

RELIANCE

MUTUAL
FUND

Markets for You

04 Dec 2018

Indices Performance

Global Indices	03-Dec	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,826	25,538	288	1.13
Nasdaq	7,442	7,331	111	1.51
FTSE	7,062	6,980	82	1.18
Nikkei	22,575	22,351	224	1.00
Hang Seng	27,182	26,507	675	2.55
Indian Indices	03-Dec	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	36,241	36,194	47	0.13
Nifty 50	10,884	10,877	7	0.06
Nifty 100	11,103	11,092	11	0.10
Nifty Bank	26,858	26,863	-5	-0.02
SGX Nifty	10,912	10,925	-13	-0.12
S&P BSE Power	1,958	1,911	47	2.47
S&P BSE Small Cap	14,494	14,427	67	0.46
S&P BSE HC	14,159	14,333	-174	-1.21

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
3-Dec	23.56	1.21	26.33	1.22
Month Ago	22.72	1.26	25.40	1.25
Year Ago	24.19	1.19	25.90	1.12

Nifty 50 Top 3 Gainers

Company	03-Dec	Prev_Day	% Change [#]
Indiabulls HFC	783	716	9.43
Yes Bank	178	170	4.83
HUL	1826	1754	4.08

Nifty 50 Top 3 Losers

Company	03-Dec	Prev_Day	% Change [#]
Sun Pharma	455	493	-7.55
M&M	761	791	-3.77
United Phos	733	758	-3.33

Advance Decline Ratio

	BSE	NSE
Advances	1288	972
Declines	1291	848
Unchanged	200	96

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-158	-35929
MF Flows**	1312	117274

*3rd Dec 2018; **30th Nov 2018

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	3.31% (Oct-18)	4.17% (Jul-18)	3.58% (Oct-17)
IIP	4.50% (Sep-18)	7.00% (Jun-18)	4.10% (Sep-17)
GDP	7.10% (Sep-18)	8.20% (Jun-18)	6.30% (Sep-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 gained across the board as U.S. and China agreed on a 90-day truce after their meeting at the G20 summit. This means U.S. will delay the increase of tariffs from 10% to 25% on \$200 billion worth of Chinese imports and China on its part will purchase more of agricultural, energy, industrial and other products from the U.S. China buying substantially more from U.S. will help narrow the trade gap between the two countries. Today (as of Dec 4), Asian markets opened lower amid uncertainty about future of U.S.-China trade relations as questions remain about actual details of the trade agreement. Nikkei and Hangseng fell 0.51% and 0.25%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed higher following optimism over reports that U.S and Chinese President have agreed to a 90-day truce in the escalating trade war.
- As per the last close, U.S markets closed higher after the U.S. and Chinese President agreed to a 90-day truce in the escalating trade war. Unexpected acceleration in U.S. manufacturing activity growth in Nov 2018 boosted investor sentiment.

Indian Equity Market

- Indian equity markets started the week on a positive note as global cues helped the indices to gain. U.S. and China decided on a 90-day truce wherein U.S. won't increase tariffs on Chinese goods worth \$200 billion from 10% to 25% and China will substantially increase the quantum of exports from U.S. The gains were limited as sentiment was soured by weak Gross Domestic Product (GDP) figures, fiscal deficit crossing budget estimates and increase in crude oil prices. GDP for the second quarter of FY19 came in at 7.1% compared with 8.2% in the previous quarter.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.13% and 0.06% to close at 36,241.00 and 10,883.75, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap increased 0.46% each.
- The overall market breadth on BSE was weak with 1291 scrips declining and 1288 scrips advancing. A total of 200 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Utilities was the major gainer, up 2.66%, followed by S&P BSE Realty and S&P BSE Power, up 2.6% and 2.47%, respectively. S&P BSE Metal and S&P BSE Telecom gained 2.14% and 1.15%, respectively.

Domestic News

- The Nikkei India Manufacturing Purchasing Managers' Index (PMI) increased for the third straight month in Nov 2018 to 54.0 from 53.1 in Oct 2018. A reading of over 50 indicates expansion and otherwise contraction. The growth reflects strengthening manufacturing operating conditions since healthy new order inflows made companies increase production compared with Oct. The month saw sustained job creation and improved sentiment.
- Government data showed that India's fiscal deficit for Apr-Oct 2018 came in at Rs. 6.48 lakh crore, or 103.9% of the budgeted target for FY19 against 96.1% in the year-ago period. Net tax receipts were Rs. 6.61 lakh crore or 44.7% of the budget estimate for FY19 compared with 51.6% in the corresponding period of the previous year. The government's total expenditure for the period from Apr to Oct of 2018 stood at Rs. 14.56 lakh crore or 59.6% of the budget estimate for FY19 compared with 60.2% in the corresponding period of the previous year.
- According to the revenue secretary, an analysis is required on whether to increase excise duty on petroleum products following fall in crude prices. The government had reduced excise duty by Rs. 1.50 per litre on both petrol and diesel in Oct 2018 and asked oil marketing companies to cut the retail prices by Re 1 each.
- Hindustan Unilever Ltd has announced it will merge with GSK's healthcare business in India. The total value of the business is being seen at Rs. 31,700 crore. The merger includes all the operations within GSK Consumer Healthcare India Ltd. It also includes a consignment selling contract to distribute GSK Consumer's over-the-counter and oral health products in India.
- The Gujarat government has allowed tariff hikes by power projects of companies such as Adani Power Ltd, Tata Power Co. Ltd and Essar Power Ltd, according to media reports.

