

RELIANCE

MUTUAL
FUND

Markets for You

13 Dec 2018

Indices Performance

Global Indices	12-Dec	Prev_Day	Abs. Change	% Change [#]
Dow Jones	24,527	24,370	157	0.64
Nasdaq	7,098	7,032	66	0.95
FTSE	6,880	6,807	73	1.08
Nikkei	21,603	21,148	455	2.15
Hang Seng	26,187	25,772	415	1.61
Indian Indices	12-Dec	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	35,779	35,150	629	1.79
Nifty 50	10,738	10,549	188	1.79
Nifty 100	10,960	10,762	199	1.85
Nifty Bank	26,644	26,163	480	1.84
SGX Nifty	10,781	10,636	146	1.37
S&P BSE Power	1,915	1,879	35	1.88
S&P BSE Small Cap	14,404	14,059	345	2.46
S&P BSE HC	13,828	13,705	123	0.90

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
12-Dec	23.48	1.21	25.98	1.24
Month Ago	22.51	1.27	25.21	1.26
Year Ago	24.52	1.17	26.22	1.11

Nifty 50 Top 3 Gainers

Company	12-Dec	Prev_Day	% Change [#]
Hero Moto	3259	3039	7.23
Indiabulls HFC	734	693	5.97
United Phos	790	748	5.63

Nifty 50 Top 3 Losers

Company	12-Dec	Prev_Day	% Change [#]
Dr.Reddy	2586	2716	-4.78
Lupin	822	835	-1.60
Bharti Infratel	251	253	-0.97

Advance Decline Ratio

	BSE	NSE
Advances	1901	1474
Declines	678	311
Unchanged	124	86

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-2897	-32511
MF Flows**	1495	118035

*12th Dec 2018; **11th Dec 2018

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	2.33% (Nov-18)	3.69% (Aug-18)	4.88% (Nov-17)
IIP	8.10% (Oct-18)	6.50% (Jul-18)	1.80% (Oct-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 after investors turned optimistic over chances of U.S.-China striking a trade deal. The U.S. President indicated a deal with China was possible and reports suggested the latter is reducing tariffs on imports of cars made in the U.S. to 15% from the earlier 40%. The chief financial officer's arrest was ordered by U.S. authorities as the company was suspected of violating America's sanctions on Iran. Today (as of Dec 13), Asian markets opened mostly higher following gains in Wall Street's last session. Nikkei and Hangseng grew 0.52% and 0.51%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed higher as investors remain positive on the prospect of a trade deal between the U.S. and China after the U.S. President indicated optimism about a trade agreement with Chinese President.
- As per the last close, U.S markets closed higher following reports that the U.S. President has expressed optimism about striking a trade deal with Chinese President. Gains in consumer discretionary and technology stocks boosted the indices.

Indian Equity Market

- Indian equity markets gained as investors cheered the appointment of the new Reserve Bank of India (RBI) governor. Also, progress on U.S.-China trade negotiations buoyed investors. The U.S. President indicated a deal with China was possible and reports suggested the latter is reducing tariffs on imports of cars made in the U.S. to 15% from the earlier 40%. Also, the withheld official of a Chinese multinational company was released on bail.
- Key benchmark indices S&P BSE Sensex and Nifty 50 both gained 1.79% each to close at 35,779.07 and 10,737.60, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap increased 2.53% and 2.46%, respectively.
- The market breadth on BSE was strong with 1901 scrips advancing and 678 scrips declining. A total of 124 scrips remained unchanged.
- On the BSE sectoral front, all the sectors gained. S&P BSE Realty was the major gainer, up 4.07%, followed by S&P BSE Auto and S&P BSE Telecom, up 3.58% and 2.77%, respectively. S&P BSE Industrials and S&P BSE Consumer Discretionary Goods & Services gained 2.6% and 2.57%, respectively.

Domestic News

- Government data showed that the consumer price index-based inflation or retail inflation came in 2.33% in Nov 2018 compared with upwardly revised 3.38% (originally reported 3.31%) in the previous month and 4.88% in the same month of the previous year. The consumer food price index-based inflation subsequently stood at -2.61% in Nov 2018 compared with -0.86% in the previous month and 4.35% in the same month of the previous year. The major reason for decline was deflation in vegetables, pulses and products and sugar and confectionery by 15.59%, 9.22% and 9.02%, respectively. Also, inflation for fuel and light slowed to 7.39% in Nov 2018 from 8.55% in the previous month.
- Government data showed that the Index of Industrial Production (IIP) rose to 8.1% in Oct 2018 as against growth of 4.5% in the previous month and 1.8% in the same period of the previous year. For the period from Apr to Oct of 2018, IIP grew 5.6% as against an increase of 2.5% in the same period of the previous year. On the sectoral front, the manufacturing sector grew 7.9% in Oct 2018 compared with growth of 2.0% in the same month of the previous year. The mining sector witnessed growth of 7% compared to decline of 0.2% in the same month of the previous year. The electricity sector grew 10.8% in Oct 2018 as against growth of 3.2% in the same month of the previous year.
- The Asian Development Bank retained India's economic growth forecast at 7.3% for FY19 and 7.6% for FY20. However, the bank mentioned that the domestic economy may witness downside due to stress in the non-banking sector, limited fiscal space and escalating trade tensions. However, some of these risks could be offset by a recent decline in oil prices and by exports becoming more competitive as the Indian rupee weakens.

