

RELIANCE

MUTUAL
FUND

Markets for You

28 Aug 2018

Indices Performance

| Global Indices | 27-Aug | Prev_Day | Abs. Change | % Change [#] |
|-------------------|--------|----------|-------------|-----------------------|
| Dow Jones | 26,050 | 25,790 | 259 | 1.01 |
| Nasdaq | 8,018 | 7,946 | 72 | 0.91 |
| FTSE | Closed | 7,577 | NA | NA |
| Nikkei | 22,800 | 22,602 | 198 | 0.88 |
| Hang Seng | 28,271 | 27,672 | 599 | 2.17 |
| Indian Indices | 27-Aug | Prev_Day | Abs. Change | % Change [#] |
| S&P BSE Sensex | 38,694 | 38,252 | 442 | 1.16 |
| Nifty 50 | 11,692 | 11,557 | 135 | 1.17 |
| Nifty 100 | 11,989 | 11,856 | 133 | 1.12 |
| Nifty Bank | 28,264 | 27,835 | 430 | 1.54 |
| SGX Nifty | 11,766 | 11,606 | 161 | 1.38 |
| S&P BSE Power | 2,090 | 2,042 | 48 | 2.37 |
| S&P BSE Small Cap | 16,982 | 16,864 | 118 | 0.70 |
| S&P BSE HC | 15,556 | 15,481 | 75 | 0.49 |

P/E Dividend Yield

| Date | Sensex | | Nifty | |
|-----------|--------|------------|-------|------------|
| | P/E | Div. Yield | P/E | Div. Yield |
| 27-Aug | 25.07 | 1.14 | 28.72 | 1.15 |
| Month Ago | 23.47 | 1.18 | 28.02 | 1.19 |
| Year Ago | 23.61 | 1.24 | 25.47 | 0.95 |

Nifty 50 Top 3 Gainers

| Company | 27-Aug | Prev_Day | % Change [#] |
|------------|--------|----------|-----------------------|
| Hindalco | 230 | 222 | 3.67 |
| Power Grid | 198 | 191 | 3.59 |
| ICICI Bank | 340 | 330 | 2.95 |

Nifty 50 Top 3 Losers

| Company | 27-Aug | Prev_Day | % Change [#] |
|------------------|--------|----------|-----------------------|
| Sun Pharma | 622 | 630 | -1.27 |
| Aurobindo Pharma | 689 | 694 | -0.69 |
| Bosch | 18716 | 18800 | -0.44 |

Advance Decline Ratio

| | BSE | NSE |
|-----------|------|-----|
| Advances | 1432 | 987 |
| Declines | 1294 | 829 |
| Unchanged | 208 | 96 |

Institutional Flows (Equity)

| Description (Cr) | Inflow/Outflow | YTD |
|------------------|----------------|-------|
| FII Flows* | -55 | -1788 |
| MF Flows** | 35 | 75079 |

*27th Aug 2018; **23rd Aug 2018

Economic Indicator

| YoY(%) | Current | Quarter Ago | Year Ago |
|--------|-------------------|-------------------|--------------------|
| CPI | 4.17% (Jul-18) | 4.58% (Apr-18) | 2.36% (Jul-17) |
| IIP | 7.00% (Jun-18) | 5.30% (Mar-18) | -0.30% (Jun-17) |
| GDP | 7.70% (Mar-18) | 7.00% (Dec-17) | 6.10% (Mar-17) |

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 equity markets ended higher as U.S. Federal Reserve chairman's comments buoyed investor sentiment across the globe. The chairman said gradual rate hikes are apt for the U.S. economy and job growth. Also, China's central bank deciding to adjust its daily "fix" formula to stabilize the currency helped markets gain. Today (as of Aug 28), Asian markets opened on a positive note following reports that U.S. and Mexico reached a trade agreement. Nikkei and Hangseng grew 0.75% and 0.95%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed on a higher note as strong German business confidence data for Aug 2018 improved market sentiment. Further, investors continued to react positively to the Federal Reserve's (Fed) Chairman's last week's comments on Fed's policy-tightening path. However, concerns over risks faced by Turkey capped the gains.
- As per the last close, U.S. markets closed on a higher note after U.S. and Mexico closed a new trade deal, thereby potentially removing uncertainty that was troubling the investors over the past few months.

