

RELIANCE

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FUND

Markets for You

20 Dec 2018

Indices Performance

Global Indices	19-Dec	Prev_Day	Abs. Change	% Change [#]
Dow Jones	23,324	23,676	-352	-1.49
Nasdaq	6,637	6,784	-147	-2.17
FTSE	6,766	6,702	64	0.96
Nikkei	20,988	21,115	-128	-0.60
Hang Seng	25,865	25,814	51	0.20
Indian Indices	19-Dec	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	36,484	36,347	137	0.38
Nifty 50	10,967	10,909	59	0.54
Nifty 100	11,223	11,151	73	0.65
Nifty Bank	27,298	27,175	124	0.46
SGX Nifty	10,984	10,974	10	0.09
S&P BSE Power	2,009	1,983	27	1.36
S&P BSE Small Cap	14,765	14,606	159	1.09
S&P BSE HC	13,875	13,854	21	0.15

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
19-Dec	24.26	1.18	26.53	1.21
Month Ago	23.55	1.22	25.88	1.23
Year Ago	25.01	1.13	26.79	1.09

Nifty 50 Top 3 Gainers

Company	19-Dec	Prev_Day	% Change [#]
Indiabulls HFC	840	777	8.12
Bajaj Finserv Limited	6405	6153	4.11
Axis Bank	642	619	3.59

Nifty 50 Top 3 Losers

Company	19-Dec	Prev_Day	% Change [#]
HCL Tech	957	985	-2.85
Sun Pharma	424	433	-2.23
Infosys	665	677	-1.74

Advance Decline Ratio

	BSE	NSE
Advances	1654	1196
Declines	974	584
Unchanged	155	96

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-341	-33351
MF Flows**	-14	118848

*19th Dec 2018; **18th 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 were mixed as investors focused on oil price movements and were awaiting U.S. Federal Reserve's monetary policy decision, due to come later in the day. The Fed is expected to raise rates by 25 basis points while changing the stance to dovish. Today (as of Dec 20), Asian markets broadly opened lower after the U.S. Fed raised interest rates. Both Nikkei and Hang Seng were trading lower 1.27% and 0.46%, respectively (as at 8 a.m. IST).
- As per the last close, European markets rose marginally as market participants sentiments boosted after Italy's Economy Ministry announced that an informal agreement had been made with the European Commission over its budget plan.
- As per the last close, U.S markets fell sharply after the U.S. Federal Reserve's (Fed) increased interest rates for the fourth time in 2018 by 25 bps as widely expected. The U.S Fed forecasted fewer than previously estimated rate hikes next year.

Indian Equity Market

- Indian equity markets continued their winning streak for the seventh straight day. The support came from declining oil prices and the Reserve Bank of India's (RBI) decision to inject more liquidity into the system. RBI increased the amount of liquidity infusion by Rs. 10,000 crore to Rs. 50,000 crore for Dec 2018. Also, the rupee traded higher as investors expected the U.S. Federal Reserve to change its stance to dovish its policy meet later in the day.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.38% and 0.54% to close at 36,484.33 and 10,967.30, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap increased 1.50% and 1.09%, respectively.
- On the BSE sectoral front, S&P BSE Realty was the major gainer, up 3.11%, followed by S&P BSE Telecom and S&P BSE Power, up 1.9% and 1.36%, respectively. S&P BSE S&P BSE Consumer Discretionary Goods & Services and S&P BSE Utilities gained 1.24% each. S&P BSE Information Technology and S&P BSE Teck were the only losers, down 1.06% and 0.68%, respectively.

Domestic News

- Central Board of Direct Taxes said the committee set up to redraft the 50-year old Income Tax law will focus on simplifying the language, and tackling areas that have become "problematic" due to addition of multiple explanations and provisos overtime. The redraft is aimed at encouraging compliance and ensuring tax certainty.
- Niti Aayog inaugurated a strategy document which aims to increase growth to 8% and push the country towards a \$5-trillion economy by 2030. The 'Strategy for New India @ 75' document was released by the finance minister. It was prepared after consultations with over 800 stakeholders from within the government at the central, state and district levels.
- The Prime Minister wants to ensure that 99% items attract GST rate of 18% or less. This comes ahead of the Goods and Services Tax (GST) Council meeting where the 28% tax slab could be cut further. He said the 28% slab of GST could be restricted to a few select items, such as luxury goods, only. Since the rollout of GST from Jul 1, 2017, the GST Council has rationalised rates four times. Initially 178 items out of a total 1,211 items were under the highest slab of 28%. Now, only 37 items or just 3% of the goods and services under GST are under this slab.
- According to media reports, Life Insurance Corporation (LIC) has made an open offer to IDBI bank to acquire additional 26% in the lender.
- According to media reports, National Stock Exchange of India has secured permission from the Securities and Exchange Board of India to launch weekly options on the Nifty index.
- According to media reports, Cleantech Solar has informed that Shell Eastern Petroleum Ltd has signed an agreement to acquire 49% stake in the company.
- According to media reports, Dewan Housing Finance Corporation has exited from the domestic mutual fund industry by selling its 50% in DHFL Pramerica Mutual Fund to its joint venture partner Pramerica.

