

RELIANCE

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FUND

Markets for You

28 Feb 2018

Indices Performance

Global Indices	27-Feb	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,410	25,709	-299	-1.16
Nasdaq	7,330	7,421	-91	-1.23
FTSE	7,282	7,290	-7	-0.10
Nikkei	22,390	22,154	236	1.07
Hang Seng	31,269	31,499	-230	-0.73
Indian Indices	27-Feb	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	34,346	34,446	-99	-0.29
Nifty 50	10,554	10,583	-28	-0.27
Nifty 100	10,923	10,954	-31	-0.28
Nifty Bank	25,384	25,688	-304	-1.18
SGX Nifty	10,570	10,581	-11	-0.10
S&P BSE Power	2,234	2,234	0	0.00
S&P BSE Small Cap	18,090	18,154	-64	-0.35
S&P BSE HC	14,142	14,220	-78	-0.55

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
27-Feb	24.06	1.14	25.87	1.12
Month Ago	26.24	1.08	27.61	1.02
Year Ago	21.92	1.42	23.21	1.25

Nifty 50 Top 3 Gainers

Company	27-Feb	Prev_Day	% Change [#]
Dr.Reddy	2236	2194	1.92
Bharti Airtel	431	423	1.74
NTPC	166	163	1.60

Nifty 50 Top 3 Losers

Company	27-Feb	Prev_Day	% Change [#]
Ambuja Cem	251	263	-4.39
Axis Bank	538	552	-2.52
SBI	268	274	-2.50

Advance Decline Ratio

	BSE	NSE
Advances	994	620
Declines	1752	1177
Unchanged	139	57

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1115	3619
MF Flows**	1673	22284

*27th Feb 2018; **26th 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 witnessed a mixed trend ahead of the Congressional testimony of the new Federal Reserve Chairman, scheduled later during the day. Investors are looking for further insights into the central bank's view on inflation and interest rates. Easing concerns over faster than expected rate hike by Fed further supported buying interest. Today (As of Feb 28), Asian markets opened lower as U.S. Federal Reserve Chairman's testimony indicated rate hike in U.S more than the three times. Both Nikkei and Hang Seng were trading down 0.46% and 1.06% (as at 8.a.m. IST).
- As per the last close, European market ended lower following disappointing earning result by few corporates and U.S. Federal Reserve Chairman's testimony indicating rate hike in U.S.
- As per the last close, U.S markets ended lower as U.S. Federal Reserve Chairman's testimony indicated that the central bank may raise rates more than the three times that is currently anticipated.

Indian Equity Market

- Indian equity markets closed in red amid decline in banking stocks amid reports that a state-owned bank has disclosed that the amount of fraudulent transactions could be approximately Rs. 13 billion, higher than the current estimate. Meanwhile, investors preferred to remain on the sidelines ahead of India's gross domestic product data for quarter ended Dec 2017 due to be released on Feb 28, 2018.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.29% and 0.27% to close at 34,346.39 and 10,554.30, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap fell 0.50% and 0.35%, respectively.
- The overall market breadth on BSE was weak with 1,752 scrips declining and 994 scrips advancing. A total of 139 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Realty was the top loser, down 2.03%, followed by S&P BSE Bankex and S&P BSE Finance which fell 1.43% and 1.15%, respectively. S&P BSE Metal and S&P BSE Basic Materials fell 0.79% and 0.59%, respectively. Among the gainers, Telecom was the major gainer, up 0.97%, followed by S&P BSE Energy and S&P BSE Teck, that grew 0.52% and 0.31%, respectively. S&P BSE Information Technology and Utilities each grew 0.26%.

Domestic News

- According to a major domestic credit rating agency, the gross value added (GVA) growth of the Indian economy is expected to rise in the third quarter of FY18 to 6.8% from 6.1% in the second quarter of FY18. The increase in the growth can be attributed to an improvement in the services and industrial sectors. The rating agency added that economic activity remained subdued in the first half of FY18 due to structural transition to GST, but also noted that signs of a rise in economic growth has started to appear.
- The Reserve Bank of India soothed concerns over mobile wallet money. The central bank added that customers do not stand at risk of losing their money even if the wallet companies are not compliant to its full KYC (Know Your Customer) guidelines. However, the central bank added that reloading the wallets with money will resume after completing the KYC requirement.
- According to the Finance Secretary, the government is taking all measures with the help of technology to check tax evasion. The finance secretary added that the new taxation regime under GST is more business friendly and cited the example of Chhattisgarh where in Jul 2017, the revenue shortfall of the state was 49% which came down to 29% within a time span of seven months.
- According to the Finance Minister, the Indian economy has the potential to grow at a rate of more than 7 to 8%. The minister attributed it to its policy changes and a supportive global environment. The minister added that the economy has become very open in the last few years and the government has simplified the norms for making investments in the country.
- According to media reports, the government is considering raising import duty on wheat from the current 20%. The objective of the move is to put a check on cheap shipments and to ensure that local prices do not come under pressure during the peak harvesting period. Additionally, the government wants that farmers get at least the minimum support price. It needs to be noted that harvesting of wheat crop has already started in some states like Gujarat and Uttar Pradesh.

