

**RELIANCE**

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FUND

# Markets for You

28 Dec 2018

**Indices Performance**

Global Indices	27-Dec	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	23,139	22,878	260	1.14
Nasdaq	6,579	6,554	25	0.38
FTSE	6,585	6,686	-101	-1.52
Nikkei	20,078	19,327	751	3.88
Hang Seng	25,479	25,651	-173	-0.67
Indian Indices	27-Dec	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	35,807	35,650	157	0.44
Nifty 50	10,780	10,730	50	0.47
Nifty 100	11,016	10,969	47	0.43
Nifty Bank	26,879	26,987	-108	-0.40
SGX Nifty	10,780	10,780	0	0.00
S&P BSE Power	1,974	1,966	8	0.41
S&P BSE Small Cap	14,482	14,436	45	0.31
S&P BSE HC	13,656	13,671	-15	-0.11

**P/E Dividend Yield**

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
27-Dec	23.40	1.17	26.08	1.23
Month Ago	23.05	1.23	25.85	1.24
Year Ago	24.99	1.13	26.85	1.08

**Nifty 50 Top 3 Gainers**

Company	27-Dec	Prev_Day	% Change <sup>#</sup>
Tech Mahindra	709	694	2.21
ONGC	150	147	2.11
Zee Ente.	464	455	2.05

**Nifty 50 Top 3 Losers**

Company	27-Dec	Prev_Day	% Change <sup>#</sup>
Tata Motors	168	171	-1.55
Hero Moto	3129	3175	-1.46
Tata Steel	507	513	-1.35

**Advance Decline Ratio**

	BSE	NSE
Advances	1336	961
Declines	1229	804
Unchanged	182	107

**Institutional Flows (Equity)**

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-144	-33975
MF Flows**	460	119665

\*27<sup>th</sup> Dec 2018; \*\*26<sup>th</sup> Dec 2018

**Economic Indicator**

YoY(%)	Current	Quarter Ago	Year Ago
CPI	2.33% (Nov-18)	4.17% (Jul-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 mostly up as U.S. counterparts gained. U.S. markets have seen heavy losses in recent days and investors resorted to bargain hunting, giving a fillip to the bourses. Also, worries about the tenure of Federal Reserve chairman eased and crude oil prices rebounded strongly. Today (as of Dec 28), Asian markets opened mixed following a turbulent session on the U.S. Wall Street. Nikkei was trading down 0.55% and Hangseng were trading up 0.25% (as at 8.a.m. IST).
- As per the last close, European markets closed lower following rough start in U.S. and declining crude oil prices. Lingering tensions between China and the U.S also weighed on investor's sentiments.
- As per the last close, U.S. markets initially plunged amid renewed tensions between China and the U.S and weak economic data. However, the trend reversed, and market closed higher following value buying by the investors.

**Indian Equity Market**

- Indian equity markets rose, following positive cues from Asian markets. Weakness in global crude oil prices also contributed to the upside. Buying interest found additional support from optimism over central government's bank recapitalisation announcement. The government is expected release Rs 286.15 billion before the end of this month towards a fresh tranche of funds to recapitalise state-run banks. Meanwhile, the expiry of monthly futures and options contracts added volatility, thereby restricting gains.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.44% and 0.47% to close at 35,807.28 and 10,779.80, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap increased 0.32% and 0.31%, respectively.
- The overall market breadth on BSE was strong with 1336 scrips advancing and 1229 scrips declining. A total of 183 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Energy was the major gainer, up 1.54%, followed by S&P BSE Information Technology and S&P BSE Teck, up 1.32% and 1.22%, respectively.

**Domestic News**

- The Reserve Bank of India (RBI) has set up an expert committee headed by its former governor to suggest how the central bank should handle its reserves. The panel will also suggest whether RBI can transfer its surplus to the government. The committee will review the existing economic capital framework (ECF) and submit its report within 90 days of its first meeting.
- The Goods and Services Tax (GST) Council will extend the unbundling of bills beyond healthcare for all categories of services exempt from the tax, such as education. This could mean separate bills for taxable and non-taxable components in bills that include services exempt under the GST regime. The move is aimed at bringing more transparency in billing for consumers and protecting the government's revenues.
- The commerce and industry minister said India will aim to receive \$100 billion in foreign direct investments in the next two years. He said special industrial clusters are being created for countries like Japan, South Korea, China and Russia where their companies can invest and operate. The minister said his ministry has identified sectors and countries that hold huge potential for investments in India. He said India would be a top destination for foreign investors in 2019 and the ministry would discuss all sectoral issues that may hinder attracting overseas investments.
- E-commerce firms and trade groups have appreciated the new rules for the sector as it would help create level playing field for all sellers. Small vendors are worried over the condition to sell only 25% of their products through an e-commerce platform.

