

**RELIANCE**

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FUND

# Markets for You

31 Dec 2018

Indices Performance

Global Indices	28-Dec	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	23,062	23,139	-76	-0.33
Nasdaq	6,585	6,579	5	0.08
FTSE	6,734	6,585	149	2.27
Nikkei	20,015	20,078	-63	-0.31
Hang Seng	25,504	25,479	25	0.10
Indian Indices	28-Dec	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	36,077	35,807	269	0.75
Nifty 50	10,860	10,780	80	0.74
Nifty 100	11,102	11,016	86	0.78
Nifty Bank	27,125	26,879	247	0.92
SGX Nifty	10,925	10,780	145	1.34
S&P BSE Power	1,991	1,974	18	0.90
S&P BSE Small Cap	14,606	14,482	124	0.86
S&P BSE HC	13,830	13,656	174	1.28

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
28-Dec	23.69	1.16	26.16	1.24
Month Ago	23.30	1.22	25.96	1.24
Year Ago	24.95	1.14	26.82	1.08

Nifty 50 Top 3 Gainers

Company	28-Dec	Prev_Day	% Change <sup>#</sup>
Titan Industries	923	888	3.95
Sun Pharma	425	411	3.42
Indian Oil	138	134	3.21

Nifty 50 Top 3 Losers

Company	28-Dec	Prev_Day	% Change <sup>#</sup>
Coal India	242	250	-3.16
Bharti Infratel	263	267	-1.42
BPCL	362	365	-0.74

Advance Decline Ratio

	BSE	NSE
Advances	1586	1133
Declines	1064	646
Unchanged	144	117

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	1577	-32397
MF Flows**	-1537	118128

\*28<sup>th</sup> Dec 2018; \*\*27<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 markets largely remained positive, tracking overnight positive cues from Wall Street, which rebounded from negative territory. However, Japanese markets remained exception to the market gains as the key index slumped after Bank of Japan released its summary of opinions from its latest monetary policy meeting, where it noted the heightening of downside risks to economic activity. Today (as of Dec 31), Asian markets opened higher likely following reports that a long and good call too place between the U.S. and China's President. Hangseng grew 0.86% (as at 8.a.m. IST). Nikkei remained closed.
- As per the last close, European markets closed higher following gains in technology, banking, and oil & gas stocks. However, concerns over global economic growth, impact of partial government shutdown in U.S., uncertainty about U.S-China trade deal and Brexit, restricted the gains.
- As per the last close, U.S markets closed on a mixed note following substantial volatility over the past several sessions. Weakness in pending home sales for Nov 2018 weighed on investor sentiment. Trading remained subdued ahead of New Year's Day holiday on Jan 1, 2019.

Indian Equity Market

- Indian equity markets ended the week with gains on the back of a strong rupee, weak crude oil prices and positive global cues. The combination of a stronger rupee and weaker oil prices augur well for the economy as it keeps inflation in check.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.75% and 0.74% to close at 36,076.72 and 10,859.90, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap increased 0.93% and 0.86%, respectively.
- The overall market breadth on BSE was strong with 1586 scrips advancing and 1064 scrips declining. A total of 148 scrips remained unchanged.
- On the BSE sectoral front, all the sectors except one gained. S&P BSE Consumer Durables was the major gainer, up 2.15%, followed by S&P BSE Healthcare and S&P BSE Basic Materials, up 1.28% and 1.15%, respectively. S&P BSE Finance and S&P BSE Industrials gained 1.13% and 1.12%, respectively. S&P BSE Telecom was the only loser, down 0.08%.

Domestic News

- Government data showed that India's fiscal deficit for Apr-Nov 2018 came in at Rs. 7.16 lakh crore, or 114.8% of the budgeted target for FY19 as against 112.0% in the year-ago period. Net tax receipts were Rs. 7.31 lakh crore or 49.4% of the budget estimate for FY19 compared with 57.0% in the corresponding period of the previous year. The government's total expenditure for the period from Apr to Nov of 2018 stood at Rs. 16.13 lakh crore or 66.1% of the budget estimate for FY19 compared with 68.9% in the corresponding period of the previous year.
- According to the government, Rs. 38,896 crore Goods & Services Tax (GST) evasion has been detected in 6,585 cases in Apr-Oct 2018-19. Central excise evasion of Rs. 3,028.58 crore in 398 cases and services tax evasion of Rs. 26,108.43 crore in 3,922 cases was found during the seven-month period.
- Compliance of foreign direct investment (FDI) rules will continue to be monitored by the Reserve Bank of India (RBI) and the Enforcement Directorate (ED) though the government has tightened FDI rules for e-commerce companies. The agencies were seen to be lax in enforcing the earlier rules to discipline errant e-retailers. News reports said revised FDI rules will further squeeze scope for e-retailers to violate the extant policy by influencing prices of products sold on their platforms via predatory discounts. The government will finalise the draft e-commerce policy in a few weeks. The policy will make proposals to further develop the e-commerce sector and include ways to boost exports via e-commerce.
- India could cut import tax on palm oil, according to media news. This will be in line with New Delhi's trade agreements with Southeast Asian countries. India is the world's top buyer of vegetable oils and earlier in the year raised the import tax on crude palm oil to 44% from 30% and lifted the tax on refined palm oil to 54% from 40%.

