

RELIANCE

MUTUAL
FUND

Markets for You

05 Dec 2018

Indices Performance

Global Indices	04-Dec	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,027	25,826	-799	-3.10
Nasdaq	7,158	7,442	-283	-3.80
FTSE	7,023	7,062	-40	-0.56
Nikkei	22,036	22,575	-539	-2.39
Hang Seng	27,260	27,182	78	0.29
Indian Indices	04-Dec	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	36,134	36,241	-107	-0.29
Nifty 50	10,870	10,884	-14	-0.13
Nifty 100	11,086	11,103	-17	-0.15
Nifty Bank	26,694	26,858	-164	-0.61
SGX Nifty	10,924	10,912	12	0.11
S&P BSE Power	1,953	1,958	-6	-0.30
S&P BSE Small Cap	14,514	14,494	20	0.14
S&P BSE HC	14,160	14,159	1	0.01

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
4-Dec	23.39	1.22	26.30	1.22
Month Ago	22.72	1.26	25.40	1.25
Year Ago	24.29	1.18	25.91	1.12

Nifty 50 Top 3 Gainers

Company	04-Dec	Prev_Day	% Change [#]
BPCL	334	324	3.01
Indiabulls HFC	804	783	2.64
United Phos	751	733	2.57

Nifty 50 Top 3 Losers

Company	04-Dec	Prev_Day	% Change [#]
Sun Pharma	443	455	-2.74
M&M	740	761	-2.73
Grasim Indus	846	865	-2.18

Advance Decline Ratio

	BSE	NSE
Advances	1156	815
Declines	1417	972
Unchanged	144	101

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	162	-35767
MF Flows**	-760	116861

*4th Dec 2018; **3rd Dec 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 were mostly lower as investors took stock of the announcement by U.S. and China of a 90-day trade truce wherein the two will cooperate with each other. Investors became sceptical of the chances of U.S. and China ironing out their differences in the 90-day time. Today (as of Dec 05), Asian markets opened lower following an overnight plunge on Wall Street as investors worried about a potential economic slowdown. Both Nikkei and Hangseng were trading down 1.07% and 1.89%, respectively (as at 8.a.m. IST).

• As per the last close, European markets closed lower following profit taking by investors and lingering worries around U.S.-China trade war.
 • As per the last close, U.S markets closed lower after the yield on two-year notes rose above the yield on five-year notes, which was perceived as an indicator of an upcoming economic slowdown. Profit taking by investors and lingering worries around U.S.-China trade further added to the losses.

Indian Equity Market

• After gaining for six consecutive days, Indian equity markets fell as investors remained cautious ahead of the outcome of the Monetary Policy Committee's fifth monetary policy review meeting on Dec 5, 2018. Weakness in rupee and surge in oil prices ahead of the impending meeting in Vienna where OPEC is expected to discuss a production cut added to the losses.

• Further, investors were cautious ahead of the results of crucial assembly election in five states due on Dec 11, 2018. Weakness in global markets amid uncertainty whether China and the U.S. will be able to permanently resolve trade differences dampened investor sentiment.

• Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.29% and 0.13% to close at 36,134.31 and 10,869.50, respectively. S&P BSE Mid-Cap fell 0.07%, however, and S&P BSE Small Cap grew 0.14%.

• The overall market breadth on BSE was weak with 1,417 scrips declining and 1,156 scrips advancing. A total of 144 scrips remained unchanged.

Domestic News

• The Securities and Exchange Board of India (SEBI) has given approval to the Metropolitan Stock Exchange (MSE) for the launch of weekly options on U.S. Dollar-Indian Rupee (USD-INR) and two new currency products. A weekly hedging product – Currency Options on USD-INR is being introduced by the exchange that will enable participants to reduce their cost of hedging.

• The National Stock Exchange announced that it has introduced futures on overnight call rate (Mumbai Inter-Bank Offer Rate or MIBOR). This is expected to provide participants an opportunity to manage risk exposures. MIBOR is the interest rate at which banks borrow from another for short term purposes.

• SEBI has been recommended by a high-level panel to permit direct listing of Indian companies on overseas bourses and of foreign firms on Indian exchanges. Currently, Indian companies can list their shares through depository receipts abroad. Meanwhile, foreign companies have to go through the Indian Depository Receipt route for listing of equities.

• SEBI has made the settlement rules more attractive to help fast-track cases. The new norms will be effective from Jan 1, 2019. The market regulator has included confidentiality and lenient terms for approvers, however, not for settling the cases of defaulters and fugitive economic offenders. SEBI stated that it will not settle proceeding in case the alleged default has widely impacted the market and has resulted in losses to a large number of investors.

• SEBI has issued stricter cybersecurity framework for stock brokers and depository participants. The new norms that will be effective from Apr 2019 come on the wake of concerns over possible data breaches. With the new norms, the stock brokers and depository participants would be required to define the responsibilities of individuals which will include outsourced staff that have privileged access to the networks.