FII Derivative Trade Statistics			
	27-Dec		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	13921.68	14676.42	34263.28
Index Options	151864.57	151949.34	67556.53
Stock Futures	32306.16	32578.21	90480.81
Stock Options	7071.84	7080.18	8995.63
Total	205164.25	206284.15	201296.25

Derivative Statistics- Nifty Options			
	27-Dec	Prev_Day	Change
Put Call Ratio (OI)	1.35	1.39	-0.04
Put Call Ratio(Vol)	0.95	0.91	0.04

Debt Watch				
	27-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.58%	6.44%	6.37%	5.96%
T-Repo	6.60%	6.44%	6.40%	--
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
91 Day T-Bill	6.66%	6.59%	6.73%	6.18%
364 Day T-Bill	6.92%	6.96%	7.20%	6.39%
10 Year Gilt	7.28%	7.27%	7.73%	7.22%
G-Sec Vol. (Rs.Cr)	31874	45131	33537	45535
FBIL MIBOR*	6.65%	6.60%	6.58%	6.05%
3 Month CP Rate	7.25%	7.20%	7.80%	7.01%
5 Year Corp Bond	8.26%	8.23%	8.53%	7.91%
1 Month CD Rate	7.07%	6.90%	6.80%	6.40%
3 Month CD Rate	7.07%	6.90%	7.35%	6.40%
1 Year CD Rate	8.06%	8.16%	8.51%	6.96%

Currency Market			
Currency	27-Dec	Prev_Day	Change
USD/INR	70.33	69.99	0.34
GBP/INR	88.98	88.96	0.02
EURO/INR	80.02	79.82	0.20
JPY/INR	0.63	0.63	0.00

Commodity Prices				
Commodity	27-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	44.43	45.59	51.26	59.62
Brent Crude(\$/bl)	51.43	52.78	59.17	66.37
Gold( \$/oz)	1275	1260	1214	1287
Gold(Rs./10 gm)	31513	31040	30673	29092

Source: Thomson Reuters Eikon

\*As on 26-Dec-18

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**Derivatives Market**

- Nifty Dec 2018 Futures settled at spot closing of 10,779.80. Nifty Jan 2019 settled at 10,809.85, a premium of 30.05 points over the spot closing. The turnover on NSE's Futures and Options segment rose to Rs. 21,62,816.58 crore on Dec 27 compared with Rs. 15,22,811.79 crore on Dec 26.
- The Put-Call ratio stood at 0.86 against the previous day's close of 0.85.
- The Nifty Put-Call ratio stood at 1.35 compared with the previous session's close of 1.39.
- India VIX rose 0.47% to 15.9950 compared with 15.9200 at the previous trading session.

**Indian Debt Market**

- Bond yields inched up following the fall in rupee. Yield on the 10-year benchmark paper (7.17% GS 2028) rose 2 bps to close at 7.28% as compared with 7.26% in the previous session after trading in the range of 7.23% to 7.30%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 20,537 crore (gross) on Dec 27 compared with a borrowing of Rs. 22,786 crore (gross) on Dec 26. Sale of securities under RBI's reverse repo window stood at Rs. 10,820 crore on Dec 26.
- Banks borrowed Rs. 15,810 crore under the central bank's Marginal Standing Facility on Dec 26 compared with no borrowing on Dec 24.
- RBI conducted auction of 7 day variable rate repo for notified amount of Rs. 20,000 crore for which Rs. 20,001 crore was allotted at cut-off rate of 6.53%.

**Currency Market Update**

- The Indian rupee declined due to the month end dollar demand from importers. The rupee closed at 70.35 a dollar compared with the previous close of 70.07.
- The euro gained against the greenback with the Italian senate giving its approval to the 2019 Roman budget. In addition, the rising friction between the U.S. president and the Federal Reserve over interest rate policy kept dollar under pressure, while strengthening euro.

**Commodity Market Update**

- Gold prices extended gains from the previous session on account of the rising uncertainty on global economic growth and the U.S. political unrest. .
- Brent crude prices edged lower on oversupply concerns and an expected fall in energy demand owing to global economic slowdown.

**International News**

- IHS Markit survey data showed Austria's manufacturing growth slowed in Dec 2018 on the back of a drop in export orders. The headline UniCredit Bank Austria Manufacturing purchasing managers' index (PMI) fell to 53.9 from 54.8 in Nov 2018. A reading above 50 suggests growth in the sector. This is the lowest reading in over two years.
- INE data showed Spain retail sales grew at a slower pace in Nov 2018. Retail sales increased an adjusted 1.4% YoY in Nov after rising 2.1% in Oct 2018. On an unadjusted basis, retail sales grew 1.5% after a 4.7% increase in the previous month. Sequentially, retail sales increased 0.4% after a 1.1% rise. Food products sales fell 0.1% and non-food product sales increased 0.2%.



Thank you for  
your time.