

**RELIANCE**

MUTUAL  
FUND

# Markets for You

11 Feb 2019

## Indices Performance

Global Indices	08-Feb	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	25,106	25,170	-63	-0.25
Nasdaq	7,298	7,288	10	0.14
FTSE	7,071	7,094	-22	-0.32
Nikkei	20,333	20,751	-418	-2.01
Hang Seng	27,946	27,990	-44	-0.16
Indian Indices	08-Feb	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	36,546	36,971	-425	-1.15
Nifty 50	10,944	11,069	-126	-1.14
Nifty 100	11,094	11,229	-135	-1.20
Nifty Bank	27,294	27,387	-93	-0.34
SGX Nifty	10,935	11,079	-144	-1.30
S&P BSE Power	1,782	1,816	-35	-1.90
S&P BSE Small Cap	13,657	13,779	-122	-0.89
S&P BSE HC	13,983	14,068	-85	-0.60

## P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
8-Feb	23.53	1.15	27.10	1.23
Month Ago	23.41	1.17	26.02	1.25
Year Ago	24.21	1.15	25.56	1.07

## Nifty 50 Top 3 Gainers

Company	08-Feb	Prev_Day	% Change <sup>#</sup>
Bharti Infratel	326	306	6.60
Kotak Bank	1299	1285	1.16
Lupin	831	823	0.97

## Nifty 50 Top 3 Losers

Company	08-Feb	Prev_Day	% Change <sup>#</sup>
Tata Motors	151	183	-17.58
Indiabulls HFC	614	652	-5.89
Vedanta Limited	154	163	-5.69

## Advance Decline Ratio

	BSE	NSE
Advances	923	600
Declines	1616	1211
Unchanged	111	103

## Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	399	1012
MF Flows**	378	7543

\*8<sup>th</sup> Feb 2019; \*\*7<sup>th</sup> Feb 2019

## Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	2.19%	3.70%	5.21%
	(Dec-18)	(Sep-18)	(Dec-17)
IIP	0.50%	6.50%	8.50%
	(Nov-18)	(Jul-18)	(Nov-17)
GDP	7.10%	8.20%	6.30%
	(Sep-18)	(Jun-18)	(Sep-17)

Since May-17, MOSPI has revised base year of IIP &amp; WPI from 2004-05 to 2011-12, and for CPI from 2010 to 2012

## Global Indices

- Asian equity markets declined as investors got anxious over growth and trade issues. The European Commission reduced its growth forecast for the euro zone. The U.S. President said he did not plan to meet the Chinese President before the Mar 1, 2019, deadline. Today (as of Feb 11), Asian markets opened on a mixed note ahead of the negotiations between U.S.-China later this week. While Nikkei was closed due to public holiday Hang Seng was trading lower 0.28% (as at 8 a.m. IST).
- As per the last close, European markets fell notably amid mounting worries about global growth due to ongoing U.S.-China trade disputes. Moreover, European Commission and the Bank of England forecasts lower growth for the euro area also continued to weigh on sentiment.
- As per the last close, U.S markets closed on a mixed note on concerns over the U.S. - China trade talks. A news report said the U.S. and China don't even have a draft agreement that specifies where they agree and disagree, added to the worries.

## Indian Equity Market

- Indian equity markets declined on weak global cues and poor earnings by an auto major. The auto major's third-quarter earnings came deep in red, in fact it's the biggest quarterly loss in the country till date. On the global front, the European Commission reduced euro zone economic growth and the U.S. President said he did not intend to meet the Chinese Premier ahead of the Mar 1, 2019, deadline.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 1.15% and 1.14%, respectively, to close at 36,546.48 and 10,943.60, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap lost 1.40% and 0.89%, respectively.
- The overall market breadth on BSE was weak with 923 scrips advancing and 1616 scrips declining. A total of 112 scrips remained unchanged.
- On the BSE sectoral front, only two sectors gained. S&P BSE Telecom was the major gainer, up 1.74%, followed by S&P BSE Realty, which gained 1.07%. S&P BSE Metal was the major loser, down 3.42%, followed by S&P BSE Auto and S&P BSE Basic Industrials, down 3.37% and 2.56%, respectively. S&P BSE Basic Materials and S&P BSE Utilities lost 2% and 1.97%, respectively.

## Domestic News

- According to a report by the U.S. Chamber of Commerce's Global Innovation Policy Center (GIPC), India has climbed 8 places up to 36th out of 50 economies in 2019 from 44th in 2018. The index ranks economies based on 45 unique indicators that are key to an innovation-led economy supported by robust patent, trademark, copyright and trade secrets protection. India's overall score has increased substantially from 30.07% (12.03 out of 40) in the 6th edition to 36.04% (16.22 out of 45) in the 7th edition.
- The Reserve Bank of India has decided to raise the limit of collateral-free agricultural loans to Rs. 1.6 lakh from Rs. 1 lakh in order to provide some relief to small and marginal farmers. The central bank also proposed to form an internal working group to review various issues plaguing farm credit, such as regional disparity, extent of coverage and limited capital formation from such credit.
- According to a global rating agency, India's gross domestic product (GDP) growth is forecasted to slow to 7% in FY20. The agency also expects rupee to depreciate which will then increase the fuel prices for the country. Rise in fuel prices will limit the demand for commercial vehicles and thus auto loans may face downside risk.
- UCO Bank posted marginal drop in its net loss at Rs. 998.74 crore for third quarter ended Dec 2018 as against net loss of Rs. 1,016.43 crore in quarter ended Dec 2017. Rise in bad loans and provisions led to losses.
- Tata Steel posted 54.33% surge in consolidated net profit to Rs. 1,753.07 crore during the quarter ended on Dec 2019 as against net profit of Rs. 1,135.92 crore for the same quarter a year ago. The surge in net profit was due to rise in total income to Rs. 41,431.37 crore Oct-Dec 2018 from Rs. 33,672.48 crore in the year-ago quarter.
- Future Supply Chain Solutions announced 57% increase in its net profit to Rs. 19.7 crore for the quarter ended Dec 2018 from Rs. 12.6 crore in quarter ended Dec 2017.

