

**RELIANCE**

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# Markets for You

11 Jan 2019

**Indices Performance**

Global Indices	10-Jan	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	24,002	23,879	123	0.51
Nasdaq	6,986	6,957	29	0.42
FTSE	6,943	6,907	36	0.52
Nikkei	20,164	20,427	-263	-1.29
Hang Seng	26,521	26,462	59	0.22
Indian Indices	10-Jan	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	36,107	36,213	-106	-0.29
Nifty 50	10,822	10,855	-34	-0.31
Nifty 100	11,054	11,078	-24	-0.21
Nifty Bank	27,529	27,720	-192	-0.69
SGX Nifty	10,853	10,893	-41	-0.37
S&P BSE Power	1,981	1,975	6	0.31
S&P BSE Small Cap	14,628	14,601	27	0.19
S&P BSE HC	14,037	13,971	66	0.47

**P/E Dividend Yield**

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
10-Jan	23.50	1.17	26.07	1.25
Month Ago	22.86	1.24	25.37	1.27
Year Ago	25.40	1.12	27.18	1.07

**Nifty 50 Top 3 Gainers**

Company	10-Jan	Prev_Day	% Change <sup>#</sup>
Tata Motors	186	183	1.48
Titan Industries Limited	967	953	1.44
Eicher Motors	20556	20291	1.31

**Nifty 50 Top 3 Losers**

Company	10-Jan	Prev_Day	% Change <sup>#</sup>
HPCL	233	239	-2.55
IndusInd Bank	1566	1602	-2.24
Bharti Infratel	285	290	-1.83

**Advance Decline Ratio**

	BSE	NSE
	Advances	1215
Declines	1390	886
Unchanged	149	117

**Institutional Flows (Equity)**

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	478	-2367
MF Flows**	219	2585

\*10<sup>th</sup> Jan 2019; \*\*9<sup>th</sup> 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 mixed as U.S. and China's three-day trade meet did not end with any specific announcements. Investors were expecting a major breakthrough from the trade talks but had to make do with China's statement that the meetings were "extensive, in-depth and detailed". Today (as of Jan 11), Asian markets opened almost higher following gains in Wall Street in the last session. Nikkei and Hangseng grew 0.80% and 0.05%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed slightly higher amid optimism over a long-term trade deal between the U.S. and China. However, no significant breakthroughs and expectation of more concrete results restricted the gains. Weakness in auto stocks after a couple of auto majors announced job cuts, weighed on the indices.
- As per the last close, U.S markets closed almost higher following bigger than expected drop in initial jobless claims for the week ended Jan 5. Optimism that U.S. and China will finally reach a long-term trade deal boosted the indices. However, no significant breakthroughs, and concerns over U.S. government shutdown restricted the gains.

**Indian Equity Market**

- Indian equity markets declined, snapping the four-day rally, as investors remained cautious ahead of the earnings release of an information technology major. Also, sentiment was subdued on tepid global cues since U.S. and China's three-day meeting ended without any significant announcements.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.29% and 0.31%, respectively, to close at 36,106.50 and 10,821.60, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap gained 0.49% and 0.19%, respectively.
- The overall market breadth on BSE was weak with 1215 scrips advancing and 1390 scrips declining. A total of 149 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Consumer Durables was the major gainer, up 0.71%, followed by S&P BSE Healthcare and S&P BSE Industrials, up 0.47% and 0.46%, respectively. S&P BSE Utilities and S&P BSE Capital Goods gained 0.45% and 0.38%, respectively. S&P BSE Oil & Gas was the major loser, down 0.81%, followed by S&P BSE Bankex and S&P BSE Energy, down 0.75% and 0.52%, respectively.

**Domestic News**

- The GST Council has doubled the GST exemption limit for micro, small and medium enterprises (MSMEs) with an annual turnover of Rs. 40 lakh from the current Rs. 20 lakh. For North East and hilly states, the limit has been raised to Rs. 20 lakh from Rs. 10 lakh. Service providers with a turnover of up to Rs. 50 lakh can now use the composition scheme as well at a rate of 6%. The ones who use the scheme will have to file tax on a quarterly basis. Returns can be filed annually. The council has allowed Kerala to levy a calamity cess of 1% on intra-state sales for a maximum period of two years. On real estate and uniformity of taxes on lotteries, two separate groups of ministers have been constituted to develop consensus.
- According to media reports, India's sugar exports could be far lower than a 5 million-tonne target set by the government. This is because of a strengthening rupee and falling global prices that make shipments unattractive despite a government push for overseas sales. India could export 2.5 million to 3.5 million tonne of sugar in the 2018/19 marketing year, which started Oct 1, 2018, the report said.
- TCS announced that its profit grew 24.1% YoY to Rs. 8,105 crore for the quarter ended Dec 2018 as against Rs. 6,531 crore in the previous year period. Revenue for the quarter grew 20.80% YoY to Rs. 37,338 crore.
- Ashok Leyland announced that it has received orders for 2,580 buses from Institute of Road Transport, Chennai, Uttar Pradesh State Roadways Transport Corporation and Chandigarh Transport Undertaking.
- Bandhan Bank announced that its net profit came in at Rs. 331.27 crore for the quarter ended Dec 2018, up 10.41% YoY from Rs. 300.04 crore in the year-ago period. Net interest margin came in at 10.50% in the month under review as against 10.30% in the previous year period.