FII Derivative Trade Statistics		04-Dec	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2354.35	1953.09	22407.98
Index Options	44812.01	45982.47	54580.76
Stock Futures	13957.15	13606.71	84424.91
Stock Options	7148.94	7032.55	4460.44
Total	68272.45	68574.82	165874.09

Derivative Statistics- Nifty Options			
	04-Dec	Prev_Day	Change
Put Call Ratio (OI)	1.70	1.68	0.03
Put Call Ratio(Vol)	1.10	1.03	0.07

Debt Watch				
	04-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.35%	6.37%	6.41%	5.83%
T-Repo	6.30%	6.40%	--	--
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%	6.73%	6.90%	6.12%
364 Day T-Bill	7.18%	7.20%	7.42%	6.19%
10 Year Gilt	7.57%	7.73%	7.78%	7.08%
G-Sec Vol. (Rs.Cr)	50826	33537	52876	29146
FBIL MIBOR	Closed	6.58%	6.55%	6.00%
3 Month CP Rate	7.75%	7.80%	8.60%	6.81%
5 Year Corp Bond	8.52%	8.53%	8.65%	7.72%
1 Month CD Rate	6.61%	6.80%	6.97%	6.07%
3 Month CD Rate	7.37%	7.35%	7.56%	6.25%
1 Year CD Rate	8.27%	8.51%	8.34%	6.63%

Currency Market			
Currency	04-Dec	Prev_Day	Change
USD/INR	70.35	70.03	0.32
GBP/INR	89.65	89.50	0.14
EURO/INR	80.08	79.59	0.49
JPY/INR	0.62	0.62	0.01

Commodity Prices				
Commodity	04-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	53.16	51.26	63.07	57.43
Brent Crude(\$/bl)	61.24	59.17	70.20	64.24
Gold(\$/oz)	1238	1214	1232	1276
Gold(Rs./10 gm)	30945	30673	31565	29086

Source: Thomson Reuters Eikon

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

Derivatives Market

- Nifty Dec 2018 Futures were at 10,907.75 points, a premium of 38.25 points, above the spot closing of 10,869.50. The turnover on NSE's Futures and Options segment rose to Rs. 4,70,285.85 crore on Dec 4 compared with Rs. 4,25,998.99 crore on Dec 3.
- The Put-Call ratio stood at 0.88 compared with the previous session's close of 0.97.
- The Nifty Put-Call ratio stood at 1.70 compared with the previous session's close of 1.68.
- India VIX dipped 1.81% to 17.8925 compared with 18.2225 at the previous trading session.
- Open interest on Nifty Futures stood at 20.56 million as against the previous session's close at 20.25 million.

Indian Debt Market

- Bond yield declined on hopes that the Monetary Policy Committee would cut the inflation forecast and hold interest rate at the conclusion of the 3-day monetary policy meeting ending Dec 5, 2018.
- Yield on the 10-year benchmark paper (7.17% GS 2028) declined 6 bps to 7.57% compared with 7.63% in the previous session after trading in the range of 7.56% to 7.62%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,141 crore (gross) on Dec 4 compared with a borrowing of Rs. 3,621 crore (gross) on Dec 3. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 60,162 crore on Dec 3.
- Banks borrowed Rs. 177 crore under the central bank's Marginal Standing Facility on Dec 3 compared with borrowing of Rs. 311 crore on Nov 30.

Currency Market Update

- The Indian rupee was slightly lower as investors stayed on the sidelines ahead of the Monetary Policy Committee's decision on interest rates. The rupee closed at 70.49 a dollar compared with the previous close of 70.45.
- The euro continued to gain on dollar weakness with the decline in U.S. Treasury yields. Weak U.S. inflation triggered concerns of an economic slowdown, which made market participants grow cautious, encouraging them to dispose the greenback.

Commodity Market Update

- Gold prices surged against the greenback as the later continued to remain weak following the G20 summit in Argentina.
- Brent crude prices saw a sharp surge ahead of the impending meeting in Vienna where the OPEC could discuss a production cut to support the falling price.

International News

- According to a report released by the Institute for Supply Management, U.S. manufacturing Purchasing Managers' Index (PMI) rose to 59.3 in Nov 2018 after falling to 57.7 in Oct 2018. The unexpected increase was due to strong demand.
- According to survey data from IHS Markit, U.K. construction PMI rose to 53.4 in Nov 2018 from 53.2 in Oct 2018. The rise came due to increase in new work and consequent gains in job creation.
- According to the Bank of Japan, the monetary base in Japan rose 6.1% YoY in Nov 2018 to 501.330 trillion yen as against two straight months of 5.9% gains. Banknotes and coins in circulation rose 3.5% and 1.1% YoY, respectively. Also, current account balances rose 6.9%, including a 6.0% increase in reserve balances.



Thank you for
your time.