
Declines	2097	1387
Unchanged	147	49

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	644	13749
MF Flows**	-8	5003

\*30<sup>th</sup> Jan 2018; \*\*25<sup>th</sup> 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 slipped amid weak cues from Wall Street following concerns over higher inflation and a rise in real interest rates. Japanese market remained muted following mixed series of economic data. Greater China markets also traded lower following profit booking. Today (As of Jan 31), Asian markets opened slightly lower despite steep decline on the Wall Street overnight. Both Nikkei and Hang Seng were trading lower 0.07% and 0.05%, respectively (8 a.m. IST).
- As per the last close, European market remained firmly in the negative territory led by fall in bank and energy stocks. Energy stocks fell following decline in crude oil prices. Share prices of exporting companies were also under pressure following weak dollar against the euro and the pound. The rising value of the European currency is negative for exporters.
- As per the last close, U.S market dropped as market participants book profits after the recent gains in the market and ahead of the U.S. Federal Reserve policy meeting announcement on Wednesday. However, energy stocks fell due to drop in crude oil prices.

Indian Equity Market

- Indian equity markets ended in the red amid profit bookings. Also, investors preferred to remain on the sidelines ahead of the Union Budget FY19 that is scheduled on Feb 1, 2018 and the U.S. Federal Reserve's two-day monetary policy meeting later this week. Also, weak Asian and European markets weighed on market sentiment.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.69% and 0.73% to close at 36,033.73 and 11,049.65, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap fell 0.67% and 1.34%, respectively.
- The overall market breadth on BSE was weak with 2,046 scrips declining and 800 scrips advancing. A total of 146 scrips remained unchanged.
- On the BSE sectoral front, barring S&P BSE Oil & Gas that rose 1.16%, all others closed in the red. The losers comprised S&P BSE Consumer Durables, down 1.74%, followed by S&P BSE basic Materials (-1.22%), S&P BSE Consumer Discretionary Goods & Services (-1.10%) and S&P BSE Information Technology (-1.07%).

Domestic News

- The Securities and Exchange Board of India (SEBI) has unveiled online mechanisms for depositories and stock exchanges for ease of doing business. The new system will help these entities in completing registration and other regulatory filings with SEBI in a much faster and cost-effective manner. Also, SEBI stated that all applicants who want to seek registration as a depository and stock exchange and to renew licence will have to submit their applications online.
- According to the Economic Survey 2017-18, apart from geopolitical and geo-economic risks, main risks in advanced economies on the macro-finance front arise from three inter-related sources like asset valuations, interest rates and bond and equity prices. As per the report from the survey, the finance minister has stated that asset valuations have a greater risk of sharp corrections, the faster and higher they climb in the economic cycle.
- As per the Economic Survey 2017-18, investment slowdowns are more unfavourable to growth than slowdown in savings. As per the survey reports, this calls for an immediate focus on reviving investment in the economy. The survey warned that India's current investment/saving slowdown occurrence has been lengthy compared to other cases. The gross fixed capital formation grew from 26.5% in 2003 to a peak of 35.6% in 2007. However, it plunged to 26.4% in 2017. Meanwhile, the ratio of domestic saving to gross domestic product grew from 29.2% in 2003 to 38.3% in 2007, before declining to 29% in 2016.
- Indian Oil Corporation posted 97% rise in its net profit to Rs. 78.83 billion in the quarter ended Dec 2017 from Rs. 39.95 billion in Dec 2016. Average gross refining margin rose to \$8.28 per barrel in Apr-Dec 2017 from \$7.36 per barrel in the year-ago period.
- Piramal Enterprises posted rise in consolidated net profit by 21.37% YoY to Rs. 4.90 billion in quarter ended Dec 2017 from Rs. 4.04 billion in quarter ended Dec 2016. The increase in profit was due to robust performance in financial services and pharmaceutical verticals.

