RELIANCE MUTUAL FUND

Markets for You

17 Oct 2017

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Indices Performance

Global Indices	16-Oct	Prev_Day	Abs. Change	% Change#
Dow Jones	22,957	22,872	85	0.37
Nasdaq	6,624	6,606	18	0.28
FTSE	7,527	7,535	-8	-0.11
Nikkei	21,256	21,155	100	0.47
Hang Seng	28,693	28,476	216	0.76
Indian Indices	**16-Oct**	**Prev_Day**	**Abs. Change**	**% Change#**
S&P BSE Sensex	32,634	32,433	201	0.62
Nifty 50	10,231	10,167	63	0.62
Nifty 100	10,595	10,535	61	0.57
Nifty Bank	24,703	24,689	14	0.06
SGX Nifty	10,279	10,224	56	0.54
S&P BSE Power	2,239	2,242	-3	-0.13
S&P BSE Small Cap	16,976	16,926	51	0.30
S&P BSE HC	14,231	14,057	174	1.24

P/E Dividend Yield

	Sensex		Nifty	
Date	**P/E**	**Div. Yield**	**P/E**	**Div. Yield**
16-Oct	24.50	1.19	26.55	1.12
Month Ago	24.13	1.20	26.24	0.94
Year Ago	20.82	1.42	22.98	1.29

Nifty 50 Top 3 Gainers

Company	16-Oct	Prev_Day	% Change#
Bharti Airrtel	453	431	5.20
Bharti Infratel	472	450	4.79
Vedanta Limited	335	321	4.29

Nifty 50 Top 3 Losers

Company	16-Oct	Prev_Day	% Change#
IndusInd Bank	1716	1750	-1.96
Axis Bank	520	529	-1.72
Tech Mahindra	474	476	-0.48

Advance Decline Ratio

	BSE	NSE
Advances	1279	814
Declines	1420	920
Unchanged	145	75

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1555	32578
MF Flows**	9	93553

*16th Oct 2017; **13th Oct 2017

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	2.60% (Sep-17)	0.90% (Jun-17)	1.36% (Sep-16)
IIP	4.30% (Aug-17)	2.90% (May-17)	4.00% (Aug-16)
GDP	5.70% (Jun-17)	6.10% (Mar-17)	7.90% (Jun-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 closed higher after Chinese inflation data for Sep 2017 came in line with market expectation. Investors took positive cues after the governor of the People's Bank of China said that the Chinese economy is set to achieve 7 % growth in the second half of the year on rapid growth in household consumption. Japanese markets went up amid expectations that the Japanese Prime Minister may win another majority in the House of Representatives election, scheduled on Oct. 22. Today (As of Oct 17), Asian markets opened mostly higher following rise on the Wall Street overnight. While Nikkei was trading higher 0.16%, Hang Seng was lower 0.13% (8 a.m. IST).

• As per the last close, European market moved in a sideways trend and closed mixed at the end. Market participants remained uncertain after Catalonia's President failed to clarify his position on the region's independence from Spain.

• As per the last close, U.S markets touched new record highs on continued optimism about the economic outlook and the possibility of major tax reform.

Indian Equity Market

• Indian equity market ended in the green after International Monetary Fund's chief stated that Indian economy is on a very solid track in the mid-term. Decline in wholesale price inflation and strong Q2 results by an Indian conglomerate further supported buying interest.

• Key benchmark indices S&P BSE Sensex as well as Nifty 50 each grew 0.62% to close at 32,633.64 and 10,230.85, respectively. Both S&P BSE Small-Cap and S&P BSE Mid-Cap grew 0.30% and 0.52%, respectively.

• The overall market breadth on BSE was weak with 1,420 scrips declining and 1,279 scrips advancing. A total of 145 scrips remained unchanged.

• On the BSE sectoral front, indices closed on a positive note. The top gainers comprised S&P BSE Telecom (4.23%), S&P BSE Metal (2.02%), S&P BSE Healthcare (1.24%), S&P BSE Teck (1.23%) and S&P BSE Auto (1.19%). Gains in telecom sector reflected an industry heavyweight's endeavor to expand its operations in Ghana. Meanwhile, the losers were S&P BSE Power (-0.13%) and S&P BSE Finance (-0.01%).

Domestic News

• Government data showed that Wholesale Price Index (WPI)-based inflation slowed to 2.60% in Sep 2017 from 3.24% (provisional) the previous month. However, it was up from 1.36% in Sep 2016. The fall was because prices of food articles, led by vegetables, softened to 2.04% in Sep from 5.75% in Aug 2017. The build-up inflation rate in this fiscal so far came in at 0.97% compared with a build-up rate of 3.44% in the previous-year period. Subsequently, prices of important primary articles like potato, pulses, oil seeds and wheat fell. Prices of potato, pulses and oil seeds declined 46.52%, 24.26% and 8.38%, respectively.

• According to the chief of International Monetary Fund (IMF), due to the structural reforms undertaken by the government, Indian economy is on a solid growth track in the medium to long term. Also, the IMF chief stated that the recent slowdown, which is due to the implementation of the Goods and Services Tax (GST) and demonetisation, is short-term.

• According to Reliance Nippon Life AMC's deputy Chief Executive Officer (CEO), the company will set aside Rs. 165 crore for inorganic growth including acquisition of mutual fund companies. The deputy CEO also said that only 50% out of 54 players are making losses, providing opportunity for acquisition.

