

RELIANCE

MUTUAL
FUND

Markets for You

01 Feb 2019

Indices Performance

Global Indices	31-Jan	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,000	25,015	-15	-0.06
Nasdaq	7,282	7,183	99	1.37
FTSE	6,969	6,942	27	0.39
Nikkei	20,773	20,557	217	1.06
Hang Seng	27,942	27,643	300	1.08
Indian Indices	31-Jan	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	36,257	35,591	665	1.87
Nifty 50	10,831	10,652	179	1.68
Nifty 100	10,997	10,830	167	1.54
Nifty Bank	27,295	26,826	470	1.75
SGX Nifty	10,832	10,663	169	1.58
S&P BSE Power	1,881	1,863	17	0.93
S&P BSE Small Cap	13,926	13,815	111	0.80
S&P BSE HC	13,881	13,763	118	0.86

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
31-Jan	23.78	1.16	26.26	1.25
Month Ago	23.64	1.16	26.17	1.24
Year Ago	25.42	1.09	27.50	1.03

Nifty 50 Top 3 Gainers

Company	31-Jan	Prev_Day	% Change [#]
Axis Bank	723	691	4.60
Tata Motors	181	175	3.78
GAIL	332	322	3.28

Nifty 50 Top 3 Losers

Company	31-Jan	Prev_Day	% Change [#]
Yes Bank	194	200	-2.71
Bajaj Finserv	6092	6247	-2.49
Zee Ente.	380	389	-2.22

Advance Decline Ratio

	BSE	NSE
Advances	1423	1024
Declines	1144	760
Unchanged	136	109

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	234	-4262
MF Flows**	824	8353

*31st Jan 2019; **30th Jan 2019

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	2.19% (Dec-18)	3.70% (Sep-18)	5.21% (Dec-17)
IIP	0.50% (Nov-18)	6.50% (Jul-18)	8.50% (Nov-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 higher after the U.S. Federal Reserve maintained status quo in interest rates, which is in line with expectations. The Fed said it will be patient in increasing borrowing costs. Today (as of Feb 1), Asian markets opened higher due to optimism on the U.S. and China trade front after the U.S. President stated that he expects to strike a deal with China before Mar 2019. Nikkei and Hangseng grew 0.18% and 0.38%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed on a mixed note. Weakness in banking stocks weighed on the indices, however, surge in oil and gas stocks led to gains. Investors remained cautious amid concerns about global growth, data showing Italy's economy falling into recession, Brexit uncertainty and U.S.-China trade tensions.
- As per the last close, U.S markets closed on a mixed note amid a mixed bag of corporate earnings results for the quarter ended Dec 2018. Decline in stocks of a chemical and software U.S. major after missing revenue expectations weighed on the indices. However, gains in a tech and conglomerate stock due to strong results capped the losses.

Indian Equity Market

- Indian equity markets gained on upbeat sentiment after the U.S. Federal Reserve left interest rates unchanged and exhibited a dovish stance. Investors' expectations from the soon-to-be-announced budget have also gone up, which aided the rally in the market. F&O expiry too had role to play.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 1.87% and 1.68% to close at 36,256.69 and 10,830.95, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap increased 0.42% and 0.80%, respectively.
- The overall market breadth on BSE was strong with 1,423 scrips advancing and 1,144 scrips declining. A total of 136 scrips remained unchanged.
- On the BSE sectoral front, all the sectors gained. S&P BSE Information Technology was the major gainer, up 2.13%, followed by S&P BSE Energy and S&P BSE Teck, up 2.1% and 1.87%, respectively. S&P BSE Oil & Gas and S&P BSE Bankex gained 1.73% and 1.7%, respectively. S&P BSE Consumer Durables and S&P BSE Basic Materials gained 1.46% and 1.45%, respectively.

Domestic News

- According to the Ministry of Commerce and Industry, India's core output (eight sectors) grew 2.6% in Dec 2018, slower than 3.5% in Nov 2018. Slower growth was on account of negative growth in crude oil, refinery products and fertilisers. On the other hand, coal, natural gas and steel output increased 0.9%, 4.2% and 13.2%, respectively. Cumulative growth during Apr-Dec of 2018 stood at 4.8%, better than 3.9% in the corresponding period of the previous financial year.
- According to the data released by Central Statistics Office (CSO), government has revised India's Gross Domestic Product (GDP) (at constant prices) growth to 7.2% for 2017-18, better than 6.7% estimated earlier. For 2017-18, growth rates of primary, secondary and tertiary sectors have been estimated at 5%, 6% and 8.1% as against a growth of 6.8%, 7.5% and 8.4%, respectively, in the previous year. The first revised estimates for 2017-18 have been compiled using industry-wise/institution-wise detailed information instead of using the benchmark-indicator method employed at the time of release of Provisional Estimates on May 31, 2018, CSO said.
- The price of domestic cooking gas or LPG was lowered by Rs. 1.46 per cylinder. This was the third consecutive reduction in a month and it comes due to impact of tax on reduced market rate of the fuel.
- According to media reports, the government will not give an extension to the deadline of Feb 1, 2019 regarding the implementation of the revised guidelines for e-commerce companies having foreign direct investment. It needs to be noted that the government in Dec 2018 had tightened norms for e-commerce firms by prohibiting online retailers from selling products of the companies in which they have stake. The government also barred e-commerce companies from entering into an agreement for conducting an exclusive sale of products.