FII Derivative Trade Statistics		30-Jan		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	2033.14	2250.52	17083.22	
Index Options	33480.89	32424.08	59535.79	
Stock Futures	9975.87	8966.72	77386.44	
Stock Options	6521.23	6525.03	2468.63	
Total	52011.13	50166.35	156474.08	

Derivative Statistics- Nifty Options			
	30-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.37	1.44	-0.07
Put Call Ratio(Vol)	1.00	1.06	-0.06

Debt Watch				
	30-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.88%	5.89%	6.10%	6.00%
CBLO	5.85%	6.00%	6.05%	6.20%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.40%	6.32%	6.14%	6.17%
364 Day T-Bill	6.53%	6.46%	6.26%	6.16%
10 Year Gilt	7.60%	7.41%	7.33%	6.40%
G-Sec Vol. (Rs.Cr)	32937	51143	45921	46210
1 Month CP Rate	6.93%	6.89%	6.86%	6.72%
3 Month CP Rate	7.78%	7.58%	7.06%	7.05%
5 Year Corp Bond	7.82%	7.78%	7.68%	7.08%
1 Month CD Rate	6.27%	6.25%	6.34%	6.23%
3 Month CD Rate	7.22%	7.16%	6.33%	6.43%
1 Year CD Rate	7.47%	7.44%	6.98%	6.55%

Currency Market			
Currency	30-Jan	Prev_Day	Change
USD/INR	63.75	63.55	0.21
GBP/INR	89.39	89.82	-0.44
EURO/INR	78.75	78.87	-0.11
JPY/INR	0.59	0.58	0.00

Commodity Prices				
Commodity	30-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	64.59	64.40	60.41	52.58
Brent Crude(\$/bl)	67.46	70.05	67.07	54.81
Gold(\$/oz)	1338	1341	1302	1195
Gold(Rs./10 gm)	30305	30058	29252	28820

Source: ICRON Research

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#### Derivatives Market

- Nifty Feb 2018 Futures were at 11,072.10 points, a premium of 22.45 points above the spot closing of 11,049.65. The turnover on NSE's Futures and Options segment went up from Rs. 3,19,544.84 crore on Jan 29 to Rs. 3,52,935.77 crore on Jan 30.
- The Put-Call ratio stood at 0.83 against previous session's close of 0.84.
- The Nifty Put-Call ratio stood at 1.37 against previous session's close of 1.44.
- India VIX moved down 8.23% to 16.4150 from 17.8875 in the previous trading session.
- Open interest on Nifty Futures stood at 26.66 million as against the previous session's close of 26.49 million.

#### Indian Debt Market

- Bond yields fell marginally as investors preferred to remain on the sidelines ahead of the Union Budget that is scheduled on Feb 1.
- Yield on the 10-year benchmark paper (7.17% GS 2028) fell 1 bps to close at 7.43% as against previous session's close of 7.44%. During the session, bond yields traded in the range of 7.41% and 7.48%.
- Yield on the old 10-year benchmark paper (6.79% GS 2027) fell 2 bps to close at 7.60% as against previous session's close of 7.62%. During the session, bond yields traded in the range of 7.57% and 7.66%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 2,600 crore (gross) on Jan 30 compared with Rs. 2,620 crore on Jan 29. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 14,885 crore on Jan 29.

#### Currency Market Update

- The Indian rupee weakened slightly as investors preferred to remain on the sidelines ahead of the Union Budget that is scheduled on Feb 1 and the U.S. Federal Reserve's monetary policy meeting later this week. The rupee slightly fell 0.04% to close at 63.60 per dollar from the previous close of 63.57 per dollar.
- The euro strengthened as euro zone's economic growth for the fourth quarter 2017 came in line with market expectations. Euro grew 0.35% and was trading at \$1.2424, up from the previous close of 1.2381.

#### Commodity Market Update

- Gold prices traded higher because of growing safe haven appeal of the bullion as investors remained on the sidelines ahead of the U.S. Federal Reserve meeting, scheduled later during the week.
- Brent crude prices remained under pressure as investors remained on the sidelines ahead of the weekly U.S. stockpile data.

#### International News

- A report from the Commerce Department showed that U.S. personal income grew 0.4% in Dec 2017 as against a gain of 0.3% in Nov 2017. Disposable personal income increased 0.3% in Dec and remained unchanged from Nov. Meanwhile, personal spending grew 0.4% in Dec as against a gain of 0.8% in Nov.
- A report from the European Commission showed that euro zone's economic confidence index missed market expectations and fell to 114.7 in Jan 2018 as against revised score of 115.3 in Dec 2017. The soft sentiment reflects lower confidence in services and retail trade. Meanwhile, industrial confidence held steady at 8.8 due to managers' more optimistic views on the current level of overall order books that was offset by their worsening assessment of stocks of finished products.

Thank you for  
your time.