

**RELIANCE**

MUTUAL  
FUND

# Markets for You

14 Jan 2019

Indices Performance

Global Indices	11-Jan	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	23,996	24,002	-6	-0.02
Nasdaq	6,971	6,986	-15	-0.21
FTSE	6,918	6,943	-25	-0.36
Nikkei	20,360	20,164	196	0.97
Hang Seng	26,667	26,521	146	0.55
Indian Indices	11-Jan	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	36,010	36,107	-97	-0.27
Nifty 50	10,795	10,822	-27	-0.25
Nifty 100	11,026	11,054	-29	-0.26
Nifty Bank	27,454	27,529	-75	-0.27
SGX Nifty	10,815	10,853	-38	-0.35
S&P BSE Power	1,976	1,981	-5	-0.23
S&P BSE Small Cap	14,600	14,628	-28	-0.19
S&P BSE HC	14,019	14,037	-17	-0.12

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
11-Jan	23.57	1.16	26.00	1.25
Month Ago	22.83	1.25	25.52	1.26
Year Ago	25.50	1.11	27.23	1.06

Nifty 50 Top 3 Gainers

Company	11-Jan	Prev_Day	% Change <sup>#</sup>
ITC	295	290	1.99
United Phos	783	773	1.34
Indian Oil	131	130	1.00

Nifty 50 Top 3 Losers

Company	11-Jan	Prev_Day	% Change <sup>#</sup>
IndusInd Bank	1515	1566	-3.24
Tata Motors	180	186	-2.93
Bharti Infratel	277	285	-2.75

Advance Decline Ratio

	BSE	NSE
Advances	1160	737
Declines	1459	1017
Unchanged	170	124

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-308	-2675
MF Flows**	304	2887

\*11<sup>th</sup> Jan 2019; \*\*10<sup>th</sup> Jan 2019

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	2.33%	4.17%	4.88%
	(Nov-18)	(Jul-18)	(Nov-17)
IIP	0.50%	6.50%	8.50%
	(Nov-18)	(Jul-18)	(Nov-17)
GDP	7.10%	8.20%	6.30%
	(Sep-18)	(Jun-18)	(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 high after China said trade talks with U.S. were extensive and have helped establish a "foundation" to resolve the differences. The U.S. Federal Reserve's meeting minutes showing the bank will take a patient approach going forward added to the gains. Also, prospects for more Chinese stimulus supported sentiment. Today (as of Jan 14), Asian markets opened on mixed note as investors await China's trade data. While Nikkei was closed due to public holiday, Hang Seng was trading lower 0.40% (as at 8 a.m. IST).
- As per the last close, European markets mostly fell on concerns about the U.S. government shutdown, a Brexit impasse and the lack of any clear resolution to the U.S-China trade talks.
- As per the last close, U.S markets were little changed after a range bound movement. Concerns about the ongoing U.S. government shutdown and skepticism about a potential trade deal between the U.S. and China, weighed on the markets.

Indian Equity Market

- Indian equity markets were subdued and ended the week in the red. Sentiment was hit by a major information technology company's earnings missing estimates. Investors are also awaiting the earnings of other major companies.
- Key benchmark indices S&P BSE Sensex and Nifty 50 lost 0.27% and 0.25%, respectively, to close at 36,009.84 and 10,794.95, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap lost 0.13% and 0.19%, respectively.
- The overall market breadth on BSE was weak with 1459 scrips declining and 1160 scrips advancing. A total of 170 scrips remained unchanged.
- On the BSE sectoral front, only two sectors gained. S&P BSE Fast Moving Consumer Goods was the major gainer, up 0.54%, followed by S&P BSE Oil & Gas, up 0.13%. S&P BSE Metal was hardly changed from the previous session. S&P BSE Realty was the major loser, down 1.43%, followed by S&P BSE Telecom and S&P BSE Basic Capital Markets, down 1.11% and 0.93%, respectively. S&P BSE Industrials and S&P BSE Auto fell 0.86% and 0.76%, respectively.

Domestic News

- The Index of Industrial Production (IIP) rose to 0.5% in Nov 2018 as against an upwardly revised growth of 8.4% (8.1% originally reported) in the previous month and 8.5% in the same period of the previous year. This marked a 17-month low. For the period from Apr to Nov of 2018, IIP grew 5.0% as against an increase of 3.2% in the same period of the previous year. On the sectoral front, the manufacturing sector fell 0.4% in Nov 2018 compared with growth of 10.4% in the same month of the previous year.
- Asian Development Bank (ADB) will increase India's funding to \$4.5 billion (about Rs. 31,500 crore) in 2019. The multilateral funding agency has projected Indian economy to grow at 7.3% in 2018-19 and improve further to 7.6% in 2019-20 as investments pick up and GST stabilisation adds to revenues. ADB had committed \$3.03 billion in sovereign loans to India in 2018, which was the highest ever annual lending. Of this, \$557 million loan was for the private sector. The funding depends on the readiness of projects in the country.
- The Union cabinet has approved a proposal for a \$75-billion bilateral swap arrangement with Japan. This will enhance the Reserve Bank of India's (RBI) ability to manage exchange rate volatility. The cabinet chaired by the Prime Minister has approved the proposal for entering into an agreement for the bilateral swap arrangement (BSA) between India and Japan. The BSA will help in mutual cooperation for strategic objective of assisting each other in times of difficulty and for restoring international confidence.
- Infosys third-quarter net profit declined 29.6% to Rs. 3,609 crore from Rs. 5,129 crore in the year-ago period. On a sequential basis, profit after tax fell 12.18%. The company has announced special dividend of Rs. 4. It said Jan 25, 2019, will be record date and Jan 28, 2019, the payment date.

