

RELIANCE

MUTUAL
FUND

Markets for You

11 Dec 2018

Indices Performance

Global Indices	10-Dec	Prev_Day	Abs. Change	% Change [#]
Dow Jones	24,423	24,389	34	0.14
Nasdaq	7,021	6,969	51	0.74
FTSE	6,722	6,778	-57	-0.83
Nikkei	21,220	21,679	-459	-2.12
Hang Seng	25,752	26,064	-311	-1.19
Indian Indices	10-Dec	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	34,960	35,673	-714	-2.00
Nifty 50	10,488	10,694	-205	-1.92
Nifty 100	10,686	10,894	-208	-1.91
Nifty Bank	26,103	26,594	-492	-1.85
SGX Nifty	10,402	10,720	-318	-2.96
S&P BSE Power	1,863	1,899	-36	-1.92
S&P BSE Small Cap	13,846	14,105	-259	-1.84
S&P BSE HC	13,445	13,658	-213	-1.56

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
10-Dec	22.86	1.24	25.37	1.27
Month Ago	22.84	1.26	25.46	1.25
Year Ago	24.57	1.17	26.26	1.11

Nifty 50 Top 3 Gainers

Company	10-Dec	Prev_Day	% Change [#]
Indian Oil	134	130	3.55
BPCL	330	325	1.49
HPCL	227	225	0.85

Nifty 50 Top 3 Losers

Company	10-Dec	Prev_Day	% Change [#]
Kotak Bank	1198	1280	-6.35
Indiabulls HFC	687	717	-4.22
Ultratech Cem	3777	3933	-3.97

Advance Decline Ratio

	BSE	NSE
Advances	613	338
Declines	1911	1455
Unchanged	154	84

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	4745	-31408
MF Flows**	583	116870

*10th Dec 2018; **7th 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 markets fell on concerns over global growth forecast after the U.S. jobs data for Nov 2018 came lower-than-expected. Some of the key economic data from China and Japan further dented sentiments. While, Chinese trade data stood weaker-than-expected, China's consumer inflation and producer price inflation also eased in Nov. Additionally, Japanese economy contracted in the third quarter period. Today (as of Dec 11), Asian markets opened lower amid volatile session on the U.S. Wall Street. Both Nikkei and Hangseng were trading down 0.72% and 0.50%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed lower due to worries over slowing economic growth and after a Brexit vote in U.K. parliament was been delayed by the Prime Minister.
- As per the last close, U.S. markets closed mostly higher after investors resorted to bargain hunting after the early weakness extended the sell-off seen last week. However, concerns about the global economic outlook and uncertainty over long-term trade deal between the U.S. and China capped the gains.

Indian Equity Market

- Indian equity markets started the week on a negative note. Investors remained cautious over uncertainty of the outcome of state election results. Weak rupee continued to weigh on the markets. Decline in banking stocks weighed on the indices after stocks of a major private sector bank fell as it challenged the Reserve Bank of India's decision in court to disregard the issue of preference shares to reduce promoter stake in bank.
- Further, soft global cues following weaker-than-expected U.S. jobs data and China's trade data for Nov 2018 raised concerns over global growth, thereby souring investor sentiment. Brexit-related uncertainty and rising tensions between the U.S. and China also dented investor sentiment.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 2.00% and 1.92% to close at 34,959.72 and 10,488.45, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap each fell 1.84%.
- The overall market breadth on BSE was weak with 1,911 scrips declining and 613 scrips advancing. A total of 154 scrips remained unchanged.

Domestic News

- The governor of the Reserve Bank of India (RBI) resigned on account of personal reasons. He was appointed in 2016 for a three-year term, which was to expire in Sep 2019.
- According to the preliminary numbers released by RBI, Current Account Deficit (CAD) rose to \$19.1 billion or 2.9% of GDP in Q2 of 2018-19, up from \$6.9 billion or 1.1% of GDP in Q2 of 2017-18 and \$15.9 billion (2.4% of GDP) in Q1 2018-19. The widening of the CAD was due to higher trade deficit that came in at \$50.0 billion as against \$32.5 billion in the previous year period. Net services receipts grew 10.2% YoY mainly due to rise in net earnings from software and financial services.
- The Finance Ministry has announced that the contribution by the central government employees under the Tier-II of the National Pension System (NPS) will now qualify for deduction under section 80C of the Income Tax Act. However, prior to the announcement, the deduction was available only for investments in TIER-I account of NPS scheme.
- According to a data from the government, the provisional figures for direct tax collections grew 15.7% YoY to Rs. 6.75 lakh crore for the period Apr-Nov 2018. Meanwhile, refunds for the same period grew 20.8% YoY to Rs. 1.23 lakh crore.
- The Securities and Exchange Board of India (SEBI) has lined up some relaxations for new-age ventures in sectors like e-commerce, data analytics and bio-technology to raise funds and get their shares traded on stock exchanges. This comes as a major push to kickstart listing of start-ups in India. The relaxation in the norms comes on the wake of tepid market interest to the existing platform. Also, demands from various stakeholders to make the norms easier and the platform more accessible led to the relaxation of norms.