FII Derivative Trade Statistics		19-Dec		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	1840.52	2791.49	29376.72	
Index Options	71128.46	70187.60	65759.96	
Stock Futures	11865.14	12124.67	86493.72	
Stock Options	6049.06	6045.67	8978.72	
Total	90883.18	91149.43	190609.12	

Derivative Statistics- Nifty Options			
	19-Dec	Prev_Day	Change
Put Call Ratio (OI)	1.66	1.59	0.07
Put Call Ratio(Vol)	1.05	1.03	0.02

Debt Watch				
	19-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.46%	7.16%	6.39%	6.02%
T-Repo	6.40%	7.16%	6.34%	--
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
91 Day T-Bill	6.63%	6.69%	6.66%	6.10%
364 Day T-Bill	6.95%	7.00%	7.26%	6.21%
10 Year Gilt	7.22%	7.41%	7.79%	7.18%
G-Sec Vol. (Rs.Cr)	65391	72777	21390	25573
FBIL MIBOR*	6.52%	7.16%	6.49%	6.18%
3 Month CP Rate	7.20%	7.40%	8.00%	6.88%
5 Year Corp Bond	8.23%	8.35%	8.60%	7.86%
1 Month CD Rate	6.80%	7.02%	6.79%	6.24%
3 Month CD Rate	7.04%	6.97%	7.42%	6.31%
1 Year CD Rate	8.18%	8.25%	8.17%	6.78%

Currency Market			
Currency	19-Dec	Prev_Day	Change
USD/INR	70.11	71.19	-1.08
GBP/INR	88.74	89.88	-1.14
EURO/INR	79.82	80.76	-0.94
JPY/INR	0.62	0.63	-0.01

Commodity Prices				
Commodity	19-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	47.91	50.99	57.11	57.44
Brent Crude(\$/bl)	55.54	59.96	63.28	63.80
Gold(\$/oz)	1243	1245	1224	1262
Gold(Rs./10 gm)	31043	31577	30918	28629

Source: Thomson Reuters Eikon

* As on Dec-18-2018

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Derivatives Market

- Nifty Dec 2018 Futures were at 10986.5 points, a premium of 19.20 points, above the spot closing of 10,967.30. The turnover on NSE's Futures and Options segment rose to Rs. 8,34,692.34 crore on Dec 19 compared with Rs. 6,95,867.95 crore on Dec 18.
- The Put-Call ratio stood at 0.95 against the previous day's close of 0.91.
- The Nifty Put-Call ratio stood at 1.66 compared with the previous session's close of 1.59.
- India VIX increased 0.57% to 14.6600 compared with 14.5775 at the previous trading session.
- Open interest on Nifty Futures stood at 23.91 million as against the previous session's close at 23.26 million.

Indian Debt Market

- Bond yields fell for second consecutive day after the Reserve Bank of India increased the quantum of the planned open market purchase of government bonds for Dec 2018 by Rs. 100 billion. Decline in crude oil prices improved the inflation outlook and further boosted investor's sentiments.
- Yield on the 10-year benchmark paper (7.17% GS 2028) fell 13 bps to close at 7.22% as compared to 7.35% in the previous session after trading in the range of 7.21% to 7.29%.
- Banks borrowed Rs. 65 crore under the central bank's Marginal Standing Facility on Dec 18 compared with borrowing of Rs. 1,001 crore on Dec 17.
- RBI conducted 14-day variable rate repo auction for notified amount of Rs. 20,000 crore of which Rs. 14,200 crore was allotted at cut-off rate of 6.51%.

Currency Market Update

- The Indian rupee rose against the U.S. dollar following decline in crude oil prices. The rupee rose marginally 0.06% to close at 70.40 a dollar compared with the previous close of 70.44.
- The euro rose against the greenback as the latter remained under pressure ahead of the outcome of the U.S. Federal Reserve (Fed) rate decision due Dec 19, 2018. The euro was last seen trading at 1.1403 a dollar up 0.37% compared with the previous close of 1.1361.

Commodity Market Update

- Gold prices traded flat as investors are keenly awaiting the outcome of the U.S. Fed's latest meeting, scheduled later during the day for the policy statement accompanying the rate decision.
- Brent crude continued with its drag amid fears of oversupply and deteriorating demand in the face of a slowing global economy.

International News

- Data from the Office for National Statistics showed that U.K. consumer price inflation slowed in Nov 2018 to its lowest level in twenty months. The consumer price index rose 2.3% on a yearly basis in Nov 2018 following a 2.4% increase in Oct 2018. On a monthly basis, U.K. consumer price inflation rose 0.2% in Nov 2018. Core inflation, which excludes prices of energy, food, alcoholic beverages and tobacco, slowed to 1.8% on a yearly basis in Nov 2018 from 1.9% in Oct 2018.
- Data from the Federal Statistical Office showed that Germany's producer price inflation remained at its highest level in 19 months in Nov 2018. Producer prices rose 3.3% on a yearly basis in Nov 2018 same as that of Oct 2018. On a monthly basis, producer prices inched up 0.1% in Nov 2018 following a 0.3% gain in Oct 2018.

Thank you for
your time.