FII Derivative Trade Statistics		28-Dec	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	8336.72	7296.14	23056.98
Index Options	191852.65	193665.16	34281.74
Stock Futures	20659.93	19990.40	77030.13
Stock Options	4986.14	4692.56	1112.16
Total	225835.44	225644.26	135481.01

Derivative Statistics- Nifty Options			
	28-Dec	Prev_Day	Change
Put Call Ratio (OI)	1.54	1.35	0.19
Put Call Ratio(Vol)	0.93	0.95	-0.02

Debt Watch				
	28-Dec	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.57%	6.45%	6.36%	6.00%
T-Repo	6.52%	6.48%	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	6.52%	6.65%	6.77%	6.13%
364 Day T-Bill	6.93%	6.95%	7.21%	6.39%
10 Year Gilt	7.39%	7.28%	7.64%	7.40%
G-Sec Vol. (Rs.Cr)	29338	34307	55612	37930
FBIL MIBOR	6.68%	6.59%	6.53%	6.10%
3 Month CP Rate	7.25%	7.20%	7.75%	7.01%
5 Year Corp Bond	8.27%	8.21%	8.47%	8.06%
1 Month CD Rate	7.09%	6.97%	6.88%	6.37%
3 Month CD Rate	7.01%	6.95%	7.27%	6.40%
1 Year CD Rate	8.05%	8.16%	8.50%	6.98%

Currency Market			
Currency	28-Dec	Prev_Day	Change
USD/INR	69.98	70.33	-0.35
GBP/INR	88.66	88.98	-0.33
EURO/INR	80.18	80.02	0.16
JPY/INR	0.63	0.63	0.00

Commodity Prices				
Commodity	28-Dec	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	45.10	45.33	50.01	59.79
Brent Crude(\$/bl)	50.51	51.87	57.56	66.48
Gold( \$/oz)	1281	1256	1221	1295
Gold(Rs./10 gm)	31547	31114	30394	29250

Source: Thomson Reuters Eikon

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Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.

#### Derivatives Market

- Nifty Jan 2019 settled at 10907.75, a premium of 47.85 points over the spot closing 10,859.90. The turnover on NSE's Futures and Options segment fell to Rs. 4,00,246.92 crore on Dec 28 compared with Rs. 21,62,816.58 crore on Dec 27.
- The Put-Call ratio stood at 0.90 against the previous close of 0.86.
- The Nifty Put-Call ratio stood at 1.54 compared with previous close of 1.35.
- India VIX fell 4.99% to 15.2700 compared with 16.0725 at the previous trading session.
- Open interest on Nifty Futures stood at 23.06 million as against previous close at 30.07 million.

#### Indian Debt Market

- Bond yields rose as investors resorted to profit booking ahead of the quarter-end. Concerns over fiscal deficit and higher state borrowing expectations also dampened market sentiments.
- Yield on the 10-year benchmark paper (7.17% GS 2028) rose 11 bps to close at 7.39% as compared with 7.28% in the previous session after trading in the range of 7.26% to 7.39%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 4,124 crore (gross) on Dec 28 compared with a borrowing of Rs. 20,537 crore (gross) on Dec 27. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 28,825 crore on Dec 27.
- Banks borrowed Rs. 710 crore under the central bank's Marginal Standing Facility on Dec 27 compared with borrowing of Rs. 15,180 crore Dec 26.

#### Currency Market Update

- The Indian rupee rose against the greenback due to selling of the greenback by exporters and gains in the domestic equity market. However, month end dollar demand from oil importers capped the gains. The rupee closed at 69.94 a dollar, up 0.58% compared with the previous close of 70.35.
- The euro gained against the greenback as renewed worries about U.S.-Chinese trade disputes kept the greenback under pressure. The euro was last seen trading at 1.1464 a dollar, up 0.31%.

#### Commodity Market Update

- Gold traded higher following worries over global economic growth, and renewed China-U.S. tensions.
- Brent crude prices traded lower as concerns over global economic growth and rising U.S. inventories kept markets under pressure.

#### International News

- Ministry of Economy and Industry data showed Japan retail sales were down a seasonally adjusted 1.0% MoM in Nov 2018. The data missed expectations for a decline of 0.4% after 1.3% increase in Oct 2018. Annually, retail sales increased 1.4%, which is more than expectations for an increase of 0.6% after 3.6% gain in the previous month. Sales from large retailers decreased 2.2% YoY.
- According to a report from the Federal Statistical Office, Germany's consumer price index grew 1.7% YoY in Dec 2018 as against an increase of 2.3% in Nov 2018. This marked the lowest level since Apr 2018. Consumer price index inched up 0.1% MoM in Dec 2018.

Thank you for  
your time.