

**RELIANCE**

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# Markets for You

06 Apr 2018

## Indices Performance

Global Indices	05-Apr	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	24,505	24,264	241	0.99
Nasdaq	7,077	7,042	34	0.49
FTSE	7,200	7,034	165	2.35
Nikkei	21,645	21,320	326	1.53
Hang Seng	Closed	29,519	NA	NA
Indian Indices	05-Apr	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	33,597	33,019	578	1.75
Nifty 50	10,325	10,128	197	1.94
Nifty 100	10,726	10,524	203	1.93
Nifty Bank	24,760	24,130	630	2.61
SGX Nifty	10,384	10,130	254	2.50
S&P BSE Power	2,186	2,159	27	1.25
S&P BSE Small Cap	17,775	17,450	325	1.87
S&P BSE HC	13,558	13,432	126	0.94

## P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
5-Apr	23.23	1.15	25.63	1.24
Month Ago	23.34	1.16	25.40	1.20
Year Ago	22.91	1.34	23.49	1.24

## Nifty 50 Top 3 Gainers

Company	05-Apr	Prev_Day	% Change <sup>#</sup>
Hindalco	214	201	6.65
Vedanta Limited	290	274	5.69
SBI	259	247	4.85

## Nifty 50 Top 3 Losers

Company	05-Apr	Prev_Day	% Change <sup>#</sup>
Cipla	560	570	-1.66
Bosch	19539	19685	-0.74
Bharti Airtel	394	395	-0.29

## Advance Decline Ratio

	BSE	NSE
Advances	2083	1528
Declines	627	290
Unchanged	125	49

## Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	292	13957
MF Flows**	42	35209

\*5<sup>th</sup> Apr 2018; \*\*3<sup>rd</sup> Apr 2018

## Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	2.48% (Feb-18)	4.02% (Nov-17)	5.51% (Feb-17)
IIP	7.50% (Jan-18)	1.80% (Oct-17)	3.00% (Jan-17)
GDP	7.20% (Dec-17)	6.50% (Sep-17)	6.80% (Dec-16)

Since May-17, MOSPI has revised base year of IIP &amp; WPI from 2004-05 to 2011-12, and for CPI from 2010 to 2012

## Global Indices

• Asian markets traded up as fears of global trade war eased after the U.S. hinted negotiation with China on tariff plans. Positive cues from overnight U.S. market further supported the sentiments. However, upside was limited as investors remained focused on upcoming U.S. job data, while the initial jobless claims in U.S. has unexpectedly climbed to 242,000, that is 24000 more than the previous week, in the week ended Mar 30. Today (As of April 06), Asian markets were mixed despite rally on the Wall Street overnight. While Nikkei was trading lower 0.25%, Hang Seng index was up 1.07 (as at 8 a.m. IST).

• As per the last close, European market rallied after concerns over a potential trade war between the U.S. and China eased. Market participants seem optimistic that the tariffs and threats from both the nations are only a precursor to negotiations of a trade agreement between them.

• As per the last close, U.S markets rose as fear of a potential trade war between the U.S. and China minimised. Meanwhile, the U.S. trade deficit widened by more than anticipated in Feb 2018.

## Indian Equity Market

• Indian equity markets closed in the green after the final reading of a private survey showed that Indian service sector expanded in Mar 2018 unlike contraction seen in Feb 2018. Improved demand contributed to pick up in new businesses, thereby encouraging firms to hire at fastest pace. The Monetary Policy Committee, in its latest policy meeting, decided to maintain status quo on its key rates.

• Key benchmark indices, S&P BSE Sensex and Nifty 50 rose 1.75% and 1.94% to close at 33596.80 and 10325.15, respectively. S&P BSE Mid Cap and S&P BSE Small Cap rose 1.88% and 1.87%, respectively.

• The overall market breadth on BSE was positive with 2083 scrips advancing and 627 scrips declining. A total of 125 scrips remained unchanged.

• On the BSE sectoral front, the indices closed in the green. S&P BSE Metal was the top gainer, up 4.14%, followed by S&P BSE Basic Materials and S&P BSE Bankex, which rose 3.18% and 2.78%, respectively. S&P BSE Realty and S&P BSE Finance went up 2.55% and 2.39%, respectively.

## Domestic News

• The Monetary Policy Committee (MPC) in its first bi-monthly policy review for 2018-19 kept key policy repo rate unchanged at 6.0% and retained its "neutral" stance. Consequently, the reverse repo rate stood unaltered at 5.75%, and the marginal standing facility (MSF) rate and bank rate remained at 6.25%, each. Five policymakers were in favour of the monetary policy decision and one advocated for a policy rate increase of 25 bps.

• The seasonally adjusted Nikkei India Services Business Activity Index improved from 47.8 in Feb 2018 to 50.3 in Mar 2018 driven by greater inflows of new work. Meanwhile, the headline seasonally adjusted Nikkei India Composite PMI Output Index, rose from 49.7 in Feb to 50.8 in Mar, driven by growth in both the manufacturing and service sectors.

• In the first bi-monthly policy for 2018-19, inflation including the HRA impact was lowered for the fourth quarter 2017-18, and for first and second half of 2018-19. MPC expects inflation of 4.5% in fourth quarter 2017-18 as against previous expectation of 5.1%. The change reflects average inflation of 4.8% in Jan-Feb 2018 owing to sharp decline in vegetable prices and significant moderation in fuel group inflation.

