Reliance Mutual Fund
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Sponsors: Reliance Capital
Nippon Life Insurance Company

Markets for You

15 Feb 2019

Indices Performance

Global Indices	14-Feb	Prev_Day	Abs. Change	% Change#
Dow Jones	25,439	25,543	-104	-0.41
Nasdaq	7,427	7,420	7	0.09
FTSE	7,197	7,191	6	0.09
Nikkei	21,140	21,144	-5	-0.02
Hang Seng	28,432	28,498	-66	-0.23
Indian Indices	**14-Feb**	**Prev_Day**	**Abs. Change**	**% Change#**
S&P BSE Sensex	35,876	36,034	-158	-0.44
Nifty 50	10,746	10,794	-48	-0.44
Nifty 100	10,888	10,924	-36	-0.32
Nifty Bank	26,971	26,885	85	0.32
SGX Nifty	10,810	10,830	-20	-0.18
S&P BSE Power	1,747	1,745	2	0.10
S&P BSE Small Cap	13,364	13,341	23	0.17
S&P BSE HC	13,744	13,677	67	0.49

P/E Dividend Yield

	Sensex		Nifty	
Date	P/E	Div. Yield	P/E	Div. Yield
14-Feb	22.80	1.19	26.58	1.26
Month Ago	23.29	1.18	25.80	1.26
Year Ago	24.27	1.15	25.37	1.08

Nifty 50 Top 3 Gainers

Company	14-Feb	Prev_Day	% Change#
Yes Bank	221	169	30.57
Zee Ente.	433	408	6.19
Indiabulls HFC	657	619	6.09

Nifty 50 Top 3 Losers

Company	14-Feb	Prev_Day	% Change#
BPCL	316	329	-4.19
Indian Oil	125	130	-4.04
Hindalco	192	198	-3.25

Advance Decline Ratio

	BSE	NSE
Advances	1145	854
Declines	1387	932
Unchanged	122	103

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-856	1732
MF Flows**	996	8508

*14th Feb 2019; **13th Feb 2019

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	2.05% (Jan-19)	3.38% (Oct-18)	5.07% (Jan-18)
IIP	2.40% (Dec-18)	4.60% (Sep-18)	7.30% (Dec-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 since investors awaited progress in U.S.-China trade talks, which are going on in Beijing. Upbeat Chinese economic data restricted losses. Chinese exports and imports data beat expectations, growing 9.1% in Jan 2019. Today (as of Feb 15), Asian markets opened on a negative note on downbeat U.S. retail sales data. Both Nikkei and Hang Seng were trading lower 0.96% and 0.97%, respectively (as at 8 a.m. IST).

• As per the last close, European markets mostly fell after U.S. retail sales in Dec 2018 fell short of expectations. Market participants were also tracking the developments on U.S.-China trade talks and Brexit.

• As per the last close, U.S markets mostly declined following unexpected substantial fall in U.S. retail sales in Dec 2018. This increased the appeal of safe havens like bonds. Retail sales plummeted 5.1% in Dec 2018, compared with 4.4% drop in Nov 2018.

Indian Equity Market

• Indian equity markets ended in the red on account of concerns over rise in crude oil prices and a decline in rupee. This underplayed optimism over progress in U.S.-China trade talks.

• Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.44% each to close at 35,876.22 and 10,746.05, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap lost 0.52% and 0.17%, respectively.

• The overall market breadth on BSE was weak with 1145 scrips advancing and 1387 scrips declining. A total of 122 scrips remained unchanged.

• On the BSE sectoral front, S&P BSE Industrials was the major gainer, up 0.84%, followed by S&P BSE Bankex and S&P BSE Healthcare, down 078% and 0.49%, respectively. S&P BSE Realty and S&P BSE Auto gained 0.47% and 0.44%, respectively. S&P BSE Oil & Gas was the major loser, down 2.11%, followed by S&P BSE Telecom and S&P BSE Energy, down 1.95% and 1.74%, respectively.

Domestic News

• India's Wholesale Price Index-based inflation (WPI) came in at 2.76% in Jan 2019 as against 3.80% in Dec 2018 as prices of fuel and power came down. Wholesale price inflation was at 3.02% in Jan 2018. Fuel and power inflation increased 1.85% in Jan 2019 compared with a rise of 8.38% in Dec 2018. This happened as LPG fell 7.47% in Jan against a rise of 6.87% in Dec. Petrol too fell 3.35% in Jan from a rise of 1.57% in Dec. Inflation in potato grew at a slower of 26.30% in Jan 2019 against a rise of 48.68% in Dec 2018. The WPI Food Index came in at 1.84% in Jan 2019 against 0.07% in Dec 2018.

• The finance ministry is all set to meet the non-performing assets (NPA) recovery target of Rs. 1.8 lakh crore by Mar 31, 2019, according to media news. Recoveries have already touched Rs. 1.08 lakh crore with many big-ticket default cases reaching resolution. The reports said big-ticket recoveries due in Feb and Mar 2019 can together fetch more than Rs. 60,000 crore. Last year, financial services secretary said that recoveries of about Rs. 1.8 lakh crore were assessed by banks, which were cases under Insolvency and Bankruptcy Code and those outside it.

• In order to incentivise effort to bring down recoverable arrears, the indirect tax department has made 'recovery of arrears' a parameter in the annual performance appraisal for tax officials. Recoverable arrears stand at over Rs. 26,000 crore. Against a target of Rs. 10,000 crore for FY19, the tax arrears recovery vertical of the department has managed to achieve just Rs. 3,500 crore in the Apr-Dec period.

