

RELIANCE

MUTUAL
FUND

Markets for You

27 Feb 2018

Indices Performance

Global Indices	26-Feb	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,709	25,310	399	1.58
Nasdaq	7,421	7,337	84	1.15
FTSE	7,290	7,244	45	0.62
Nikkei	22,154	21,893	261	1.19
Hang Seng	31,499	31,267	231	0.74
Indian Indices	26-Feb	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	34,446	34,142	304	0.89
Nifty 50	10,583	10,491	92	0.87
Nifty 100	10,954	10,858	96	0.88
Nifty Bank	25,688	25,303	385	1.52
SGX Nifty	10,581	10,517	64	0.61
S&P BSE Power	2,234	2,214	21	0.94
S&P BSE Small Cap	18,154	17,996	158	0.88
S&P BSE HC	14,220	14,225	-6	-0.04

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
26-Feb	23.66	1.16	25.95	1.12
Month Ago	26.24	1.08	27.61	1.02
Year Ago	22.02	1.42	23.36	1.24

Nifty 50 Top 3 Gainers

Company	26-Feb	Prev_Day	% Change [#]
Maruti	9005	8699	3.52
Tata Motors	372	360	3.29
L&T Ltd.	1344	1302	3.27

Nifty 50 Top 3 Losers

Company	26-Feb	Prev_Day	% Change [#]
Sun Pharma	556	570	-2.41
Infosys	1139	1156	-1.48
Tech Mahindra	612	621	-1.45

Advance Decline Ratio

	BSE	NSE
Advances	1575	1075
Declines	1172	738
Unchanged	195	60

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	852	4734
MF Flows**	1466	20595

*26th Feb 2018; **23rd Feb 2018

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	2.84% (Jan-18)	3.68% (Oct-17)	4.26% (Jan-17)
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 went up as investors continued to take positive cues from the U.S. Federal Reserve's monetary policy report, which suggested a gradual pace of interest rate hikes in 2018. The same eased worries over faster than expected rate hike by the U.S. central bank. Today (As of Feb 27), Asian markets opened higher amid gains in Wall Street's last session. Also, gains in manufacturing, auto, financial and technology stocks further boosted the indices. Nikkei and Hang seng grew 1.47% and 0.48%, respectively (as at 8.a.m. IST).
- As per the last close, European markets ended higher amid gains in technology and basic resources stocks. However, investors remained cautious ahead of an eventful trading week including new U.S. Federal Reserve's Chair release of first semi-annual monetary policy report.
- As per the last close, U.S markets ended almost higher amid continued fall in treasury yields. Gains in telecom, technology and semiconductor stocks further boosted the indices. However, weak new home sales in Jan 2018 capped the gains.

Indian Equity Market

- Indian equity markets gained for the second consecutive day after taking cues from most of the other regional peers. Investors also remained optimistic ahead of the key economic data scheduled to be released during the week, including, Nikkei Markit Manufacturing Purchasing Managers Index (PMI), fiscal deficit and Gross Domestic Product (GDP) data. However, upside was limited on worries over more fraudulent cases in public sector banks.
- Key benchmark indices, S&P BSE Sensex and Nifty 50 gained 0.89% and 0.87% to close at 34,445.75 and 10,582.60, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap fell 0.74% and 0.88%, respectively.
- The overall market breadth on BSE was strong with 1575 scrips advancing and 1172 scrips declining. A total of 195 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Realty (3.3%) was the top gainer followed by S&P BSE Auto (2.22%) and S&P BSE Capital Goods (1.83%). Among the losers, S&P BSE IT (-1.1%) was the major loser followed by S&P BSE Teck (-0.69%), S&P BSE HC (-0.04%) and S&P BSE FMCG (-0.03%).

Domestic News

- According to media reports, the borrowing cost of central government and state government may come down in FY19. The expectation comes after the Indian government allowed the Employees' Provident Fund Organization (EPFO) to allocate a minimum of 20% of its portfolio to corporate bonds. This is lower than the earlier threshold which was set at 35%. The threshold has been lowered due to lack of availability of quality corporate paper in the country. This increase in investment limit for sovereign bonds is expected to lower the pressure on government debt market where the benchmark yield have increased significantly in the past five months.
- Data from capital market regulator, Securities and Exchange Board of India (SEBI) showed that investment in the domestic capital market through participatory notes plunged to a near eight and a half year low to Rs. 1.19 lakh crore in Jan 18 from Rs. 1.25 lakh crore in the previous month. This is at the lowest level since Aug 2009 when investment in the domestic capital market through participatory notes stood at Rs. 1.10 lakh crore. The steep decline can be attributed to strict measures taken by SEBI to check misuse of the same.
- Bharti Airtel has announced to work in collaboration with Seamless Alliance to bring high-speed and uninterrupted in-flight data connectivity to mobile customers.
- Dr Reddy's Laboratories announced that it has received the establishment inspection report (EIR) from the U.S. health regulator for its Srikakulam plant.
- Reliance Industries and BP Plc's \$4 billion plan for developing 3 sets of discoveries in KG-D6 block in Bay of Bengal was approved by a government oversight panel.