FII Derivative Trade Statistics		08-Feb		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	3204.07	2204.86	27706.44	
Index Options	189036.43	187862.77	59436.36	
Stock Futures	11508.87	11035.46	88649.76	
Stock Options	8029.33	7944.23	7183.67	
Total	211778.70	209047.32	182976.23	

Derivative Statistics- Nifty Options			
	08-Feb	Prev_Day	Change
Put Call Ratio (OI)	1.59	1.78	-0.20
Put Call Ratio(Vol)	1.01	1.06	-0.04

Debt Watch				
	08-Feb	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.35%	6.43%	6.36%	5.90%
T-Repo	6.34%	6.35%	6.39%	--
Repo	6.25%	6.50%	6.50%	6.00%
Reverse Repo	6.00%	6.25%	6.25%	5.75%
91 Day T-Bill	6.32%	6.50%	6.65%	6.34%
364 Day T-Bill	6.55%	6.73%	6.85%	6.55%
10 Year Gilt	7.52%	7.61%	7.45%	7.47%
G-Sec Vol. (Rs.Cr)	54792	76524	55694	50448
FBIL MIBOR	6.44%	6.50%	6.50%	6.00%
3 Month CP Rate	7.45%	7.60%	7.75%	7.79%
5 Year Corp Bond	8.42%	8.56%	8.35%	8.07%
1 Month CD Rate	6.56%	6.72%	6.81%	6.24%
3 Month CD Rate	6.96%	7.19%	7.22%	7.24%
1 Year CD Rate	7.96%	7.96%	7.96%	7.52%

Currency Market			
Currency	08-Feb	Prev_Day	Change
USD/INR	71.29	71.47	-0.17
GBP/INR	92.29	92.45	-0.15
EURO/INR	80.83	81.20	-0.37
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	08-Feb	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	52.70	55.24	49.53	61.28
Brent Crude(\$/bl)	61.46	62.30	56.70	64.20
Gold(\$/oz)	1314	1318	1285	1319
Gold(Rs./10 gm)	33043	33262	31734	29881

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 Feb 2019 Futures were at 10,957.25, a premium of 13.65 points, over the spot closing of 10,943.60. The turnover on NSE's Futures and Options segment declined to Rs. 5,97,493.05 crore on Feb 8, 2019, compared with Rs. 17,97,505.44 crore on Feb 7, 2019.
- The Put-Call ratio stood at 0.91 compared with the previous session's close of 0.84.
- The Nifty Put-Call ratio stood at 1.59 compared with the previous session's close of 1.78.
- Open interest on Nifty Futures stood at 22.77 million as against the previous session's close at 23.06 million.

#### Indian Debt Market

- Bond yields increased as market participants remain concerned over the borrowing plan set forth by the government. The country is preparing to borrow an additional Rs. 360 billion next month, which will lift the gross amount to Rs. 5,710 billion for the current year.
- Yield on the 10-year benchmark paper (7.17% GS 2028) increased 2 bps to close at 7.52% as compared with 7.50% in the previous session after trading in the range of 7.46% to 7.53%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 19,501 crore (gross) on Feb 8, 2019, compared with Rs. 12,211 crore (gross) as on Feb 7, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 17,362 crore on Feb 7, 2019.
- Banks borrowed Rs. 26,913 crore under the central bank's Marginal Standing Facility on Feb 7, 2019 compared with borrowing of Rs. 1,125 crore on Feb 6, 2019.

#### Currency Market Update

- The Indian rupee appreciated against the greenback, supported by the Monetary Policy Committee's unexpected policy rate cut to 6.25% and subdued crude oil prices. This raised hopes on improving foreign fund inflows in the country. The rupee closed at 71.30 a dollar, up 0.21% compared with the previous close of 71.45.
- The euro inched down against the greenback amid concerns of a slowdown in global growth. The euro was last seen trading at 1.1339 a dollar, down 0.01% compared with the previous close of 1.1340.

#### Commodity Market Update

- Gold prices went up on rising worries regarding slowdown in the global economy.
- Brent crude prices remained subdued amid rising concerns over eurozone's economic growth. European Commission trimmed its growth forecast for eurozone for the current and next year.

#### International News

- Bank of England has kept the bank rate unchanged at 0.75% in the monetary policy meeting. The stock of corporate and government bond purchases was kept at GBP 10 billion and GBP 435 billion, respectively. The bank has lowered U.K.'s growth forecast for 2019 and 2020 to 1.2% and 1.5%, respectively as against previous expectation of 1.7% for both the years. The revision reflects Brexit uncertainties.
- The European Commission has lowered the growth forecast for eurozone to 1.3% and 1.6% for 2019 and 2020, respectively as against prior expectation of 1.9% and 1.7%. The revised expectation reflects high level of uncertainty. Meanwhile, Germany's growth forecast was lowered to 1.1% for 2019 as against prior expectation of 1.8%.

Thank you for  
your time.