

RELIANCE

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FUND

# Markets for You

21 Jan 2019

Indices Performance

Global Indices	18-Jan	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	24,706	24,370	336	1.38
Nasdaq	7,157	7,084	73	1.03
FTSE	6,968	6,835	133	1.95
Nikkei	20,666	20,402	264	1.29
Hang Seng	27,091	26,756	335	1.25
Indian Indices	18-Jan	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	36,387	36,374	13	0.03
Nifty 50	10,907	10,905	2	0.02
Nifty 100	11,110	11,124	-14	-0.13
Nifty Bank	27,457	27,529	-72	-0.26
SGX Nifty	10,955	10,933	22	0.20
S&P BSE Power	1,955	1,963	-9	-0.45
S&P BSE Small Cap	14,505	14,612	-107	-0.73
S&P BSE HC	13,802	14,083	-282	-2.00

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
18-Jan	23.96	1.16	26.19	1.24
Month Ago	24.09	1.18	26.39	1.22
Year Ago	25.90	1.09	27.25	1.05

Nifty 50 Top 3 Gainers

Company	18-Jan	Prev_Day	% Change <sup>#</sup>
RIL	1184	1134	4.40
Wipro	346	335	3.21
Kotak Bank	1240	1220	1.66

Nifty 50 Top 3 Losers

Company	18-Jan	Prev_Day	% Change <sup>#</sup>
Sun Pharma	391	427	-8.39
Bharti Airtel	311	332	-6.29
GAIL	322	332	-3.08

Advance Decline Ratio

	BSE	NSE
Advances	867	522
Declines	1678	1230
Unchanged	166	122

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	892	-2986
MF Flows**	-380	4718

\*18<sup>th</sup> Jan 2019; \*\*17<sup>th</sup> Jan 2019

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	2.19%	3.70%	5.21%
	(Dec-18)	(Sep-18)	(Dec-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 gained amid optimism on U.S.-China trade relations and easing global growth worries. A report claimed U.S. could soon lift trade tariffs on China. Strong U.S. economic data has negated some of the concerns over global growth. Today (as of Jan 21), Asian markets opened higher ahead of release of important Chinese data. Both Nikkei and Hang Seng were trading higher 0.38% and 0.32%, respectively (as at 8 a.m. IST).
- As per the last close, European markets rose amid increasing signs of progress in U.S.-China trade discussions that raised hopes of a breakthrough in their long-running dispute. Investors sidelined concerns about Brexit uncertainty.
- As per the last close, U.S. markets increased as market participants continued to show optimism about trade discussions between the U.S. and China. Adding to the optimism, a news agency report said China has offered to go on a six-year buying to increased imports from the U.S.

Indian Equity Market

- Indian equity markets remained flat with slight gains as positive global cues were overshadowed by domestic weakness. The rupee weakened against the U.S. dollar and oil prices gained – factors that put pressure on the country's inflation. Investors also became anxious after the finance minister hinted at the necessity of fuelling economic growth, especially a package for farmers. This is being seen as a deterrent to fiscal discipline as it would increase the government's spending.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 0.03% and 0.02%, respectively, to close at 36,383.61 and 10,906.95, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap lost 0.79% and 0.73%, respectively.
- The overall market breadth on BSE was weak with 867 scrips advancing and 1678 scrips declining. A total of 166 scrips remained unchanged.
- On the BSE sectoral front, only three sectors gained. S&P BSE Energy was the major gainer, up 2.69%, followed by S&P BSE Oil & Gas and S&P BSE Information Technology, up 0.36% and 0.14%, respectively.

Domestic News

- The Securities & Exchange Board of India (SEBI) has decided to allow mutual funds to write call options under certain conditions. Call options refer to an agreement that gives a buyer the right to buy an asset at a specified price within a particular time period. Presently, mutual fund schemes are permitted to undertake transactions in equity derivatives but cannot write options or purchase instruments with embedded written options. SEBI said schemes (except Index Funds and ETFs) can write call options only under a covered call strategy for constituent stocks of Nifty 50 and Sensex indices.
- Prime Minister said India is targeting to enter the list of top 50 countries in ease of doing business by 2020. The country's ranking has gone up 75 places in the World Bank's ease of doing business rankings in 2018 to reach 77th in the list. The Prime Minister said his team is working harder so that India is in the 'Top 50' list in ease of doing business next year. He was talking at the inaugural address at the 9th edition of the Vibrant Gujarat Summit.
- The finance minister has hinted in an interview to a private news channel that the government is ready to fuel economic growth even if that means sacrificing fiscal discipline. The Union budget will be announced next month. The minister said, "It entirely depends on what the existing situations are...some of those challenges really can't afford to wait and therefore obviously there will be a necessity to address them."
- Wipro's net profit increased 30% to Rs. 2,510.4 crore for the Dec quarter compared with Rs. 1,931 crore in the year-ago quarter. On a sequential basis, net profit grew around 33%. The company also announced one bonus share for every three held. The company's board declared an interim dividend of nearly Re 1 per equity share and ADR (50% on an equity share of par value on 2).
- Larsen & Toubro Infotech (LTI) posted 31.3% sequential rise in third quarter revenue to Rs. 2,473 crore, beating estimates. The company reported net income of Rs. 375.5 crore, up 32.8% over the year-ago period.

