

RELIANCE

MUTUAL
FUND

Markets for You

04 Jan 2019

Indices Performance

Global Indices	03-Jan	Prev_Day	Abs. Change	% Change [#]
Dow Jones	22,686	23,346	-660	-2.83
Nasdaq	6,464	6,666	-202	-3.04
FTSE	6,693	6,734	-42	-0.62
Nikkei	Closed	Closed	NA	NA
Hang Seng	25,064	25,130	-66	-0.26
Indian Indices	03-Jan	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	35,514	35,892	-378	-1.05
Nifty 50	10,672	10,793	-120	-1.11
Nifty 100	10,915	11,032	-117	-1.06
Nifty Bank	26,960	27,175	-215	-0.79
SGX Nifty	10,725	10,967	-242	-2.21
S&P BSE Power	1,947	1,974	-27	-1.37
S&P BSE Small Cap	14,573	14,658	-86	-0.58
S&P BSE HC	13,742	13,886	-143	-1.03

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
3-Jan	23.03	1.19	25.71	1.26
Month Ago	23.56	1.21	26.33	1.22
Year Ago	25.08	1.13	26.70	1.09

Nifty 50 Top 3 Gainers

Company	03-Jan	Prev_Day	% Change [#]
Bharti Infratel	272	264	2.78
Asian Paints	1388	1383	0.36
Bajaj Auto	2701	2692	0.35

Nifty 50 Top 3 Losers

Company	03-Jan	Prev_Day	% Change [#]
Eicher Motors	20211	21162	-4.49
Indian Oil	133	137	-3.35
HPCL	248	257	-3.22

Advance Decline Ratio

	BSE	NSE
Advances	921	569
Declines	1656	1199
Unchanged	149	110

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-435	-965
MF Flows**	202	732

*3rd Jan 2019; **2nd Jan 2019

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 were mostly lower as an unexpected earnings revision by a global tech major sent investors scurrying for less risky assets. This is the first time in 12 years that the tech major has downgraded its revenue forecast as it sees weaker sales of its flagship mobile in China. This added to investor concern of a slowing global economy. Today (as of Jan 4), Asian markets opened lower following sharp decline in the U.S. Wall Street. Both Nikkei and Hangseng were trading down 3.71% and 0.09%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed lower on global growth concerns after a U.S. Technology major lowered its forecast for first quarter due to economic weakness in some emerging markets. Disappointing U.S. manufacturing data for Dec 2018 added to the losses.
- As per the last close, U.S markets closed on a lower note after a U.S. Technology major downwardly revised its revenue guidance for first quarter owing to economic weakness in some emerging markets. Weak U.S. manufacturing data for Dec 2018 also weighed on the market sentiment.

Indian Equity Market

- Indian equity markets lost on account of weakness in Asian peers and investor cautiousness ahead of corporate earnings. Companies are slated to release their third-quarter earnings from the second week of Jan 2019. Markets in Asia were burdened by the revised earnings estimate of a global technology major and political instability in the U.S.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 1.05% and 1.11% to close at 35,513.71 and 10,672.25, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap lost 1.03% and 0.58%, respectively.
- The overall market breadth on BSE was weak with 1,656 scrips declining and 921 scrips advancing. A total of 149 scrips remained unchanged.
- On the BSE sectoral front, all the sectors except S&P BSE Telecom (0.57%) and S&P BSE Fast Moving Consumer Goods (0.07%) lost. S&P BSE Metal was the major loser, down 2.35%, followed by S&P BSE Oil & Gas and S&P BSE Basic Materials, down 1.75% and 1.66%, respectively. S&P BSE Capital Goods and S&P BSE Energy lost 1.63% and 1.52%, respectively.

Domestic News

- According to data from the Centre for Monitoring Indian Economy (CMIE), investments in the Dec quarter fell to a 14-year-low. Indian companies announced new projects worth Rs. 1 trillion in the quarter, which is 53% lower than what was announced in the Sep quarter, and 55% lower than the year-ago period. There was a sharp decline in new project announcements by the private sector. New private sector projects fell 62% in the Dec quarter compared with the Sep quarter, and 64% compared with the year-ago period. New public sector projects also decreased against the Sep quarter of FY19. Fresh investment announcements in the public sector decreased 37% QoQ and 41% YoY to Rs. 50,604 crore, which is the lowest level since Dec 2004. All major sectors witnessed fall in fresh investments with the exception of the construction sector, which had a low base and saw only a marginal improvement.
- Interest rate on post office time deposit schemes have been revised by the government. The rates remain the same on other small savings schemes like Public Provident Fund, Sukanya Samriddhi account and Senior Citizen Savings schemes. Interest rate on 1-year post office time deposit have been increased to 7% (compounding quarterly) for the Jan-Mar 2019 quarter from 6.9% in the previous quarter. The rate on the 3-year deposit has been lowered to 7% from 7.2%.
- The National Highways Authority of India (NHAI) plans to raise Rs. 10,000 crore via Bharatmala Taxable Bonds in 2018-19. The government has approved NHAI raising of Rs. 62,000 crore in 2018-19.
- India will not impose anti-dumping duty on coated paper from China, European Union and the U.S. This has happened after the commerce ministry's investigation arm Directorate General of Trade Remedies did not find any impact on the domestic industry because of the alleged dumped imports.

