

RELIANCE

MUTUAL
FUND

Markets for You

19 Feb 2018

Indices Performance

Global Indices	16-Feb	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,219	25,200	19	0.08
Nasdaq	7,239	7,256	-17	-0.23
FTSE	7,295	7,235	60	0.83
Nikkei	21,720	21,465	255	1.19
Hang Seng	Closed	31,115	NA	NA
Indian Indices	16-Feb	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	34,011	34,297	-287	-0.84
Nifty 50	10,452	10,546	-93	-0.88
Nifty 100	10,831	10,932	-101	-0.92
Nifty Bank	25,164	25,424	-260	-1.02
SGX Nifty	10,415	10,583	-169	-1.59
S&P BSE Power	2,229	2,246	-17	-0.74
S&P BSE Small Cap	18,036	18,258	-222	-1.22
S&P BSE HC	14,267	14,350	-82	-0.57

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
16-Feb	24.19	1.15	25.32	1.08
Month Ago	25.55	1.11	26.96	1.06
Year Ago	21.46	1.45	23.08	1.26

Nifty 50 Top 3 Gainers

Company	16-Feb	Prev_Day	% Change [#]
Ambuja Cem	257	253	1.44
Infosys	1128	1114	1.22
Cipla	611	606	0.87

Nifty 50 Top 3 Losers

Company	16-Feb	Prev_Day	% Change [#]
Eicher Motors	27328	28340	-3.57
Tech Mahindra	584	606	-3.52
Indiabulls HFC	1272	1312	-3.04

Advance Decline Ratio

	BSE	NSE
Advances	667	353
Declines	2145	1431
Unchanged	106	47

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-135	6937
MF Flows**	-139	14375

*16th Feb 2018; **14th Feb 2018

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	3.58% (Dec-17)	3.14% (Sep-17)	2.10% (Dec-16)
IIP	7.10% (Dec-17)	4.10% (Sep-17)	1.90% (Dec-16)
GDP	6.30% (Sep-17)	5.70% (Jun-17)	7.50% (Sep-16)

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 mostly traded up after taking positive cues from overnight U.S. markets and improved crude oil prices. Japanese market gained on expectations that easing monetary policy will be continued after the head of Bank of Japan has been nominated for the second five-year term. However, trading activity remained thin across the region as some of the markets were closed for public holidays. Today (As of Feb 19), Asian markets opened higher following marginal rise on the Wall Street overnight especially S&P 500 index. Nikkei and Hang Seng grew 1.12% and 1.97%, respectively (as at 8 a.m. IST).
- As per the last close, European market ended higher amid investors' positive reaction to some of the encouraging corporate earnings reports.
- As per the last close, U.S markets ended on a mixed note. Reports that a federal grand jury has indicted several Russian nationals for allegedly interfering in 2016 presidential election weighed on market sentiment. However, losses were capped amid some key positive economic data.

Indian Equity Market

- Indian equity markets closed in the red due to decline in the banking sector amid reports that more banks have disclosed their exposure to the fraud case of a state-owned bank. One major public sector bank stated that it has an exposure of \$212 million in respect to the letter of undertaking issued by the state-owned bank.
- Reports that global index provider MSCI has slammed Indian exchanges' decision to terminate licensing and data-feed agreements with their global counterparts weighed on market sentiment. Also, absence of major domestic and global cues muted buying interest.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.84% and 0.88% to close at 34,010.76 and 10,452.30, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap fell 1.20% and 1.22%, respectively.
- On the BSE sectoral front, S&P BSE Auto was the top loser and was down 1.65%, followed by S&P BSE Metal (-1.58%), S&P BSE Telecom (-1.51%), S&P BSE Realty (-1.44%) and S&P BSE Capital Goods (-1.33%). S&P BSE Information Technology was the only gainer and went up 0.07%.