FII Derivative Trade Statistics		10-Dec	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	3290.11	2673.38	27184.46
Index Options	52056.42	52284.27	55893.19
Stock Futures	13346.10	12491.22	83929.80
Stock Options	7136.06	7129.22	6400.13
Total	75828.69	74578.09	173407.58

Derivative Statistics- Nifty Options			
	10-Dec	Prev_Day	Change
Put Call Ratio (OI)	1.30	1.47	-0.17
Put Call Ratio(Vol)	0.90	0.87	0.02

Debt Watch				
	10-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.42%	6.33%	6.47%	5.90%
T-Repo	6.46%	6.25%	6.50%	--
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%	6.70%	6.92%	6.11%
364 Day T-Bill	7.06%	7.19%	7.39%	6.22%
10 Year Gilt	7.59%	7.63%	7.76%	7.09%
G-Sec Vol. (Rs.Cr)	34033	40281	27684	37214
FBIL MIBOR*	6.48%	6.50%	6.55%	5.94%
3 Month CP Rate	7.40%	7.75%	8.55%	6.81%
5 Year Corp Bond	8.46%	8.53%	8.58%	7.75%
1 Month CD Rate	7.01%	6.69%	6.90%	6.19%
3 Month CD Rate	7.12%	7.27%	7.64%	6.23%
1 Year CD Rate	8.24%	8.48%	8.30%	6.68%

Currency Market			
Currency	10-Dec	Prev_Day	Change
USD/INR	71.33	70.57	0.76
GBP/INR	90.91	90.12	0.79
EURO/INR	81.57	80.22	1.35
JPY/INR	0.63	0.63	0.01

Commodity Prices				
Commodity	10-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	51.02	52.93	60.14	57.10
Brent Crude(\$/bl)	60.31	60.01	68.10	64.32
Gold(\$/oz)	1245	1231	1209	1248
Gold(Rs./10 gm)	31423	30664	31773	28492

Source: Thomson Reuters Eikon; *As On 07-Dec-2018

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Derivatives Market

- Nifty Dec 2018 Futures were at 10,514.7 points, a premium of 26.25 points, above the spot closing of 10,488.45. The turnover on NSE's Futures and Options segment rose to Rs. 4,79,808.70 crore on Dec 10 compared with Rs. 4,29,275.52 crore on Dec 7.
- The Put-Call ratio stood at 0.86 compared with the previous session's close of 0.78.
- The Nifty Put-Call ratio stood at 1.30 compared with the previous session's close of 1.47.
- Open interest on Nifty Futures stood at 22.50 million as against the previous session's close at 22.78 million.

Indian Debt Market

- Bond yield increased with the fall in the domestic currency and uncertainty over the outcome of the state elections. Market participants remain jittery and preferred to stay on the sidelines.
- Yield on the 10-year benchmark paper (7.17% GS 2028) increased 13 bps to 7.59% compared with 7.46% in the previous session after trading in the range of 7.48% to 7.60%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 11,596 crore (gross) on Dec 10 compared with a borrowing of Rs. 10,126 crore (gross) on Dec 7. Sale of securities under Reserve Bank of India's reverse repo window stood at Rs. 22,846 crore on Dec 7.
- Banks borrowed Rs. 2,450 crore under the central bank's Marginal Standing Facility on Dec 7 compared with borrowing of Rs. 105 crore on Dec 6.

Currency Market Update

- The Indian rupee depreciated as investors stay jittery over the uncertainty on the outcome of the state elections. However, dollar sales by state-run and private banks restricted further decline.
- The euro edged up against the greenback as the latter struggled to hold ground amid tepid U.S. jobs data. Additionally, rising speculations that the U.S. Federal Reserve may pause the multiple interest rate hike proposal for 2019 continued to adversely impact dollar, thereby supporting euro.

Commodity Market Update

- Gold prices remained steady as the greenback struggled to stay firm amid the weakening U.S. Treasury yield and the sell-off in the equity market.
- Brent crude prices plunged more than 3% on weak demand outlook after China reported weak trade numbers for Nov 2018.

International News

- According to a preliminary report by the University of Michigan, U.S. consumer sentiment index was at 97.5 in Dec 2018, unchanged from the final reading of Nov 2018. The unchanged reading on consumer sentiment came as improvement in consumers' assessment of current economic conditions was offset by decline in expectations.
- Eurozone's economic gross domestic product (GDP) rose 0.2% in third quarter of 2018 from 0.4% growth in the second quarter. On a yearly basis, GDP was revised down to 1.6% from 1.7%. In the second quarter, growth was 2.2%.



Thank you for
your time.