FII Derivative Trade Statistics		12-Dec	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	4270.68	4906.63	25849.79
Index Options	192211.45	192167.77	61029.27
Stock Futures	15614.35	14942.35	83406.86
Stock Options	9766.10	9771.98	7441.89
Total	221862.58	221788.73	177727.81

Derivative Statistics- Nifty Options			
	12-Dec	Prev_Day	Change
Put Call Ratio (OI)	1.47	1.33	0.13
Put Call Ratio(Vol)	0.99	0.95	0.04

Debt Watch				
	12-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.52%	6.36%	6.46%	5.82%
T-Repo	6.56%	6.34%	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	6.69%	6.71%	6.89%	6.13%
364 Day T-Bill	7.00%	7.15%	7.39%	6.24%
10 Year Gilt	7.41%	7.44%	7.80%	7.19%
G-Sec Vol. (Rs.Cr)	72777	85464	23298	42456
FBIL MIBOR*	6.54%	6.51%	6.51%	6.00%
3 Month CP Rate	7.40%	7.55%	8.45%	6.82%
5 Year Corp Bond	8.36%	8.35%	8.58%	7.83%
1 Month CD Rate	7.02%	6.67%	6.96%	6.19%
3 Month CD Rate	6.97%	7.29%	7.69%	6.25%
1 Year CD Rate	8.25%	8.25%	8.30%	6.72%

Currency Market			
Currency	12-Dec	Prev_Day	Change
USD/INR	72.04	71.93	0.11
GBP/INR	90.04	90.43	-0.39
EURO/INR	81.59	81.73	-0.14
JPY/INR	0.64	0.64	0.00

Commodity Prices				
Commodity	12-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	50.99	52.59	59.80	57.07
Brent Crude(\$/bl)	59.96	61.42	68.90	65.65
Gold(\$/oz)	1245	1237	1201	1243
Gold(Rs./10 gm)	31577	30855	31200	28443

Source: Thomson Reuters Eikon

*As on 11-Dec-2018

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Derivatives Market

- Nifty Dec 2018 Futures were at 10,783.65 points, a premium of 46.05 points, above the spot closing of 10,737.60. The turnover on NSE's Futures and Options segment declined to Rs. 9,56,463.76 crore on Dec 12 compared with Rs. 12,19,439.02 crore on Dec 11.
- The Put-Call ratio stood at 0.98 compared with previous close of 0.88.
- The Nifty Put-Call ratio stood at 1.47 compared with previous close of 1.33.
- India VIX declined 10.10% to 16.1325 compared with 17.9450 at previous trading session.
- Open interest on Nifty Futures stood at 22.69 million as against previous session's close at 22.17 million.

Indian Debt Market

- Bond yield lowered on optimism regarding lowering inflation rate, which is expected to ease the monetary policy. Besides, appointment of the new governor of the central bank lifted the bond market sentiment.
- Yield on the 10-year benchmark paper (7.17% GS 2028) plunged 12 bps to 7.41% compared with 7.53% in the previous session after trading in the range of 7.41% to 7.52%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 21,271 crore (gross) on Dec 12 compared with a borrowing of Rs. 20,137 crore (gross) on Dec 11. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 9,092 crore on Dec 11.
- Banks borrowed Rs. 587 crore under the central bank's Marginal Standing Facility on Dec 11 compared with borrowing of Rs. 2,730 crore on Dec 10.

Currency Market Update

- The Indian rupee fell for the third straight session as the market grew cautious with the appointment of a former economic affair secretary as the new central bank governor. Increase in global crude oil prices added to the losses. The rupee plunged 0.22% to close at 72.01 compared with the previous close of 71.85.
- The euro rose against the greenback on reports that Italy may propose a budget deficit target of 2%, well below the previous target of 2.4%. The euro was last seen trading at 1.1343, up 0.26% compared with previous close of 1.1314.

Commodity Market Update

- Gold prices edged higher, supported by the recent comment of the U.S. Fed Chair.
- Brent crude prices rose with lower than anticipated production cut by OPEC and its allies and a sudden production cut in Libya due to the shutdown of an oil and gas major.

International News

- According to a report from the Labor Department, U.S. producer price index for final demand edged up 0.1% in Nov 2018 as against an increase of 0.6% in Oct 2018. Food prices grew 1.3% in Nov as against an increase of 1% in Oct 2018. However, energy prices fell 5% in Nov as against an increase of 2.7% in Oct.
- A report from the Eurostat showed that eurozone's industrial production rose 0.2% in Oct MoM as against a revised decline of 0.6% in Sep 2018. Capital good production witnessed 1% increase followed by durable consumer goods that grew 0.4%.

Thank you for
your time.