FII Derivative Trade Statistics		26-Feb		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	1730.69	2425.13	12394.38	
Index Options	51021.64	46370.80	52493.00	
Stock Futures	9292.52	8000.17	70936.64	
Stock Options	4751.75	4684.45	1951.68	
Total	66796.60	61480.55	137775.70	

Derivative Statistics- Nifty Options			
	26-Feb	Prev_Day	Change
Put Call Ratio (OI)	1.46	1.43	0.03
Put Call Ratio(Vol)	1.01	0.97	0.04

Debt Watch				
	26-Feb	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.97%	5.96%	5.91%	5.92%
CBLO	5.91%	4.96%	5.90%	5.79%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.28%	6.32%	6.40%	6.08%
364 Day T-Bill	6.62%	6.56%	6.51%	6.21%
10 Year Gilt	7.69%	7.58%	7.31%	6.91%
G-Sec Vol. (Rs.Cr)	22590	23303	39866	35942
1 Month CP Rate	6.88%	6.87%	6.93%	6.55%
3 Month CP Rate	7.90%	7.89%	7.75%	6.86%
5 Year Corp Bond	8.00%	7.88%	7.78%	7.44%
1 Month CD Rate	6.25%	6.23%	6.24%	6.13%
3 Month CD Rate	7.26%	7.22%	7.21%	6.35%
1 Year CD Rate	7.53%	7.48%	7.45%	6.60%

Currency Market			
Currency	26-Feb	Prev_Day	Change
USD/INR	64.66	64.82	-0.16
GBP/INR	90.65	90.40	0.25
EURO/INR	79.70	79.76	-0.07
JPY/INR	0.61	0.61	0.00

Commodity Prices				
Commodity	26-Feb	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	63.80	61.87	65.59	53.94
Brent Crude(\$/bl)	68.30	64.19	71.17	53.83
Gold(\$/oz)	1333	1346	1348	1257
Gold(Rs./10 gm)	30573	30635	30489	29300

Source: ICRON Research

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Derivatives Market

- Nifty Mar 2018 Futures were at 10,600.45 points, a premium of 17.85 points, over the spot closing of 10,582.60. The turnover on NSE's Futures and Options segment went up from Rs. 4,10,334.60 crore on Feb 23 to Rs. 4,29,229.27 crore on Feb 26.
- The Put-Call ratio stood at 0.88 against previous session's close of 0.83.
- The Nifty Put-Call ratio stood at 1.46 against previous session's close of 1.43.
- Open interest on Nifty Futures stood at 21.50 million as against the previous session's close of 20.73 million.

Indian Debt Market

- Bond yields rose following rise in international crude oil prices. Market sentiment remains bearish amid absence of any fresh triggers as well as low participation from state-run banks. Investors also remained cautious ahead of the domestic economic growth numbers for the quarter ended Dec 2017.
- Yield on the 10-year benchmark paper (7.17% GS 2028) rose 2 bps to close at 7.69% as against previous session's close of 7.67%. During the session, bond yields traded in the range of 7.64% and 7.71%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,615 crore (gross) on Feb 26 compared with Rs. 3,605 crore on Feb 23. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 17,643 crore on Feb 23.
- Banks did not borrow under the central bank's Marginal Standing Facility on Feb 23 as against Rs. 175 crore borrowing on Feb 22.

Currency Market Update

- The Indian rupee rose initially against the dollar following gains in the domestic equity market. However, month end dollar demand from oil importers wiped out the gains. The rupee inched down 0.09% to close at 64.79 per dollar from the previous close of 64.73 per dollar.
- The euro rose against the dollar as the latter remained under pressure due to stock market volatility. Euro rose 0.25% and was trading at \$1.2324, from the previous close of \$1.2293.

Commodity Market Update

- Gold prices traded higher as U.S. dollar fell as investors remained cautious ahead of U.S. Fed's new head's testimony this week.
- Brent crude prices traded higher amid news that Saudi Arabia would continue to curb exports.

International News

- According to the Deputy Governor - Bank of England, country's interest rate is likely to rise soon. An acceleration in wage growth has indicated that faster rate hikes are needed.
- According to the data from U.K. Finance, country's mortgage approvals rose three-month high to 40,117 in Jan 2018 from 36,085 in Dec 2017. Gross mortgage lending increased 7.7% annually to GBP 13.8 billion. Similarly, card spending increased 5.8% in Jan 2018.
- According to the Confederation of British Industry, U.K.'s service sector witnessed strong growth in business volumes in three months to Feb 2018. Both business and professional services and consumer services reported rise in profits for the first time in Feb since Nov 2015.

Thank you for
your time.