Domestic News

- India's export during the month of Jan 2018 increased 9.07% YoY to \$24.38 billion from \$22.36 billion in Jan 2017. Similarly, import grew 26.10% YoY to \$40.68 billion from \$32.26 billion in the same period of the previous year. Trade deficit widened to \$16.3 billion during the period, which is the highest since May 2013, as against \$9.90 billion in Jan 2017. Trade deficit widened as imports grew for petroleum, chemicals, silver, pearls and machine tools.
- According to the International Monetary Fund (IMF), the fiscal deficit target of 3.3% of GDP in FY19 set by the government in the Union Budget 2018-19 signifies that the country is returning to the path of gradual fiscal consolidation. The organisation welcomed the fiscal deficit target of the country keeping in mind the need to provide support to the emerging economy. The IMF is looking at potential slippages on the revenue side or higher outlays due to new policy initiatives as they could reduce capital expenditures that could support medium-term growth.
- The World Bank has recognized two global risks that may harm the progress of the Indian economy towards a 'global middle-class status'. These two risks are anti-international trade sentiment and climate change. Anti-international trade sentiment is posing threat to India's services exports and the climate change is posing threat to the agricultural sector.
- Life Insurance Corporation of India's (LIC) net profit rose 87.7% YoY to Rs. 2.64 crore in Dec 2017 quarter. The loss seems to be mainly on account of a large drop in the profits made from the sale or redemption of investments (shareholder's account).
- According to media reports, Walmart Inc. is in discussions to purchase more than 40% stake in Indian e-commerce firm Flipkart. Due diligence is likely to begin as early as next week.
- Paints and coatings firm Akzo Nobel India has signed a definitive agreement to divest its specialty chemicals business as a going concern to an affiliate of the Akzo Nobel Group (Akzo Nobel Chemicals India Pvt Ltd) for Rs. 320 crore. The transaction is expected to be completed by Mar 31, 2018.

FII Derivative Trade Statistics			
	16-Feb		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2627.40	2090.54	21618.50
Index Options	132260.01	129005.00	85161.04
Stock Futures	11905.31	11357.44	78892.99
Stock Options	9551.13	9417.99	8729.70
Total	156343.85	151870.97	194402.23

Derivative Statistics- Nifty Options			
	16-Feb	Prev_Day	Change
Put Call Ratio (OI)	1.07	1.13	-0.06
Put Call Ratio(Vol)	0.84	0.96	-0.11

Debt Watch				
	16-Feb	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.96%	5.89%	5.88%	6.05%
CBLO	4.96%	5.90%	5.93%	6.05%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.32%	6.33%	6.27%	6.15%
364 Day T-Bill	6.56%	6.54%	6.53%	6.26%
10 Year Gilt	7.58%	7.49%	7.38%	6.84%
G-Sec Vol. (Rs.Cr)	23303	46487	27684	19504
1 Month CP Rate	6.87%	6.85%	6.89%	6.75%
3 Month CP Rate	7.89%	7.79%	7.48%	7.10%
5 Year Corp Bond	7.88%	7.84%	7.80%	7.34%
1 Month CD Rate	6.23%	6.25%	6.23%	6.17%
3 Month CD Rate	7.22%	7.24%	6.96%	6.41%
1 Year CD Rate	7.48%	7.50%	7.23%	6.62%

Currency Market			
Currency	16-Feb	Prev_Day	Change
USD/INR	63.91	63.92	-0.01
GBP/INR	90.31	89.55	0.76
EURO/INR	80.17	79.68	0.49
JPY/INR	0.60	0.60	0.00

Commodity Prices				
Commodity	16-Feb	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	61.87	59.18	63.77	53.36
Brent Crude(\$/bl)	63.54	62.98	69.64	53.80
Gold(\$/oz)	1348	1317	1339	1239
Gold(Rs./10 gm)	30693	30007	30056	29341

Source: ICRON Research

Disclaimer:

