

RELIANCE

MUTUAL
FUND

Markets for You

02 Jan 2019

Indices Performance

Global Indices	31-Dec	Prev_Day	Abs. Change	% Change [#]
Dow Jones	Closed	23,327	NA	NA
Nasdaq	Closed	6,635	NA	NA
FTSE	Closed	6,728	NA	NA
Nikkei	Closed	20,015	NA	NA
Hang Seng	Closed	25,846	NA	NA
Indian Indices	01-Jan	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	36,255	36,068	186	0.52
Nifty 50	10,910	10,863	48	0.44
Nifty 100	11,149	11,110	39	0.35
Nifty Bank	27,392	27,160	232	0.85
SGX Nifty	10,967	10,929	39	0.35
S&P BSE Power	2,004	1,999	5	0.25
S&P BSE Small Cap	14,767	14,707	60	0.41
S&P BSE HC	13,961	13,923	37	0.27

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
1-Jan	23.79	1.15	26.28	1.24
Month Ago	23.90	1.19	26.31	1.22
Year Ago	25.03	1.13	26.68	1.09

Nifty 50 Top 3 Gainers

Company	01-Jan	Prev_Day	% Change [#]
Bharti Airtel	320	313	2.24
HDFC Ltd.	2009	1968	2.07
HPCL	257	253	1.36

Nifty 50 Top 3 Losers

Company	01-Jan	Prev_Day	% Change [#]
M&M	773	804	-3.79
Hindalco	223	226	-1.53
Wipro	327	331	-1.27

Advance Decline Ratio

	BSE	NSE
Advances	1441	997
Declines	1109	732
Unchanged	151	106

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1002	-1002
MF Flows**	636	120534

*1st Jan 2019; **31st Dec 2018

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	2.33% (Nov-18)	4.17% (Jul-18)	4.88% (Nov-17)
IIP	8.10% (Oct-18)	6.50% (Jul-18)	1.80% (Oct-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 remained closed due to New Year's Day. Today (as of Jan 2), Asian markets opened on a lower note as investors traded cautiously following turbulent 2018. Hangseng fell 0.99% (as at 8.a.m. IST). Nikkei remained closed.
- As per the last close, European markets remained closed on account of New Year Holiday.
- As per the last close, U.S markets remained closed on account of New Year Holiday.

Indian Equity Market

- Indian equity markets entered the New Year on a positive note though the start was weak. Initially in the day, indices lost ground as core sector data came in weak compared with the previous month. The growth of index of eight core industries was at 3.5% in Nov 2018 as against growth of 4.8% in Oct 2018. Lack of global cues because of New Year's holiday also left investors guessing. In the last hour of trading, markets picked up and ended in the green. Markets could have got support from the government injecting Rs. 10,882 crore in four public sector banks. This is part of the Rs. 28,615 crore capital infusion the government announced in the beginning of Dec 2018.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.52% and 0.44% to close at 36,254.57 and 10,910.10, respectively. S&P BSE Mid-Cap lost 0.08% and S&P BSE Small Cap increased 0.41%.
- The overall market breadth on BSE was strong with 1,441 scrips advancing and 1,109 scrips declining. A total of 151 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Realty was the major gainer, up 2.21%, while S&P BSE Metal was the major loser, down 0.74%.

Domestic News

- The growth of index of eight core industries came in at 3.5% in Nov 2018 as against growth of 4.8% in Oct 2018. Cement witnessed the maximum growth of 8.8% (though it declined as against the previous month), followed by steel and electricity that surged 6.0% and 5.4%, respectively. Fertilizer sector witnessed the maximum decline of 8.1% and crude oil went down 3.5%. Crude oil sector has been witnessing decline for past one year.
- The government has injected Rs. 10,882 crore in four public sector banks. This is part of the Rs. 28,615 crore capital infusion the government will do in about half a dozen public sector lenders.
- The finance ministry has said the government is closely observing the macroeconomic conditions to make sure that the fiscal deficit remains within the target of 3.3% of GDP for 2018-19. The government has directed ministries and departments to meet their extra requirement of funds from savings and keep their expenditure within the amount earmarked in the Budget for 2018-19.
- The Reserve Bank of India (RBI) said stress tests have indicated that further improvement in banks' asset quality would be made in the new year. In the baseline scenario, the gross non-performing asset (NPA) ratio may decline from 10.8% in Sep 2018 to 10.3% in Mar 2019 and 10.2% in Sep 2019, RBI said in its biannual Financial Stability Report (FSR). The RBI governor said in the report that after a prolonged period of stress, the load of impaired assets is receding as banks have reported their first half-yearly decline in the gross NPAs ratio since Sep 2015. Gross non-performing assets ratio of scheduled commercial banks declined from 11.5% in Mar 2018 to 10.8% in Sep 2018.
- Steel, wooden items and machinery product exporters have raised concern over China hiking the refund on value-added tax (VAT) on these products without increasing the actual tax. China has increased the export tax rebate on about 400 "electromechanical and cultural" products, including steel bars, nuts, bolts, safety pins, rivets, photo frames and wooden products to "improve the export tax rebate policy" in the past few months.