FII Derivative Trade Statistics		03-Jan	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	3753.34	4570.43	26870.00
Index Options	142014.11	141933.40	43081.61
Stock Futures	12988.57	13959.07	79296.25
Stock Options	6368.68	6274.82	4486.31
Total	165124.70	166737.72	153734.17

Derivative Statistics- Nifty Options			
	03-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.34	1.47	-0.14
Put Call Ratio(Vol)	0.84	0.85	-0.01

Debt Watch				
	03-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.31%	6.58%	6.33%	5.84%
T-Repo	6.24%	6.60%	6.25%	--
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%	6.66%	6.70%	6.11%
364 Day T-Bill	6.87%	6.92%	7.19%	6.46%
10 Year Gilt	7.43%	7.28%	7.63%	7.32%
G-Sec Vol. (Rs.Cr)	37998	31874	40281	41316
FBIL MIBOR*	6.50%	6.65%	6.50%	5.99%
3 Month CP Rate	7.85%	7.25%	7.75%	7.23%
5 Year Corp Bond	8.35%	8.24%	8.53%	8.00%
1 Month CD Rate	6.80%	7.07%	6.69%	6.22%
3 Month CD Rate	7.37%	7.07%	7.27%	6.60%
1 Year CD Rate	8.23%	8.06%	8.48%	7.04%

Currency Market			
Currency	03-Jan	Prev_Day	Change
USD/INR	70.36	69.61	0.75
GBP/INR	88.28	88.83	-0.55
EURO/INR	79.92	79.96	-0.04
JPY/INR	0.66	0.64	0.02

Commodity Prices				
Commodity	03-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	46.87	44.43	52.93	61.56
Brent Crude(\$/bl)	53.12	51.43	60.01	68.24
Gold(\$/oz)	1294	1275	1231	1313
Gold(Rs./10 gm)	31883	31513	30664	29434

Source: Thomson Reuters Eikon

* As on Jan-2-2019

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Derivatives Market

- Nifty Jan 2019 settled at 10,718.50, a premium of 46.25 points, over the spot closing of 10,672.25. The turnover on NSE's Futures and Options segment rose to Rs. 18,81,982.17 crore on Jan 3, 2019, compared with Rs. 5,67,285.76 crore on Jan 2.
- The Put-Call ratio stood at 0.75.
- The Nifty Put-Call ratio stood at 1.34 compared with the previous session's close of 1.47.
- India VIX increased 2.45% to 16.7900 compared with 16.3875 at the previous trading session.
- Open interest on Nifty Futures stood at 26.15 million as against the previous session's close at 24.95 million.

Indian Debt Market

- Bond yields rose on fears of widening fiscal deficit, which dampened investor sentiment. The depreciation of rupee also triggered the yield to end higher.
- Yield on the 10-year benchmark paper (7.17% GS 2028) increased 8 bps to close at 7.43% as compared with 7.35% in the previous session after trading in the range of 7.38% to 7.43%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,661 crore (gross) on Jan 3, 2019 compared with a borrowing of Rs. 3,401 crore (gross) on Jan 2, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 39,348 crore on Jan 2, 2019.
- Banks borrowed Rs. 60 crore under the central bank's Marginal Standing Facility on Jan 2, 2019 compared with borrowing of Rs. 572 crore Jan 1, 2019.

Currency Market Update

- The Indian rupee was steady against the greenback as weak global cues that weighed down on investors' risk appetite were more than compensated after foreign banks increased dollar sales. The rupee closed at 70.15 a dollar, up 0.03% compared with the previous close of 70.17.
- The euro edged higher as the greenback came under the pressure due to concerns over U.S. economic growth and the Federal Reserve's policy stance on slowing the pace of interest rate hikes.

Commodity Market Update

- Gold prices traded higher on signs of weak Chinese economy, concerns over Brexit and U.S.-China trade dispute.
- Brent crude prices slumped on signs of weak Chinese economy and disturbance in the global equity and currency markets.

International News

- According to a report from the IHS Markit U.K. CIPS Purchasing Managers' Index (PMI) fell to 52.8 in Dec 2018 from 53.4 in Nov 2018. This marked the weakest growth in three months due to slower rise in commercial work. New order growth was subdued in Dec 2018, thereby resulting in softer output growth.
- A report from the IHS Markit showed that China's headline Caixin Factory PMI (seasonally adjusted) declined to 49.7 in Dec 2018 from 50.2 in Nov 2018. The total new work witnessed decline for the first time since Jun 2016. Meanwhile, new export business fell for the ninth consecutive month, though at a softer pace.



Thank you for
your time.