

RELIANCE

MUTUAL
FUND

Markets for You

07 Dec 2018

Indices Performance

Global Indices	06-Dec	Prev_Day	Abs. Change	% Change [#]
Dow Jones	24,948	Closed	NA	NA
Nasdaq	7,188	Closed	NA	NA
FTSE	6,704	6,922	-218	-3.15
Nikkei	21,502	21,919	-418	-1.91
Hang Seng	26,156	26,820	-663	-2.47
Indian Indices	06-Dec	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	35,312	35,884	-572	-1.59
Nifty 50	10,601	10,783	-182	-1.69
Nifty 100	10,806	10,989	-183	-1.67
Nifty Bank	26,198	26,520	-321	-1.21
SGX Nifty	10,626	10,849	-223	-2.06
S&P BSE Power	1,901	1,913	-13	-0.65
S&P BSE Small Cap	14,143	14,338	-195	-1.36
S&P BSE HC	13,677	13,875	-198	-1.43

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
6-Dec	22.96	1.24	25.65	1.25
Month Ago	22.61	1.27	25.32	1.26
Year Ago	24.00	1.20	25.70	1.13

Nifty 50 Top 3 Gainers

Company	06-Dec	Prev_Day	% Change [#]
Sun Pharma	420	413	1.74
-	-	-	-
-	-	-	-

Nifty 50 Top 3 Losers

Company	06-Dec	Prev_Day	% Change [#]
Indiabulls HFC	733	776	-5.54
Maruti	7210	7554	-4.56
Tech Mahindra	696	727	-4.19

Advance Decline Ratio

	BSE	NSE
Advances	707	385
Declines	1849	1405
Unchanged	141	90

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-361	-36100
MF Flows**	-8	116608

*6th Dec 2018; **5th 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 declined after doubts arose over U.S.' China strategy. The U.S. administration arrested a high-placed official of a major Chinese technology company over alleged violation of U.S. sanctions on Iran. Investors were doubting the effectiveness of the 90-day trade truce between the two countries and the recent development added fuel to fire. Today (as of Dec 7), Asian markets opened higher on reports that U.S. Fed could increase interest rates at a slower pace than previously expected. Nikkei and Hangseng grew 0.27% and 0.36%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed lower due to concerns over trade tensions between the U.S. and China following arrest of the chief financial officer of a Chinese tech giant.
- As per the last close, U.S markets closed on a mixed note. Skepticism about potential for a long-term trade agreement between U.S. and China after the arrest of a top executive at Chinese tech giant weighed on the indices. However, reports that U.S. Fed could hike interest rates at a slower pace than previously expected likely restricted the losses.

Indian Equity Market

- Indian equity markets fell for the third consecutive day due to weakness in global markets that weighed on energy, auto and realty stocks. Global markets remained under pressure after Canadian authorities arrested a top executive of Chinese tech giant for extradition to U.S., thereby raising fears of a fresh reason for tensions between U.S. and China.
- Further, investors remained cautious ahead of the assembly election results and as they remained focused on the meeting by the Organization of the Petroleum Exporting Countries (OPEC). Weakness in rupee added to the woes.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 1.59% and 1.69% to close at 35,312.13 and 10,601.15, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap fell 1.54% and 1.36%, respectively.
- On the BSE sectoral front, S&P BSE Energy stood as the major loser, down 2.35% followed by S&P BSE Realty and S&P BSE Auto with both declining 2.26%. Energy stocks remained under pressure ahead of the OPEC's meeting to discuss production cuts. S&P BSE Telecom and S&P BSE Consumer Discretionary Goods & Services fell 2.11% and 1.83%. S&P BSE Teck and S&P BSE Oil & Gas fell 1.71% and 1.70%, respectively.

Domestic News

- The Securities and Exchange Board of India (SEBI) has proposed a framework for warehouse companies and other allied service providers engaged in non-agricultural goods. The market regulator is planning to take into consideration an extensive of standards and norms for compliance by clearing corporations (CC) accredited storage agencies for storage of physically delivered non-agricultural goods. Currently, the stock exchanges or clearing corporations have prescribed certain storage norms, however, there is no uniformity. The move is expected to help improve the delivery and settlement mechanism.
- According to major domestic rating agency, the non-bank lenders' asset growth will be lowered by half to approximately 10% in the 2HFY19 due to difficulties in getting funding. The agency stated that asset quality of retail loans is resilient, however, non-retail book of the non-banking finance companies' has to be monitored for potential stress.
- A major global credit rating agency has downwardly revised forecast for India's gross domestic product to 7.2% for FY19 as against previous expectation of growth of 7.8%. The revision reflects higher financing cost and reduced credit availability. It expects growth of 7% and 7.1% in FY20 and FY21.
- The Chemicals and Fertilisers Minister has stated that the fertiliser subsidy arrears to the industry have come down by 75% to Rs. 10,000 crore in the last four years. Also, the minister stated that the outstanding amount is expected to be cleared by the end of FY19.
- Korean car maker Kia Motors India has signed two agreements with the state government of Andhra Pradesh. First is to set up its maiden manufacturing plant in the country in Andhra Pradesh and to collaborate on the 'Partnership for Future Eco Mobility', involving the development of local electric vehicle infrastructure, among other things.