FII Derivative Trade Statistics		03-Dec	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	3455.46	3283.65	21351.00
Index Options	48789.86	47268.14	52923.59
Stock Futures	15186.51	15154.44	82782.13
Stock Options	5835.11	5546.22	3620.78
Total	73266.94	71252.45	160677.50

Derivative Statistics- Nifty Options			
	03-Dec	Prev_Day	Change
Put Call Ratio (OI)	1.70	1.68	0.02
Put Call Ratio(Vol)	1.02	1.03	-0.01

Debt Watch				
	03-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.33%	6.44%	6.41%	5.89%
T-Repo	6.25%	6.44%	-	-
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
91 Day T-Bill	6.70%	6.70%	6.90%	6.12%
364 Day T-Bill	7.19%	7.20%	7.42%	6.23%
10 Year Gilt	7.63%	7.73%	7.78%	7.06%
G-Sec Vol. (Rs.Cr)	40281	38057	52876	48027
FBIL MIBOR	6.50%	6.60%	6.55%	6.00%
3 Month CP Rate	7.75%	7.85%	8.60%	6.80%
5 Year Corp Bond	8.50%	8.52%	8.65%	7.71%
1 Month CD Rate	6.69%	6.88%	6.97%	6.05%
3 Month CD Rate	7.27%	7.34%	7.56%	6.25%
1 Year CD Rate	8.48%	8.49%	8.34%	6.61%

Currency Market			
Currency	03-Dec	Prev_Day	Change
USD/INR	70.03	69.66	0.37
GBP/INR	89.50	89.08	0.42
EURO/INR	79.59	79.36	0.23
JPY/INR	0.62	0.61	0.00

Commodity Prices				
Commodity	03-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	52.93	51.36	63.07	58.30
Brent Crude(\$/bl)	60.01	59.29	70.20	65.36
Gold(\$/oz)	1231	1222	1232	1280
Gold(Rs./10 gm)	30664	30705	31565	29176

Source: Thomson Reuters Eikon

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Derivatives Market

- Nifty Dec 2018 Futures were at 10,924.00 points, a premium of 40.25 points, above the spot closing of 10,876.75. The turnover on NSE's Futures and Options segment decreased to Rs. 4,25,998.99 crore on Dec 3 compared with Rs. 4,39,239.97 crore on Nov 30.
- The Put-Call ratio stood at 0.97 compared with the previous session's close of 0.99.
- The Nifty Put-Call ratio stood at 1.68 compared with the previous session's close of 1.70.
- Open interest on Nifty Futures stood at 20.25 million as against the previous session's close at 19.83 million.

Indian Debt Market

- Bond yield rose as a section of investors resorted to selling notes after crude oil prices rebound. Besides, the overall market remains cautious ahead of the Monetary Policy Committee's (MPC) fifth bi-monthly Monetary Policy Statement for FY19, scheduled for Dec 3 to Dec 5, 2018.
- Yield on the 10-year benchmark paper (7.17% GS 2028) rose 2 bps to 7.63% compared with 7.61% in the previous session after trading in the range of 7.62% to 7.68%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,621 crore (gross) on Dec 3 compared with a borrowing of Rs. 8,231 crore (gross) on Nov 30. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 24,905 crore on Nov 30.

Currency Market Update

- The Indian rupee depreciated against the greenback as crude oil prices saw a sharp surge. In addition, weak domestic data and slow economic growth in the Jul-Sep quarter dampened investor sentiments and weighed down on the local currency.
- The euro rose on dollar weakness after the U.S.-China trade tension eased following their presidents' decision to halt additional tariffs and hold talks to resolve trade differences.

Commodity Market Update

- Gold prices surged against the greenback as the later weakened on expectations that the Federal Reserve may not go ahead with the multiple interest rate hike plan in 2019.
- Brent crude prices rebound by more than 5% as the trade tension between U.S. and China eased.

International News

- According to an IHS Markit survey, U.K. manufacturing sector expanded at the fastest pace in two months in Nov 2018 and came in more than expectations. The CIPS manufacturing purchasing managers index increased to 53.1 from Oct 2018's 27-month low of 51.1.
- IHS Markit survey showed euro zone's manufacturing growth slowed less than expected in Nov 2018 as output grew marginally and so did business confidence. It was the lowest since Aug 2016. The manufacturing purchasing managers' index decreased to 51.8 from 52 in Oct 2018. The flash reading was 51.5.
- Nikkei's latest survey showed Japan's manufacturing sector continued to expand in Nov 2018 but at a slower pace. Manufacturing PMI score came in at 52.2, down from 52.9 in Oct 2018.



Thank you for
your time.