• According to latest Reserve Bank of India (RBI) data, the pace of growth in bank credit and deposits has moderated on a fortnightly basis. While credit grew 14.5% to Rs. 94.29 trillion, deposits increased 9.63% to Rs. 121.22 trillion for the fortnight ended Feb 1, 2019. In the fortnight ended Jan 18, 2019, deposits had increased 9.69% to Rs. 119.86 trillion and credit grew 14.61% to Rs. 93.32 trillion, RBI data showed. The gap between pace of credit disbursal and deposits mobilisation is growing bigger.

FII Derivative Trade Statistics	14-Feb		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2903.28	2506.08	30431.06
Index Options	131683.27	132098.41	63523.47
Stock Futures	11708.97	12010.19	87998.94
Stock Options	9025.17	9214.27	9395.34
Total	155320.69	155828.95	191348.81

Derivative Statistics- Nifty Options

	14-Feb	Prev_Day	Change
Put Call Ratio (OI)	1.11	1.29	-0.18
Put Call Ratio(Vol)	0.75	0.82	-0.07

Debt Watch

	14-Feb	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.28%	6.48%	6.37%	5.98%
T-Repo	6.21%	6.47%	6.38%	--
Repo	6.25%	6.25%	6.50%	6.00%
Reverse Repo	6.00%	6.00%	6.25%	5.75%
91 Day T-Bill	6.35%	6.29%	6.60%	6.36%
364 Day T-Bill	6.49%	6.60%	6.83%	6.58%
10 Year Gilt	7.52%	7.50%	7.43%	7.49%
G-Sec Vol. (Rs.Cr)	33308	67344	40484	38319
FBIL MIBOR	6.35%	6.51%	6.50%	6.05%
3 Month CP Rate	7.15%	7.45%	7.65%	7.90%
5 Year Corp Bond	8.38%	8.47%	8.34%	8.08%
1 Month CD Rate	6.41%	6.58%	6.69%	6.22%
3 Month CD Rate	7.07%	6.97%	7.11%	7.22%
1 Year CD Rate	7.60%	8.19%	8.13%	7.48%

Currency Market

Currency	14-Feb	Prev_Day	Change
USD/INR	70.94	70.55	0.39
GBP/INR	91.28	91.13	0.15
EURO/INR	80.00	79.96	0.04
JPY/INR	0.64	0.64	0.00

Commodity Prices

Commodity	14-Feb	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude($/bl)	54.35	52.63	50.26	60.68
Brent Crude($/bl)	64.39	61.10	58.44	61.88
Gold($/oz)	1312	1310	1292	1351
Gold(Rs./10 gm)	32845	33000	32117	30200

Source: Thomson Reuters Eikon

Derivatives Market

- Nifty Feb 2019 Futures were at 10,779.80, a premium of 33.75 points, over the spot closing of 10,746.05. The turnover on NSE's Futures and Options segment increased to Rs. 15,89,159.28 crore on Feb 14, 2019, compared with Rs. 8,69,113.19 crore on Feb 13, 2019.
- The Put-Call ratio stood at 0.74 compared with the previous session's close of 0.84.
- The Nifty Put-Call ratio stood at 1.11 compared with the previous session's close of 1.29.
- Open interest on Nifty Futures stood at 23.16 million as against the previous session's close at 24.14 million.

Indian Debt Market

- Bond yields increased following sharp surge in crude oil prices. In addition, additional borrowing of Rs. 360 billion planned by the government also weighed down on the market sentiment.
- Yield on the 10-year benchmark paper (7.17% GS 2028) rose 5 bps at 7.52% as compared with the previous session's close of 7.47% after trading in the range of 7.48% to 7.52%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 19,123 crore (gross) on Feb 14, 2019, compared with Rs. 2,941 crore (gross) as on Feb 13, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 37,781 crore on Feb 13, 2019.
- Banks borrowed Rs. 15 crore under the central bank's Marginal Standing Facility on Feb 13, 2019 compared with borrowing of Rs. 740 crore on Feb 12, 2019.

Currency Market Update

- The Indian rupee declined on higher dollar demand from importers. In addition, surge in crude oil prices also made importers jittery, while weighing down on the domestic unit.
- The euro rose after investors' risk sentiment improved on hope of improving U.S.-China trade relations. The top officials of the two economies are negotiating trade terms in a two-day conference and are expected to reach a trade agreement.

Commodity Market Update

- Gold prices remained flat as greenback firmed with the start of the U.S.-China trade discussion, which is expected to alleviate the trade tension.
- Brent crude prices rose sharply on hopes that the U.S.-China two-day conference would ease the trade tension.

International News

- According to a report from the Labor Department, U.S. consumer price index remained unchanged in Jan 2019 as against the revised reading in Dec 2018. Consumer prices remained unchanged for the third month in a row. Steep decline in energy prices was offset by surge in prices for other goods and services. On an annual basis, consumer price growth eased to 1.6% in Jan 2019 as against 1.9% in Dec 2018. This marked the slowest rate of growth since Jun 2017.
- According to a report from Eurostat, eurozone's gross domestic product (GDP) grew 0.2% in the fourth quarter 2018 on sequential basis. The growth came in line with initial expectations.

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Thank you for
your time.