FII Derivative Trade Statistics		01-Jan	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2603.79	2053.91	25009.50
Index Options	49936.52	48242.91	40370.46
Stock Futures	8513.98	8523.47	79017.74
Stock Options	2863.44	2779.28	2887.33
Total	63917.73	61599.57	147285.03

Derivative Statistics- Nifty Options			
	01-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.53	1.54	-0.01
Put Call Ratio(Vol)	0.96	0.93	0.03

Debt Watch				
	01-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.34%	6.50%	6.41%	5.92%
T-Repo	6.19%	6.52%	6.29%	--
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
91 Day T-Bill	6.61%	6.60%	6.77%	6.12%
364 Day T-Bill	6.93%	6.95%	7.19%	6.29%
10 Year Gilt	7.42%	7.29%	7.61%	7.34%
G-Sec Vol. (Rs.Cr)	24846	21720	38079	21453
FBIL MIBOR*	6.73%	6.60%	6.55%	6.00%
3 Month CP Rate	7.70%	7.20%	7.75%	7.20%
5 Year Corp Bond	8.33%	8.22%	8.43%	7.99%
1 Month CD Rate	6.72%	7.13%	6.65%	6.26%
3 Month CD Rate	7.44%	7.10%	7.24%	6.31%
1 Year CD Rate	8.24%	8.17%	8.48%	6.99%

Currency Market			
Currency	01-Jan	Prev_Day	Change
USD/INR	69.71	69.79	-0.08
GBP/INR	88.97	88.55	0.43
EURO/INR	79.93	79.78	0.15
JPY/INR	0.64	0.63	0.00

Commodity Prices				
Commodity	01-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	Closed	45.33	50.73	60.41
Brent Crude(\$/bl)	Closed	51.87	57.55	67.07
Gold(\$/oz)	1282	1268	1222	1302
Gold(Rs./10 gm)	31531	31190	30240	29363

Source: Thomson Reuters Eikon

*As on 31-12-18

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Derivatives Market

- Nifty Jan 2019 settled at 10,960.55, a premium of 50.45 points, over the spot closing 10,910.10. The turnover on NSE's Futures and Options segment rose to Rs. 5,67,489.25 crore on Jan 1, 2019, compared with Rs. 4,00,246.92 crore on Dec 28.
- The Put-Call ratio stood at 0.85 against the previous day's close of 0.90.
- India VIX fell 4.67% to 15.2525 compared with 16.0000 at the previous trading session.
- Open interest on Nifty Futures stood at 24.00 million as against the previous session's close at 23.06 million.

Indian Debt Market

- Bond yields rose on higher than expected planned borrowings of the state government for the Jan-Mar period of 2019. This weighed down on market's sentiment.
- Yield on the 10-year benchmark paper (7.17% GS 2028) increased 5 bps to close at 7.42% as compared with 7.37% in the previous session after trading in the range of 7.37% to 7.45%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,844 crore (gross) on Jan 1, 2019 compared with a borrowing of Rs. 4,138 crore (gross) on Dec 31, 2018. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 91,688 crore on Dec 31, 2018.
- Banks borrowed Rs. 5,735 crore under the central bank's Marginal Standing Facility on Dec 31, 2018 compared with borrowing of Rs. 126 crore Dec 28, 2018.

Currency Market Update

- The Indian rupee closed positive in the first trading session of 2019, supported by the progress in U.S.-China trade talks and an overnight fall in greenback. The rupee closed at 69.45 a dollar, up 0.46% compared with the previous close of 69.77.
- The euro gained on hopes of improving U.S.-China trade relations following their Presidents' discussion on resolving trade differences. However, the upside remained limited on expectations of slow economic growth and weak inflation in Europe.

Commodity Market Update

- Gold prices traded at a marginal loss due to optimism on easing trade tension between U.S. and China. Gold prices were last seen trading at \$1,282.17 per ounce compared with previous close of \$1,282.73 per ounce.
- Brent crude market remained closed due to public holiday.

International News

- A report from the Hellenic Statistical Authority showed that Greece's retail turnover fell 2.2% YoY in Oct 2018 as against an increase of 4.5% in Sep 2018. Sales fell for the first time since Feb 2018. The decline mainly reflects 7.3% fall in pharmaceutical products and cosmetics, and a 2.6% fall in clothing and footwear.
- A report from the Turkish Statistical Institute showed that Turkey's visible trade deficit fell 89.8% YoY to \$651 million in Nov 2018 as against \$6.359 billion in Nov 2017. Exports grew 9.4% YoY and imports fell 21.3%.
- According to a report from the Department of Statistics, Malaysia's producer prices fell 2.9% YoY in Nov 2018 as against an increase of 0.7% in Oct 2018.

Thank you for
your time.