Indian Equity Market

- Domestic equity markets gained on the back of positive global cues and touched all-time highs. U.S. markets gained after the Federal Reserve chairman hinted at gradual rate hikes going forward. The chairman said the nation's economy and job growth would be protected through such an approach.
- Key benchmark indices S&P BSE Sensex and Nifty 50 grew 1.16% and 1.17% to close at 38,694.11 and 11,691.95, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap grew 1.07% and 0.70%, respectively.
- On the BSE sectoral front, S&P BSE Utilities stood as the major gainer, up 2.44% followed by S&P BSE Power that grew 2.37%. S&P BSE Bankex and S&P BSE Information Technology grew 1.69 and 1.54%. S&P BSE Teck and S&P BSE Metal grew 1.54% and 1.45%. S&P BSE Realty was the only loser, down 0.16%.
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Domestic News

- The Securities and Exchange Board of India (SEBI) could allow 'on tap public issue of bonds', according to media reports. 'Bond tap' gives companies the flexibility to time the market, cut cost and reduce paperwork for raising money. It will allow corporates to sell bonds via stock exchanges directly to investors, including retail investors. Companies could through bond tap sell any time and as many times during a fiscal after filing a prospectus. A corporate can plan when to enter the market after filing the tap bond issue prospectus.
- According to the media reports, the government is planning to complete approximately three-fourths of its disinvestment target by the end of Dec 2018. Approximately 15 companies are in the pipeline in which the government will sell stakes to achieve this interim goal. So far, the government has raised approximately Rs. 9,200 crore against the target of Rs. 80,000 crore for FY19. The government will have to generate Rs. 50,000 crore more to reach the year-end objective of Rs. 59,000 crore.
- According to media reports, Berkshire Hathaway Inc is considering investing about Rs. 20 billion to Rs. 25 billion (\$285.4-356.7 million) in India's One97 Communications Ltd which happens to be the parent company of digital payments firm Paytm.
- According to media reports, Amazon is negotiating with Future Group to invest around \$600-700 million for a 12% to 15% stake in the retail major.
- According to media reports, the construction arm of Larsen & Toubro has won an order worth Rs. 13.94 billion (Rs 1,394 crore) for the execution of the Kundalia Irrigation Project - Right Bank in Madhya Pradesh.
- According to the Steel Minister, state run unit Steel Authority of India Ltd. is considering locations in three states of Gujarat, Andhra Pradesh and Maharashtra to set up Rs. 50-billion auto-grade steel plant in joint venture with Arcelor Mittal.

| FII Derivative Trade Statistics | | 27-Aug | |
|---------------------------------|-----------|-----------|-----------|
| (Rs Cr) | Buy | Sell | Open Int. |
| Index Futures | 2405.07 | 2452.13 | 32684.19 |
| Index Options | 77567.79 | 77570.68 | 70809.87 |
| Stock Futures | 15459.29 | 15681.79 | 88420.58 |
| Stock Options | 11480.39 | 11614.81 | 12203.26 |
| Total | 106912.54 | 107319.41 | 204117.90 |

| Derivative Statistics- Nifty Options | | | |
|--------------------------------------|--------|----------|--------|
| | 27-Aug | Prev_Day | Change |
| Put Call Ratio (OI) | 1.85 | 1.63 | 0.22 |
| Put Call Ratio(Vol) | 1.13 | 1.09 | 0.05 |

| Debt Watch | | | | |
|--------------------|--------|---------|----------|----------|
| | 27-Aug | Wk. Ago | Mth. Ago | Year Ago |
| Call Rate | 6.34% | 6.38% | 6.14% | 5.90% |
| CBLO | 6.40% | 6.38% | 6.21% | 5.96% |
| Repo | 6.50% | 6.50% | 6.25% | 6.00% |
| Reverse Repo | 6.25% | 6.25% | 6.00% | 5.75% |
| 91 Day T-Bill | 6.77% | 6.79% | 6.70% | 6.13% |
| 364 Day T-Bill | 7.28% | 7.28% | 7.23% | 6.22% |
| 10 Year Gilt | 7.89% | 7.84% | 7.78% | 6.54% |
| G-Sec Vol. (Rs.Cr) | 23721 | 17078 | 18953 | 36130 |
| FBIL MIBOR | 6.54% | 6.50% | 6.27% | 6.05% |
| 3 Month CP Rate | 7.80% | 7.75% | 7.50% | 6.55% |
| 5 Year Corp Bond | 8.67% | 8.66% | 8.66% | 7.39% |
| 1 Month CD Rate | 6.69% | 6.53% | 6.88% | 6.06% |
| 3 Month CD Rate | 7.23% | 7.18% | 7.33% | 6.19% |
| 1 Year CD Rate | 7.99% | 8.01% | 7.99% | 6.49% |