• United States Food and Drug Administration (USFDA) announced that Glenmark Pharmaceuticals Inc., USA is recalling 109,080 bottles of Indomethacin capsules from the U.S. market manufactured by its Goa plant, consequent to incorrect labelling on the capsules.

• A top regional executive of BP PLC announced that it expects almost a tenth of its global earnings from India over the next decade in natural gas output, marketing and renewable initiatives in the subcontinent. The company expects to boost its earnings from India by participating in the entire natural gas value chain.

• Ashoka Buildcon announced that it has received projects worth Rs. 760 crore from Dakshinanchal Vidut Vitaran Nigam Ltd (DVVNL) for electrification work in Uttar Pradesh.

FII Derivative Trade Statistics		05-Apr		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	2918.85	4071.05	16658.15	
Index Options	96612.98	95339.52	57821.38	
Stock Futures	10640.29	10581.28	74157.60	
Stock Options	5911.45	5877.85	2981.86	
Total	116083.57	115869.70	151618.99	

Derivative Statistics- Nifty Options			
	05-Apr	Prev_Day	Change
Put Call Ratio (OI)	1.42	1.34	0.09
Put Call Ratio(Vol)	1.08	0.98	0.10

Debt Watch				
	05-Apr	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.91%	7.57%	5.88%	5.81%
CBLO	5.74%	6.24%	5.75%	5.69%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.09%	6.09%	6.27%	5.86%
364 Day T-Bill	6.42%	6.40%	6.62%	6.12%
10 Year Gilt	7.13%	7.40%	7.78%	6.65%
G-Sec Vol. (Rs.Cr)	77712	37511	9664	30919
1 Month CP Rate	Closed	Closed	7.90%	6.49%
3 Month CP Rate	6.80%	7.40%	7.88%	6.64%
5 Year Corp Bond	7.86%	8.03%	8.11%	7.40%
1 Month CD Rate	6.21%	7.23%	7.24%	6.08%
3 Month CD Rate	6.67%	6.98%	7.28%	6.24%
1 Year CD Rate	7.21%	7.33%	7.59%	6.60%

Currency Market			
Currency	05-Apr	Prev_Day	Change
USD/INR	65.06	65.02	0.04
GBP/INR	91.50	91.49	0.01
EURO/INR	79.78	79.79	-0.01
JPY/INR	0.61	0.61	0.00

Commodity Prices				
Commodity	05-Apr	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	63.52	64.29	62.48	51.09
Brent Crude(\$/bl)	65.18	67.37	66.57	53.55
Gold(\$/oz)	1326	1325	1320	1255
Gold(Rs./10 gm)	30491	30630	30488	28817

Source: Thomson Reuters Eikon

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#### Derivatives Market

- Nifty Apr 2018 Futures were at 10352.20 points, a premium of 27.05 points, over the spot closing of 10,325.15. The turnover on NSE's Futures and Options segment went up from Rs. 8,95,607.32 crore on Apr 4 to Rs. 12,70,693.49 crore on Apr 5.
- The Put-Call ratio, stood at 0.81 against previous session's close of 0.85.
- The Nifty Put-Call ratio stood at 1.42 against the previous session's close of 1.34.
- Open interest on Nifty Futures stood at 22.96 million as against the previous session's close of 23.53 million.

#### Indian Debt Market

- Bond yields fell for the third consecutive day after the Monetary Policy Committee lowered its inflation rate projection for the first half of 2018-19 to 4.7%-5.1% and for second half to 4.4% from previous estimates of 5.1%-5.6% and 4.5%-4.6%, respectively.
- Yield on the 10-year benchmark paper (7.17% GS 2028) fell 16 bps to close at 7.13% from the previous close of 7.29%. During the session, bond yields traded in the range of 7.12% and 7.31%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,750 crore (gross) on Apr 5 compared with Rs. 3,610 crore on Apr 4. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 93,602 crore on Apr 4.
- Banks borrowed Rs. 800 crore under the central bank's Marginal Standing Facility on Apr 4 compared with Rs. 3,765 crore borrowed on Apr 3.

#### Currency Market Update

- The rupee rose against the greenback after the Monetary Policy Committee in its first bi-monthly monetary policy review for 2018-19 kept interest rates on hold and cut its inflation projections for this fiscal. The rupee rose 0.28% to close at Rs. 64.97 from the previous close of Rs. 65.15.
- Euro fell against the greenback as concerns of a global trade war eased to some extent on reports that the U.S. may negotiate with China on tariffs. Euro was last seen trading at \$1.2239, down 0.31% compared with the previous close of \$1.2277.

#### Commodity Market Update

- Gold prices fell after the economic adviser of U.S. President stated that there is no trade war between the U.S. and China and tariffs on Chinese goods might not be imposed.
- Brent crude prices rose as U.S. crude inventories fell by 4.617 million barrels for the week ended Mar 30.

#### International News

- According to a report released by ADP, a payroll processor, employment in the private sector rose more than expected to 313,000 in Feb 2018 outperforming expectations.
- U.S. factory orders grew 1.2% in Feb 2018 following 1.3% fall in Jan 2018. Durable goods rose 3.0%, while non-durable goods order fell 0.5% in Feb 2018.
- According to a report by Institute for Supply Management, U.S. non-manufacturing index fell to 58.8 in Mar 2018 from 59.5 in Feb 2018. The decline was mainly due to significant slowdown in the pace of new orders growth.
- According to data from Eurostat, eurozone producer price inflation rose 1.6% YoY in Feb 2018, same rate as in Jan 2018. It increased 0.1% in Feb as compared with 0.4% increase in Jan, MoM.

Thank you for  
your time.