FII Derivative Trade Statistics		27-Feb		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	2233.37	1196.93	13555.41	
Index Options	45227.82	43810.56	55526.72	
Stock Futures	8149.02	7804.93	71718.02	
Stock Options	4863.81	4833.82	2767.86	
Total	60474.02	57646.24	143568.01	

Derivative Statistics- Nifty Options			
	27-Feb	Prev_Day	Change
Put Call Ratio (OI)	1.42	1.46	-0.04
Put Call Ratio(Vol)	1.03	1.01	0.03

Debt Watch				
	27-Feb	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.93%	5.96%	5.91%	5.93%
CBLO	5.89%	5.98%	5.90%	5.73%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.26%	6.31%	6.40%	6.05%
364 Day T-Bill	6.50%	6.55%	6.51%	6.20%
10 Year Gilt	7.67%	7.67%	7.31%	6.88%
G-Sec Vol. (Rs.Cr)	24462	17498	39866	30630
1 Month CP Rate	6.89%	6.91%	6.93%	6.58%
3 Month CP Rate	7.90%	7.88%	7.75%	6.84%
5 Year Corp Bond	8.00%	7.89%	7.78%	7.45%
1 Month CD Rate	6.24%	6.24%	6.24%	5.98%
3 Month CD Rate	7.25%	7.23%	7.21%	6.32%
1 Year CD Rate	7.56%	7.48%	7.45%	6.63%

Currency Market			
Currency	27-Feb	Prev_Day	Change
USD/INR	64.85	64.66	0.19
GBP/INR	90.58	90.65	-0.07
EURO/INR	79.97	79.70	0.27
JPY/INR	0.61	0.61	0.00

Commodity Prices				
Commodity	27-Feb	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	62.93	61.89	66.26	53.99
Brent Crude(\$/bl)	68.23	63.92	69.92	54.36
Gold(\$/oz)	1318	1329	1350	1253
Gold(Rs./10 gm)	30496	30567	30489	29661

Source: ICRON Research

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

Derivatives Market

- Nifty Mar 2018 Futures were at 10564.05 points, a premium of 9.75 points, over the spot closing of 10,554.30. The turnover on NSE's Futures and Options segment went up from Rs. 4,29,229.27 crore on Feb 26 to Rs. 5,55,470.88 crore on Feb 27.
- The Put-Call ratio stood at 0.90 against previous session's close of 0.88.
- The Nifty Put-Call ratio stood at 1.42 against previous session's close of 1.46.
- India VIX moved up 1.66% to 13.9225 from 13.6950 in the previous trading session.
- Open interest on Nifty Futures stood at 22.47 million as against the previous session's close of 21.50 million.

Indian Debt Market

- Bond yields rose on expectations of slower than expected India's Gross Domestic Product (GDP) growth for the quarter ended Dec 2017, which may influence Monetary Policy Committee (MPC) to restrict interest rate rise immediately. GDP data is scheduled to be released on Feb 28. However, fresh supply due to state development auction and following rise in international crude oil prices, weighed on sentiment.
- Yield on the 10-year benchmark paper (7.17% GS 2028) fell 2 bps to close at 7.67% as against previous session's close of 7.69%. During the session, bond yields traded in the range of 7.65% and 7.72%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,585 crore (gross) on Feb 27 compared with Rs. 3,615 crore on Feb 26. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 9,165 crore on Feb 26.

Currency Market Update

- The Indian rupee weakened against the dollar following losses in the domestic equity market. Month end dollar demand from oil importers also weighed on the domestic currency.
- The euro inched down against the greenback as market participants remained on the sidelines ahead of a testimony from the new U.S. Federal Reserve chief which may determine as to what stance the U.S. Federal Reserve may adopt moving forward.

Commodity Market Update

- Gold prices traded lower amid cautious stance ahead of the congressional testimony of the new Federal Reserve Chairman.
- Brent Crude prices were hurt amid concerns over supply glut after the IEA predicted that the United States will surpass Russia as the world's biggest oil producer by 2019, if not sooner.

International News

- A report from the Commerce Department showed that U.S. new home sales surprisingly fell 7.8% to an annual rate of 593,000 in Jan 2018 as against a decline of 7.6% to upwardly revised 643,000 (625,000 originally reported) in Dec 2017. The downside reflects decline in sales in South and North East, by 14.2% and 33.3%, respectively. However, the decline was offset by 15.4% and 1% gain in Midwest and West, respectively.
- A report from the European Central Bank showed that broad monetary aggregate M3 came in line with market expectations and grew 4.6% YoY in Jan 2018 and remained unchanged against Dec 2017. Growth in credit to the private sector grew 3.1% as against an increase of 2.9% in Dec. Loans to private sector gained 3.3% in Jan as against a gain of 2.9% in Dec.



Thank you for
your time.