| Currency Market | | | |
|-----------------|--------|----------|--------|
| Currency | 27-Aug | Prev_Day | Change |
| USD/INR | 70.04 | 70.14 | -0.10 |
| GBP/INR | 89.95 | 89.97 | -0.02 |
| EURO/INR | 81.30 | 81.17 | 0.13 |
| JPY/INR | 0.63 | 0.63 | 0.00 |

| Commodity Prices | | | | |
|--------------------|--------|--------|----------|----------|
| Commodity | 27-Aug | Wk Ago | Mth. Ago | Year Ago |
| NYMEX Crude(\$/bl) | 69.62 | 66.45 | 68.61 | 47.62 |
| Brent Crude(\$/bl) | 73.60* | 70.30 | 75.48 | 52.51 |
| Gold(\$/oz) | 1211 | 1190 | 1223 | 1291 |
| Gold(Rs./10 gm) | 29869 | 29381 | 29722 | 28879 |

Source: Thomson Reuters Eikon *As on Aug 24, 2018

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Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.

Derivatives Market

- Nifty August 2018 Futures closed at 11705.35, a premium of 13.40 points, above the spot closing of 11,691.95. The turnover on NSE's Futures and Options segment increased to Rs. 7,83,115.45 on Aug 27 compared with Rs. 7,19,822.91 on Aug 24.
- The Put-Call ratio stood at 1.01 against previous session's close of 0.93.
- The Nifty Put-Call ratio stood at 1.85 compared with the previous session's close of 1.63.
- Open interest on Nifty Futures stood at 35.29 million as against the previous session's close at 34.54 million.

Indian Debt Market

- Bond yields rose as weakening of the rupee and rise in crude oil prices dampened demand for domestic bonds.
- Yield on the 10-year benchmark paper (7.17% GS 2028) rose 2 bps to close at 7.89% from the previous closing of 7.87% after trading in a range of 7.86% to 7.90%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,948 crore (gross) on Aug 27 compared to a borrowing of Rs. 7,649 crore on Aug 24. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 29,634 crore on Aug 24.
- Banks borrowed Rs. 30 crore under the central bank's Marginal Standing Facility on Aug 24 compared to that of Aug 23 when banks borrowed Rs. 170 crore.

Currency Market Update

- The rupee fell record low against the U.S. dollar after increased demand of greenback from importers outweighed early gains from steps taken by China and remarks from the U.S. Federal Reserve chief.
- The euro rose against the greenback as investor's sentiments improved on hopes that U.S. and Mexico will arrive at a solution on the North American Free Trade Agreement (NAFTA).

Commodity Market Update

- Gold prices marginally inched down on stronger dollar and hopes of a positive outcome U.S. and Mexican trade negotiations.
- Brent crude prices marginally moved down on concerns over the global growth slowdown as the latest U.S-China trade talks did not end with any major progress.

International News

- The U.S. Federal Reserve Chief in a speech at the Jackson Hole symposium affirmed that the U.S. Central Bank would continue with its strategy of raising interest rates gradually so as to protect economic growth.
- The People's Bank of China (PBOC) changed the methodology of how it manages the country's currency. The PBOC announced that it was reintroducing a calculation method known as "counter-cyclical factor" in order to keep the yuan's daily midpoint fixed to a relatively stable value.
- Data from Ifo Institute showed that Germany's business confidence improved in Aug 2018. The business confidence index rose more-than-expected to 103.8 in Aug 2018 from 101.7 in Jul 2018.



Thank you for
your time.