FII Derivative Trade Statistics		11-Jan		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	2117.97	1691.74	31987.43	
Index Options	123086.47	121061.74	54860.16	
Stock Futures	8948.08	8626.10	82857.50	
Stock Options	4803.97	4778.51	7901.72	
Total	138956.49	136158.09	177606.81	

Derivative Statistics- Nifty Options			
	11-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.39	1.46	-0.07
Put Call Ratio(Vol)	0.89	0.95	-0.06

Debt Watch				
	11-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.35%	6.31%	6.48%	5.88%
T-Repo	6.38%	6.23%	6.55%	--
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
91 Day T-Bill	6.60%	6.58%	6.67%	6.30%
364 Day T-Bill	6.85%	6.85%	7.07%	6.50%
10 Year Gilt	7.50%	7.45%	7.53%	7.26%
G-Sec Vol. (Rs.Cr)	38698	34618	73572	25901
FBI MIBOR	6.50%	6.46%	6.54%	6.00%
3 Month CP Rate	7.70%	7.85%	7.40%	7.35%
5 Year Corp Bond	8.38%	8.38%	8.45%	8.02%
1 Month CD Rate	6.71%	6.73%	7.10%	6.24%
3 Month CD Rate	7.48%	7.49%	7.19%	6.83%
1 Year CD Rate	7.90%	8.16%	8.37%	7.09%

Currency Market			
Currency	11-Jan	Prev_Day	Change
USD/INR	70.47	70.51	-0.04
GBP/INR	89.92	90.17	-0.25
EURO/INR	81.21	81.49	-0.28
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	11-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	51.39	47.71	51.60	63.76
Brent Crude(\$/bl)	58.88	55.23	59.75	71.18
Gold(\$/oz)	1288	1285	1243	1322
Gold(Rs./10 gm)	32117	31769	31616	29606

Source: Thomson Reuters Eikon

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#### Derivatives Market

- Nifty Jan 2019 Futures were at 10,827.60, a premium of 32.65 points, over the spot closing of 10,794.95. The turnover on NSE's Futures and Options segment declined to Rs. 5,03,549.10 crore on Jan 11, 2019, compared with Rs. 16,55,517.69 crore on Jan 10, 2019.
- The Put-Call ratio stood at 0.92 compared with the previous session's close of 0.79.
- The Nifty Put-Call ratio stood at 1.39 compared with the previous session's close of 1.46.
- Open interest on Nifty Futures stood at 26.09 million as against the previous session's close at 26.43 million.

#### Indian Debt Market

- Bond yield rose as crude oil prices continued to surge on optimism of US. And China trade talks. The rise in crude prices dampened market sentiments and added to the fiscal worries.
- Yield on the 10-year benchmark paper (7.17% GS 2028) increased 2 bps to close at 7.50% as compared with 7.48% in the previous session after trading in the range of 7.44% to 7.52%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,327 crore (gross) on Jan 11, 2019 compared with a borrowing of Rs. 3,311 crore (gross) on Jan 10, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 15,636 crore on Jan 10, 2019.
- Banks borrowed Rs. 225 crore under the central bank's Marginal Standing Facility on Jan 10, 2019 compared with borrowing of Rs. 450 crore on Jan 9, 2019.

#### Currency Market Update

- The Indian rupee declined against the greenback tracking the surge in crude oil prices, which dampened market sentiments by adding to the fiscal worries. The rupee closed at 70.49 a dollar, down 0.11% compared with the previous close of 70.41.
- The euro stood gained on greenback weakness following the U.S. Federal Reserve's cautious approach on additional interest rate hikes. This lowered the safe-haven appeal of dollar, lifting euro. The euro was last seen trading at 1.1521 a dollar, up 0.20% compared with the previous close of 1.1498.

#### Commodity Market Update

- Gold prices strengthened on dollar weakness following the U.S. Federal Reserve Chairman's comment that hinted the cautious stance of slowing the pace of interest rate hikes.
- Brent crude price continues to gains amid optimism on the ongoing negotiations between U.S. and China.

#### International News

- According to a Labor Department report, consumer prices in the U.S. decreased slightly in Dec 2018, reflecting a steep drop in gasoline prices. The Labor Department said its consumer price index slipped by 0.1% in Dec after coming in unchanged in Nov 2018. The drop matched economist estimates.
- Office for National Statistics showed U.K. economic growth eased further in the quarter to Nov 2018. The pace of expansion has slowed to a six-month low on the back of weak performance in manufacturing. Activity was damped by uncertainties linked to global trade and Brexit. Growth in gross domestic product slowed to 0.3% from 0.4% in the three months to Oct 2018.

Thank you for  
your time.