The information herein is meant only for general reading purposes and contains all factual and statistical information pertaining to Industry and markets which have been obtained from independent third party sources and which are deemed to be reliable. The information provided cannot be considered as guidelines, recommendations or as a professional guide for the readers. It may be noted that since Reliance Nippon Life Asset Management Company Limited (RNLAM) (formerly Reliance Capital Asset Management Limited) has not independently verified the accuracy or authenticity of such information or data, or for that matter the reasonableness of the assumptions upon which such data and information has been processed or arrive data; RNLAM does not in any manner assure the accuracy or authenticity of such data and information. Some of the statements & assertions contained in these materials may reflect RNLAM's views or opinions, which in turn may have been formed on the basis of such data or information. The Sponsor(s), the Investment Manager, the Trustee or any of their respective directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such data or information. Whilst no action has been solicited based upon the information provided herein, due care has been taken to ensure that the facts are accurate and opinions given are fair and reasonable, to the extent possible. This information is not intended to be an offer or solicitation for the purchase or sale of any financial product or instrument. Recipients of this information should rely on information/data arising out of their own investigations. Before making any investments, the readers are advised to seek independent professional advice, verify the contents in order to arrive at an informed investment decision. None of the Sponsor(s), the Investment Manager, the Trustee, their respective directors, employees, affiliates or representatives shall be liable in any way for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including on account of lost profits arising from the information contained in this material.

Readers are requested to click here for ICRON disclaimer - <http://www.icraonline.com/legal/standard-disclaimer.html>

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

Derivatives Market

- Nifty Feb 2018 Futures were at 10453.35 points, a premium of 1.05 points above the spot closing of 10,452.30. The turnover on NSE's Futures and Options segment went down from Rs. 14,98,474.07 crore on Feb 15 to Rs. 6,87,265.97 crore on Feb 16.
- The Put-Call ratio remained unchanged at 0.82 against previous session's close.
- The Nifty Put-Call ratio stood at 1.07 against previous session's close of 1.13.
- Open interest on Nifty Futures stood at 27.52 million as against the previous session's close of 27.18 million.

Indian Debt Market

- Bond yields rose marginally as investors deferred purchases of domestic bonds ahead of an extended weekend.
- Yield on the 10-year benchmark paper (7.17% GS 2028) rose 1 bps to close at 7.58% as against previous session's close of 7.57%. During the session, bond yields traded in the range of 7.56% and 7.60%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 4,055 crore (gross) on Feb 16 compared with Rs. 5,719 crore on Feb 15. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 20,527 crore on Feb 15.
- Banks did not borrow under the central bank's Marginal Standing Facility on Feb 15 as against borrowing of Rs. 2,967 crore on Feb 14.
- RBI conducted a 13-day variable rate repo auction for a notified amount of Rs. 22,000 crore for which Rs. 9,175 crore was allotted at a cut-off rate of 6.01%.

Currency Market Update

- The Indian rupee weakened amid losses in the domestic equity market and greenback demand from oil importers. The rupee fell 0.47% to close at 64.21 per dollar from the previous close of 63.91 per dollar.
- The euro weakened against the greenback as the latter gained amid release of strong U.S. housing sector data for Jan 2018 that offset concerns over rising U.S. deficit. Euro fell 0.58% and was trading at \$1.2432, down from the previous close of 1.2505.

Commodity Market Update

- Gold prices remained steady on renewed concerns over the rise in fiscal deficit in the U.S.
- Brent crude prices gained following a statement from the Energy Minister of United Arab Emirates to cut output by the end of this year.

International News

- A report from the National Association of Home Builders showed that U.S. homebuilder confidence in the U.S. remained healthy in Feb 2018. As per the report, NAHB/Wells Fargo Housing Market Index came in at 72 in Feb and remained unchanged from Jan 2018. Meanwhile, the index measuring buyer traffic remained steady at 54 and the component gauging current sales conditions slightly fell to 78 in Feb as against 79 in Jan.
- A report from the Federal Reserve showed that U.S. industrial production surprisingly fell 0.1% as against downwardly revised gain of 0.4% (0.9% gain originally reported) in Dec 2017. The decline reflects steep decline in mining output that fell 1.0% in Jan as against a decline of 0.4% in Dec.

Thank you for
your time.