FII Derivative Trade Statistics		10-Jan	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	3809.87	3349.39	31476.85
Index Options	129123.93	127874.85	54781.09
Stock Futures	12377.69	12744.15	82898.30
Stock Options	7125.50	7089.91	7282.46
Total	152436.99	151058.30	176438.70

Derivative Statistics- Nifty Options			
	10-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.46	1.43	0.03
Put Call Ratio(Vol)	0.95	1.01	-0.07

Debt Watch				
	10-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.36%	6.31%	6.42%	5.89%
T-Repo	6.45%	6.24%	6.46%	--
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
91 Day T-Bill	6.62%	6.61%	6.67%	6.32%
364 Day T-Bill	6.85%	6.87%	7.06%	6.49%
10 Year Gilt	7.48%	7.43%	7.59%	7.26%
G-Sec Vol. (Rs.Cr)	35611	37998	34033	35340
FBIL MIBOR*	6.55%	6.50%	6.50%	6.00%
3 Month CP Rate	7.70%	7.85%	7.35%	7.34%
5 Year Corp Bond	8.37%	8.33%	8.48%	8.05%
1 Month CD Rate	6.61%	6.80%	7.01%	6.24%
3 Month CD Rate	6.64%	7.37%	7.12%	6.75%
1 Year CD Rate	7.77%	8.23%	8.24%	7.08%

Currency Market			
Currency	10-Jan	Prev_Day	Change
USD/INR	70.51	70.44	0.07
GBP/INR	90.17	89.72	0.44
EURO/INR	81.49	80.71	0.78
JPY/INR	0.65	0.65	0.01

Commodity Prices				
Commodity	10-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	52.37	46.87	51.02	63.55
Brent Crude(\$/bl)	60.31	53.12	60.31	70.61
Gold(\$/oz)	1286	1294	1245	1317
Gold(Rs./10 gm)	32116	31883	31423	29563

Source: Thomson Reuters Eikon

\*As on Jan 9, 2019

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- Nifty Jan 2019 Futures were at 10,857.75, a premium of 36.15 points, over the spot closing of 10,821.60. The turnover on NSE's Futures and Options segment rose to Rs. 16,55,517.69 crore on Jan 10, 2019, compared with Rs. 11,17,242.10 crore on Jan 9, 2019.
- The Put-Call ratio stood at 0.79 compared with previous close of 0.96.
- The Nifty Put-Call ratio stood at 1.46 compared with previous close of 1.43.
- India VIX decreased 0.13% to 15.2900 compared with 15.2700 at the previous trading session.
- Open interest on Nifty Futures stood at 26.43 million as against the previous close at 26.62 million.

**Indian Debt Market**

- Bond yield continued to rise tracking the rise in crude oil prices, which dampened the market sentiment. This heightened concerns over foreign fund outflow, particularly amid worries of widening current account deficit.
- Yield on the 10-year benchmark paper (7.17% GS 2028) increased 1 bps to close at 7.48% as compared with 7.47% in the previous session after trading in the range of 7.46% to 7.52%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,311 crore (gross) on Jan 10, 2019 compared with a borrowing of Rs. 5,401 crore (gross) on Jan 9, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 6,349 crore on Jan 9, 2019.
- Banks borrowed Rs. 450 crore under the central bank's Marginal Standing Facility on Jan 9, 2019 compared with borrowing of Rs. 1,700 crore on Jan 8, 2019.

**Currency Market Update**

- The Indian rupee rose against the greenback following dollar sales by exporters. However, the local unit's upside was limited by the continuous surge in global crude oil prices amid worries of widening current account deficit. The rupee closed at 70.41, up 0.07% compared with the previous close of 70.46.
- The euro stood strong against the greenback following the U.S. Fed's cautious stance on interest rate hikes. This reduced the safe-haven appeal of dollar, making market participants buy euro. The euro was last seen trading at 1.1526.

**Commodity Market Update**

- Gold prices strengthened on dollar weakness amid concerns over the U.S. government shutdown.
- Brent crude prices extended gains amid ongoing negotiations between U.S. and China to improve trade relations.

**International News**

- According to the latest minutes of U.S. Federal Reserve's policy meeting, the central bank will take a patient approach to further rate hikes. The central bank had raised interest rate by quarter point however, showed volatility in financial markets and increased concerns about global economic growth.
- According to preliminary data from INSEE, industrial production in France fell 1.3% in Nov 2018 as against increase of 1.3% in the previous month.
- According to the National Bureau of Statistics, consumer price inflation in China came in at 1.9% YoY in Dec 2018 as against 2.2% in Nov 2018. The producer prices of the country rose 0.9% YoY following 2.7% increase in the previous month.



Thank you for  
your time.