• According to the former Chief Financial Officer of Infosys, Reliance Retail will pose the biggest challenge to top e-commerce players Amazon and Flipkart next year due to its wider reach and tremendous penetration of telecom arm Jio.

• Vistara, a joint venture between Tata Group and Singapore Airlines, has appointed Leslie Thng as its CEO following all requisite approvals. Thng replaced Phee Teik Yeoh, who has returned to Singapore Airlines.

• According to media reports, Flipkart is in talks for a strategic partnership with ticketing platform BookMyShow.

• Bharti Airtel and Millicom International Cellular announced completion of a deal to combine their operations in Ghana. Together, they will become Ghana's second-largest mobile operator, with nearly 10 million subscribers and $300 million in revenues.

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FII Derivative Trade Statistics	16-Oct		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	4010.51	3202.62	24745.81
Index Options	56338.51	56131.19	87759.90
Stock Futures	6937.58	6574.86	63762.39
Stock Options	6743.82	6917.41	6237.87
Total	74030.42	72826.08	182505.97

Derivative Statistics- Nifty Options			
	16-Oct	Prev_Day	Change
Put Call Ratio (OI)	1.68	1.63	0.04
Put Call Ratio(Vol)	1.15	1.15	0.00

Debt Watch				
	16-Oct	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.01%	5.95%	5.85%	6.24%
CBLO	6.04%	5.98%	5.99%	6.14%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.02%	6.05%	6.08%	6.38%
364 Day T-Bill	6.18%	6.19%	6.23%	6.41%
10 Year Gilt	6.73%	6.78%	6.60%	6.75%
G-Sec Vol. (Rs.Cr)	25855	27505	53484	70008
1 Month CP Rate	6.53%	6.59%	6.60%	6.56%
3 Month CP Rate	6.74%	6.76%	6.68%	6.80%
5 Year Corp Bond	7.18%	7.24%	7.18%	7.29%
1 Month CD Rate	6.05%	6.05%	6.10%	6.41%
3 Month CD Rate	6.19%	6.15%	6.14%	6.52%
1 Year CD Rate	6.59%	6.60%	6.52%	6.86%

Currency Market			
Currency	16-Oct	Prev_Day	Change
USD/INR	64.76	64.93	-0.17
GBP/INR	86.01	86.31	-0.30
EURO/INR	76.39	76.88	-0.49
JPY/INR	0.58	0.58	0.00

Commodity Prices				
Commodity	16-Oct	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude($/bl)	51.81	49.53	49.85	50.30
Brent Crude($/bl)	56.58	55.38	57.27	48.11
Gold($/oz)	1294	1284	1319	1250
Gold(Rs./10 gm)	29868	29594	29925	29752

Source: ICRON Research

Derivatives Market

• Nifty Oct 2017 Futures were at 10,255.95, a premium of 25.10 points over the spot closing of 10,230.85. The turnover on NSE's Futures and Options segment went up from Rs. 6,23,951.94 crore on Oct 13 to Rs. 6,83,570.78 crore on Oct 16.

• The Put-Call ratio stood at 0.98 against the previous session's close of 0.89.

• The Nifty Put-Call ratio stood at 1.68 against the previous session's close of 1.63.

• Open interest on Nifty Futures stood at 28.66 million as against the previous session's close of 28.33 million.

Indian Debt Market

• Bond yields remained steady ahead of the announcement of weekly auction of Central government securities and due to lack of any fresh triggers in a holiday-truncated week.

• Yield on the 10-year benchmark paper (6.79% GS 2027) was flat at 6.73% from the previous close. During the session, bond yields traded in the range of 6.72% and 6.75%.

• Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 19,041 crore (gross) on Oct 16 compared with borrowings of Rs. 2,840 crore (gross) on Oct 13. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 18,744 crore on Oct 13.

• Banks borrowed Rs. 279 crore under the central bank's Marginal Standing Facility on Oct 13 compared with nil borrowing on Oct 12.

Currency Market Update

• The Indian rupee rose for the sixth consecutive session after India's trade deficit narrowed in Sep 2017 and U.S. inflation grew at a slower than expected rate in Sep damping expectations for another rate hike by the U.S. Federal Reserve.

• Euro fell against the U.S. dollar following political uncertainty in the euro area. Euro fell further as investors booked profit after the currency witnessed strong gains last week. Euro fell further as investors booked profit after the currency witnessed strong gains last week.

Commodity Market Update

• Gold prices traded marginally higher after U.S. inflation for Sep 2017 came in lower than expected.

• Brent crude prices traded higher after the conflict between Iraqi and Kurdish forces hindered exports from Organization of the Petroleum Exporting Countries' second-largest producer.

International News

• According to the National Bureau of Statistics, China's consumer price inflation rose 1.6% YoY in Sep 2017, in line with market forecast but slower than 1.8% in Aug 2017. Slower growth in inflation was due to faster fall in food prices during the reported period. Separately, producer prices in China rose at the fastest pace in six months in Sep. Producer prices surged 6.9% YoY beating market forecast and 6.3% rise in the prior month.

• According to the Ministry of Economy, Trade and Industry showed Japan industrial production rose a 2.0% MoM (seasonally adjusted) in Aug 2017 (2.1% rise originally reported) compared with a fall of 0.8% in the previous month. Annually, industrial output growth accelerated to 5.3% in Aug from 4.7% in Jul 2017.

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