

RELIANCE

MUTUAL
FUND

Markets for You

12 Dec 2018

Indices Performance

Global Indices	11-Dec	Prev_Day	Abs. Change	% Change [#]
Dow Jones	24,370	24,423	-53	-0.22
Nasdaq	7,032	7,021	11	0.16
FTSE	6,807	6,722	85	1.27
Nikkei	21,148	21,220	-71	-0.34
Hang Seng	25,772	25,752	19	0.07
Indian Indices	11-Dec	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	35,150	34,960	190	0.54
Nifty 50	10,549	10,488	61	0.58
Nifty 100	10,762	10,686	76	0.71
Nifty Bank	26,163	26,103	61	0.23
SGX Nifty	10,636	10,402	234	2.24
S&P BSE Power	1,879	1,863	17	0.90
S&P BSE Small Cap	14,059	13,846	213	1.54
S&P BSE HC	13,705	13,445	260	1.93

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
11-Dec	22.83	1.25	25.52	1.26
Month Ago	22.84	1.26	25.46	1.25
Year Ago	24.73	1.16	26.43	1.10

Nifty 50 Top 3 Gainers

Company	11-Dec	Prev_Day	% Change [#]
Yes Bank	178	166	7.36
Sun Pharma	422	399	5.84
Asian Paints	1324	1274	3.88

Nifty 50 Top 3 Losers

Company	11-Dec	Prev_Day	% Change [#]
HPCL	220	227	-2.91
Indian Oil	132	134	-1.79
Bharti Airtel	290	295	-1.59

Advance Decline Ratio

	BSE	NSE
Advances	1611	1230
Declines	811	519
Unchanged	132	96

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	1795	-29614
MF Flows**	-329	116542

*11th Dec 2018; **10th 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 witnessed volatility and ended mixed after overnight U.S. bourses recovered from steep losses. Investors remained cautious over U.S.-China trade tensions, falling oil prices and U.K. Prime Minister postponing a Parliamentary vote on Brexit. Today (as of Dec 12), Asian markets opened higher following news reports that China is moving toward cutting tariffs on cars made in the U.S. to 15% from the current 40%. Both Nikkei and Hangseng were trading up 1.68% and 1.35%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed higher following upbeat Germany investor confidence index in Dec 2018 and renewed optimism about the trade talks between the U.S. and China.
- As per the last close, U.S. markets was trading high initially following renewed optimism about the trade talks between the U.S. and China. However, the trend reversed, and indices closed mostly lower after the Washington Post reported that the U.S. will condemn China over hacking and economic espionage, increasing tension between the two countries once again.

Indian Equity Market

- Indian equity markets witnessed a volatile session and managed to end in the green. Initially, bourses declined reacting to Reserve Bank of India governor's resignation the previous day. Throughout the day, assembly election results dictated market movement. In the end, losses were recovered as the ruling party's performance was not as bad as was being feared by investors.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.54% and 0.58% to close at 35,150.01 and 10,549.15, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap increased 1.54% each.
- The overall market breadth on BSE was strong with 1611 scrips advancing and 811 scrips declining. A total of 132 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Durables was the major gainer, up 2.6%, followed by S&P BSE Healthcare and S&P BSE Consumer Discretionary Goods & Services, up 1.93% and 1.7%, respectively. S&P BSE Fast Moving Consumer Goods and S&P BSE Basic Materials gained 1.41% and 1.23%, respectively. The only sector to lose was S&P BSE Oil & Gas, down 0.21%.

Domestic News

- According to data released by Society of Indian Automobile Manufacturers (SIAM), passenger vehicle sales fell 3.43% to 2,66,000 units in Nov 2018 as against 2,75,440 units in the year-ago month. It was fourth monthly decline since Jul 2018 as spike in interest rates and high fuel prices decreased consumer demand. However, two-wheeler sales rose 7.15% YoY to 16,45,791 units from 15,36,015 units from Nov 2017. Also, vehicle sales across categories registered a rise of 5.03% to 20,38,015 units in Nov 2018 from 19,40,462 units in Nov 2017.
- A major credit rating agency has assigned negative outlook to the domestic airline industry as increased passenger demand is offset by capacity additions that may leading to intense competition and continued pressure on yields. However, the domestic passenger traffic growth is expected to remain healthy at around 15% -16% in the medium term due to low penetration levels, favourable macro environment, regulatory push towards regional connectivity and development of new airports.
- As per media reports, Securities Exchange Board of India (SEBI) may consider strengthening the framework for debenture trustees by raising minimum net worth requirement for registration of such entities and introducing e-voting provision to obtain approval of the unitholders. This may be done to safeguard the interests of debenture holders and to enable debenture trustees to perform their duties effectively and promptly in the interests of investors.
- The department of industrial policy and promotion (DIPP) has floated a draft rule to amend the Patents Rules, 2003, in order to further streamline examination of applications. As per the draft rules, removal of the transmittal fee for international application (for e-patent cooperation treaty filing) for startups and small entities is suggested. The move is important as the ministry is taking steps to fast track examination of patent applications particularly for startups.