FII Derivative Trade Statistics		06-Dec	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2744.11	3908.79	25077.66
Index Options	84462.18	85376.96	55263.24
Stock Futures	12092.65	12935.68	83669.08
Stock Options	6513.60	6203.90	5593.58
Total	105812.54	108425.33	169603.56

Derivative Statistics- Nifty Options			
	06-Dec	Prev_Day	Change
Put Call Ratio (OI)	1.44	1.63	-0.19
Put Call Ratio(Vol)	0.90	0.97	-0.07

Debt Watch				
	06-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.34%	6.36%	6.43%	5.80%
T-Repo	6.36%	6.30%	6.39%	--
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
91 Day T-Bill	6.67%	6.72%	6.93%	6.12%
364 Day T-Bill	7.08%	7.19%	7.42%	6.10%
10 Year Gilt	7.42%	7.61%	7.80%	7.03%
G-Sec Vol. (Rs.Cr)	78883	62918	15785	53249
FBIL MIBOR*	6.51%	6.55%	6.50%	5.95%
3 Month CP Rate	7.35%	7.75%	8.55%	6.81%
5 Year Corp Bond	8.41%	8.45%	8.58%	7.71%
1 Month CD Rate	6.60%	6.94%	7.02%	6.18%
3 Month CD Rate	7.21%	7.13%	7.63%	6.24%
1 Year CD Rate	8.19%	8.48%	8.34%	6.65%

Currency Market			
Currency	06-Dec	Prev_Day	Change
USD/INR	71.04	70.52	0.52
GBP/INR	90.30	89.45	0.85
EURO/INR	80.55	79.84	0.71
JPY/INR	0.63	0.62	0.01

Commodity Prices				
Commodity	06-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	51.49	51.41	62.11	55.77
Brent Crude(\$/bl)	57.85	57.88	69.73	62.71
Gold(\$/oz)	1238	1224	1226	1264
Gold(Rs./10 gm)	30987	30360	31773	28977

Source: Thomson Reuters Eikon

*As on 05 Dec 2018

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Derivatives Market

- Nifty Dec 2018 Futures were at 10,626.30 points, a premium of 25.15 points, above the spot closing of 10,601.15. The turnover on NSE's Futures and Options segment rose to Rs. 18,78,740.17 crore on Dec 6 compared with Rs. 7,46,751.53 crore on Dec 5.
- The Put-Call ratio stood at 0.81 compared with the previous session's close of 0.83.
- The Nifty Put-Call ratio stood at 1.44 compared with the previous session's close of 1.63.
- Open interest on Nifty Futures stood at 22.06 million as against the previous session's close at 20.90 million.

Indian Debt Market

- Bond yield declined following the steep fall in crude oil prices on poor demand outlook and expectations that the production cut by OPEC would be lower than earlier projected. In addition, the outcome of the Monetary Policy Committee's policy review meeting continued to keep the market sentiment positive.
- Yield on the 10-year benchmark paper (7.17% GS 2028) declined 2 bps to 7.42% compared with 7.44% in the previous session after trading in the range of 7.37% to 7.44%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,611 crore (gross) on Dec 6 compared with a borrowing of Rs. 2,716 crore (gross) on Dec 5. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 19,277 crore on Dec 5.

Currency Market Update

- The Indian rupee depreciated against the greenback with the arrest of an executive of a Chinese tech company, which raised concerns over the U.S.-China trade discussions. The rupee fell 0.58% to close at 70.87 a dollar compared with the previous close of 70.46.
- The euro was marginally lower against the greenback as the latter firmed up following the arrest of an executive of a Chinese tech company that triggered concerns over U.S.-China trade terms. The euro was last seen trading at 1.1334 a dollar, down 0.09% from the previous close of 1.1344.

Commodity Market Update

- Gold prices were flat to slightly lower against the greenback as the latter firmed up on expectation of interest rate hike at the upcoming Federal Reserve meeting scheduled for Dec 18-19.
- Brent crude prices plunged more than 4% following the arrest of the CFO of a multinational company in Canada.

International News

- According to survey by IHS Markit, eurozone's composite purchasing managers' index (PMI) fell to 52.7 in Nov 2018 from 53.1 in Oct 2018. Similarly, eurozone's services PMI fell to 53.4 in Nov, lowest in over two years, from 53.7 in Oct.
- According to preliminary data from the Federal Statistical Office, Germany's factory orders rose 0.3% MoM in Oct 2018 from Sep 2018's 0.1% rise. On a yearly basis, factory orders declined 2.7% in Oct as against 2.6% fall in Sep.
- According to survey result by HIS Markit, U.K. services PMI fell to 50.4 in Nov 2018 from 52.2 in Oct 2018. The decline came due to weaker growth in both business activity and new work as Brexit concerns intensified, defying expectations for a modest improvement.

Thank you for
your time.