FII Derivative Trade Statistics		31-Jan		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	8369.99	10037.06	40518.56	
Index Options	128003.63	127729.43	75685.66	
Stock Futures	32823.13	31959.42	91823.23	
Stock Options	8762.75	8689.66	11544.17	
Total	177959.50	178415.57	219571.62	

Derivative Statistics- Nifty Options			
	31-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.58	1.21	0.38
Put Call Ratio(Vol)	1.02	0.88	0.15

Debt Watch				
	31-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.38%	6.41%	6.53%	5.92%
T-Repo	6.34%	6.41%	6.35%	--
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
91 Day T-Bill	6.50%	6.50%	6.60%	6.36%
364 Day T-Bill	6.73%	6.76%	6.92%	6.58%
10 Year Gilt	7.48%	7.56%	7.37%	7.43%
G-Sec Vol. (Rs.Cr)	35641	22173	32827	33473
FBIL MIBOR*	6.50%	6.60%	6.73%	6.00%
3 Month CP Rate	7.60%	7.65%	7.20%	7.76%
5 Year Corp Bond	8.42%	8.47%	8.25%	8.04%
1 Month CD Rate	6.57%	6.71%	6.99%	6.27%
3 Month CD Rate	7.27%	6.94%	6.90%	7.17%
1 Year CD Rate	8.05%	7.89%	7.96%	7.47%

Currency Market			
Currency	31-Jan	Prev_Day	Change
USD/INR	71.03	71.24	-0.21
GBP/INR	93.24	93.29	-0.05
EURO/INR	81.68	81.54	0.15
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	31-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	53.79	52.84	45.10	64.77
Brent Crude(\$/bl)	62.90	61.53	50.51	67.65
Gold(\$/oz)	1321	1281	1283	1345
Gold(Rs./10 gm)	33082	32226	31566	30207

Source: Thomson Reuters Eikon

*As on 30 Jan 2019

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Derivatives Market

- Nifty Jan 2019 Futures settled at spot closing of 10,830.95. Nifty Feb 2019 Futures were at 10,856.20, a premium of 25.25 points, above the spot closing. The turnover on NSE's Futures and Options segment rose to Rs. 19,64,632.45 crore on Jan 31, 2019, compared with Rs. 11,19,139.26 crore on Jan 30, 2019.
- The Put-Call ratio stood at 0.97 compared with the previous session's close of 0.88.
- The Nifty Put-Call ratio stood at 1.58 compared with the previous session's close of 1.21.
- Open interest on Nifty Futures stood at 30.22 million as against the previous session's close at 29.75 million.

Indian Debt Market

- Bond yields fell following indication by the U.S. Federal Reserve on taking a patient approach on future rate decisions. Ease in concerns about fiscal position also added to the rise in bond prices.
- Yield on the 10-year benchmark paper (7.17% GS 2028) fell 7 bps to close at 7.48% as compared with 7.55% in the previous session after trading in the range of 7.48% to 7.54%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,191 crore (gross) on Jan 31, 2019 same as Jan 29, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 14,683 crore on Jan 30, 2019.
- According to the Scheduled Bank's Statement of Position in India as of Jan 18, 2019, banks' deposit and credit growth stood at 9.69% and 14.61% YoY, respectively.

Currency Market Update

- The Indian rupee rose marginally against the greenback as the latter weakened after U.S. Federal Reserve indicated to take patient approach on future rate hikes. However, greenback demand by state-run banks capped the gains.
- The euro rose against the greenback following U.S. Federal Reserve's indication of being patient with further interest rate hikes. However, worries over eurozone growth outlook capped the gains.

Commodity Market Update

- Gold prices rose as dollar remained under pressure after U.S. Federal Reserve kept the rates on hold and stated that it would be patient with respect to rate hikes in 2019.
- Brent crude prices almost steadied. Lower than expected rise in crude stock piles for the week ended Jan 25, 2019.

International News

- The U.S. Federal Reserve (Fed) kept interest rates on hold as expected as it decided to maintain the target range for the federal funds rate in the range of 2.25%-2.50%. The central bank further stated it still expects a sustained expansion of economic activity, strong labor market conditions, and inflation nearing its 2% objective mark.
- According to a preliminary report from Eurostat, eurozone's gross domestic product (GDP) rose 0.2% in the fourth quarter 2018 as against the third quarter 2019. GDP grew 1.2% YoY in the fourth quarter as against an increase of 1.6% in third quarter of 2018.

Thank you for
your time.