FII Derivative Trade Statistics	11-Dec		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1852.21	2864.48	25767.30
Index Options	53184.51	53116.84	55192.63
Stock Futures	11548.34	12399.89	82265.30
Stock Options	6483.69	6634.05	6898.98
Total	73068.75	75015.26	170124.21

Derivative Statistics- Nifty Options	11-Dec	Prev_Day	Change
Put Call Ratio (OI)	1.33	1.30	0.03
Put Call Ratio(Vol)	0.95	0.90	0.05

Debt Watch	11-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.48%	6.35%	6.47%	5.86%
T-Repo	6.55%	6.30%	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%	6.06%
364 Day T-Bill	7.07%	7.18%	7.39%	6.25%
10 Year Gilt	7.53%	7.57%	7.76%	7.17%
G-Sec Vol. (Rs.Cr)	73572	50826	27684	40196
FBIL MIBOR*	6.50%	6.47%	6.55%	5.95%
3 Month CP Rate	7.40%	7.55%	8.55%	6.81%
5 Year Corp Bond	8.42%	8.48%	8.58%	7.80%
1 Month CD Rate	7.10%	6.61%	6.90%	6.18%
3 Month CD Rate	7.19%	7.37%	7.64%	6.24%
1 Year CD Rate	8.37%	8.27%	8.30%	6.72%

Currency Market	11-Dec	Prev_Day	Change
USD/INR	71.93	71.33	0.60
GBP/INR	90.43	90.91	-0.48
EURO/INR	81.73	81.57	0.16
JPY/INR	0.64	0.63	0.00

Commodity Prices	11-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	51.60	53.16	60.14	57.79
Brent Crude(\$/bl)	59.75	61.24	68.10	66.16
Gold(\$/oz)	1243	1238	1209	1242
Gold(Rs./10 gm)	31616	30945	31773	28535

Source: Thomson Reuters Eikon; *As on 10-Dec-2018

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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 10,581.10 points, a premium of 31.95 points, above the spot closing of 10,549.15. The turnover on NSE's Futures and Options segment rose to Rs. 12,19,439.02 crore.
- The Put-Call ratio stood at 0.88 compared with the previous session's close of 0.86.
- The Nifty Put-Call ratio stood at 1.33 compared with the previous session's close of 1.30.
- India VIX declined 11.54% to 18.0775 compared with 20.4375 at the previous trading session.
- Open interest on Nifty Futures stood at 22.17 million as against the previous session's close at 22.50 million.

Indian Debt Market

- Bond yield lowered after market participants moved ahead to buy notes to capitalize on the plunge in price with the unexpected resignation of the central bank governor.
- Yield on the 10-year benchmark paper (7.17% GS 2028) eased 6 bps to 7.53% compared with 7.59% in the previous session after trading in the range of 7.51% to 7.71%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 20,137 crore (gross) on Dec 11 compared with a borrowing of Rs. 11,596 crore (gross) on Dec 10. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 10,033 crore on Dec 10.
- Banks borrowed Rs. 2,730 crore under the central bank's Marginal Standing Facility on Dec 10 compared with borrowing of Rs. 2,450 crore on Dec 7.

Currency Market Update

- The Indian rupee moved down following the unexpected resignation of the central bank governor. However, recovery in the local equity market and a possible intervention by the central bank limited further downside. The rupee plunged 0.72% to close at 71.85 a dollar compared with the previous close of 71.34.
- The euro edged up against the greenback amid speculations that the U.S. Federal Reserve may hold the multiple interest rate hike proposal for next year. The euro was last seen trading at 1.1396 a dollar, up 0.36% from the previous close of 1.1355.

Commodity Market Update

- Gold prices remained steady as the greenback could not hold ground amid increasing speculations that the U.S. Federal Reserve would pause the multiple interest rate hikes plan for the next year.
- Brent crude prices were restricted from falling further after an oil and gas major at Libya declared of a shutdown.

International News

- A report from the Centre for European Economic Research showed that ZEW Indicator of Economic Sentiment for Germany surprisingly grew 6.6 points to reach minus 17.5 points in Dec 2018. However, caution prevailed as current economic situation declined sharply due to sluggish economic growth and uncertainties related to global trade and Brexit.
- According to a report from the Bank of Japan, the M2 money stock in Japan was up 2.3% on year and came in at 1,010.5 trillion yen in Nov 2018. The M3 money stock was up 2.1% on an annual basis to 1,342.0 trillion yen.



Thank you for
your time.