FII Derivative Trade Statistics		18-Jan		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	2602.77	3201.31	38151.95	
Index Options	117107.37	116487.24	62102.98	
Stock Futures	12269.27	11824.16	85601.85	
Stock Options	8284.90	8343.84	9923.99	
Total	140264.31	139856.55	195780.77	

Derivative Statistics- Nifty Options			
	18-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.56	1.52	0.04
Put Call Ratio(Vol)	0.98	1.03	-0.05

Debt Watch				
	18-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.45%	6.35%	6.48%	5.90%
T-Repo	6.49%	6.38%	6.40%	--
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
91 Day T-Bill	6.50%	6.60%	6.60%	6.35%
364 Day T-Bill	6.79%	6.85%	7.03%	6.49%
10 Year Gilt	7.60%	7.50%	7.35%	7.26%
G-Sec Vol. (Rs.Cr)	30263	38698	53465	36341
FBIL MIBOR	6.48%	6.50%	6.52%	6.00%
3 Month CP Rate	7.65%	7.70%	7.10%	7.58%
5 Year Corp Bond	8.45%	8.38%	8.30%	8.03%
1 Month CD Rate	6.68%	6.71%	6.79%	6.24%
3 Month CD Rate	7.14%	7.48%	6.92%	6.98%
1 Year CD Rate	7.87%	7.90%	8.27%	7.31%

Currency Market			
Currency	18-Jan	Prev_Day	Change
USD/INR	71.14	71.34	-0.20
GBP/INR	92.29	91.86	0.43
EURO/INR	81.07	81.26	-0.19
JPY/INR	0.65	0.66	0.00

Commodity Prices				
Commodity	18-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	53.55	51.39	46.07	63.91
Brent Crude(\$/bl)	62.23	58.88	55.20	69.62
Gold(\$/oz)	1281	1288	1249	1327
Gold(Rs./10 gm)	32276	32117	31205	29891

Source: Thomson Reuters Eikon

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#### Derivatives Market

- Nifty Jan 2019 Futures were at 10,927.15, a premium of 20.20 points, over the spot closing of 10,906.95. The turnover on NSE's Futures and Options segment dropped to Rs. 5,13,332.07 crore on Jan 18, 2019, compared with Rs. 17,48,184.90 crore on Jan 17, 2019.
- The Put-Call ratio stood at 0.97 compared with the previous session's close of 0.82.
- The Nifty Put-Call ratio stood at 1.56 compared with the previous session's close of 1.52.
- Open interest on Nifty Futures stood at 28.18 million as against the previous session's close at 28.03 million.

#### Indian Debt Market

- Bond yield increased as market participants remain wary amid concerns over the federal government's struggle to move ahead with the fiscal consolidation program. The government's spending is likely to rise ahead of the elections, which would widen the fiscal deficit.
- Yield on the 10-year benchmark paper (7.17% GS 2028) increased 4 bps to close at 7.59% as compared with 7.55% in the previous session after trading in the range of 7.56% to 7.61%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 7,776 crore (gross) on Jan 18, 2019 compared with a borrowing of Rs. 3,141 crore (gross) on Jan 17, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 8,411 crore on Jan 17, 2019.
- Banks borrowed Rs. 80 crore under the central bank's Marginal Standing Facility on Jan 17, 2019 compared with borrowing of Rs. 2 crore on Jan 16, 2019.

#### Currency Market Update

- The Indian rupee depreciated against the greenback on growing worries over the pre-election spending, which is expected to widen the fiscal deficit. The rupee closed at 71.18 a dollar, down 0.19% compared with the previous close of 71.05.
- The euro inched up against the greenback as market sentiments were boosted on signs of growing optimism in trade talks between China and the United States. The euro was last seen trading at 1.1407 a dollar, up 0.11% compared with the previous close of 1.1395.

#### Commodity Market Update

- Gold prices moved down after media reports revealed that the U.S. is considering to lower tariffs on Chinese imports.
- Brent crude price went up following reports from OPEC members indicating highest drop in monthly production in two years.

#### International News

- Labor Department data showed first-time claims for U.S. unemployment benefits unexpectedly decreased in the week ended Jan 12, 2019. Initial jobless claims edged down to 213,000, a decrease of 3,000 from the previous week's 216,000.
- Federal Reserve Bank of Philadelphia report showed a significant rise in the pace of growth in regional manufacturing activity in Jan 2019. Philly Fed said its index for current manufacturing activity in the region increased to 17.0 in Jan from 9.1 in Dec 2018. However, it was lower than expectations.

Thank you for  
your time.