

RELIANCE

MUTUAL  
FUND

# Markets for You

23 Jan 2019

## Indices Performance

Global Indices	22-Jan	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	24,404	Closed	NA	NA
Nasdaq	7,020	Closed	NA	NA
FTSE	6,901	6,971	-69	-0.99
Nikkei	20,623	20,719	-96	-0.47
Hang Seng	27,005	27,197	-191	-0.70
Indian Indices	22-Jan	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	36,445	36,579	-134	-0.37
Nifty 50	10,923	10,962	-39	-0.36
Nifty 100	11,124	11,153	-29	-0.26
Nifty Bank	27,482	27,534	-51	-0.19
SGX Nifty	10,920	10,975	-55	-0.50
S&P BSE Power	1,936	1,941	-5	-0.26
S&P BSE Small Cap	14,332	14,403	-71	-0.49
S&P BSE HC	14,005	13,842	163	1.17

## P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
22-Jan	23.93	1.15	26.54	1.24
Month Ago	23.49	1.21	26.02	1.24
Year Ago	26.03	1.07	27.62	1.03

## Nifty 50 Top 3 Gainers

Company	22-Jan	Prev_Day	% Change <sup>#</sup>
Sun Pharma	419	398	5.18
Wipro	347	338	2.58
Titan Industries	983	963	2.07

## Nifty 50 Top 3 Losers

Company	22-Jan	Prev_Day	% Change <sup>#</sup>
Vedanta	192	198	-3.50
Tata Steel	457	472	-3.21
M&M	709	730	-2.99

## Advance Decline Ratio

	BSE	NSE
Advances	915	538
Declines	1653	1244
Unchanged	166	100

## Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	850	-4064
MF Flows**	486	5368

\*22<sup>nd</sup> Jan 2019; \*\*21<sup>st</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 &amp; WPI from 2004-05 to 2011-12, and for CPI from 2010 to 2012

## Global Indices

- Asian equity markets declined after the International Monetary Fund (IMF) revised its growth forecast for the global economy. The IMF's revised projection is 3.5% growth rate worldwide for 2019 and 3.6% for 2020, which is a cut of 0.2 and 0.1 percentage points, respectively, from its forecasts in Oct 2018. The main reasons behind the downgrade are the trade tensions, Brexit uncertainties and slowing China growth. Today (as of Jan 23), Asian markets opened lower amid concerns over the state of ongoing U.S.-China trade negotiations. While Nikkei and Hang Seng were trading lower 0.53% and 0.46%, respectively (as at 8 a.m. IST).
- As per the last close, European markets fell after the International Monetary Fund (IMF) decreased its forecast for global growth in 2019 that renewed concerns about global economy. Lower commodity prices also contributed to the weakness.
- As per the last close, U.S markets declined after the IMF decreased its forecast for global growth in 2019, which renewed fears of the global economy slowing down. U.S. existing homes sales fell steeper than forecast in Dec 2018, which added to the economic worries.

## Indian Equity Market

- Indian equity markets ended in the red, breaking their five-day gaining streak following renewed concerns over global economic slowdown. The IMF has revised its growth projection to 3.5% rate worldwide for 2019 and 3.6% for 2020, which is a cut of 0.2 and 0.1 percentage points, respectively, from its forecasts in Oct 2018. The losses were limited by a stronger rupee and decline in crude oil prices.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.37% and 0.36%, respectively, to close at 36,444.64 and 10,922.75, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap lost 0.09% and 0.49%, respectively.
- The overall market breadth on BSE was weak with 915 scrips advancing and 1653 scrips declining. A total of 166 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Healthcare was the major gainer, up 1.17%, followed by S&P BSE Realty and S&P BSE Consumer Durables, up 0.91% and 0.9%, respectively. S&P BSE Oil & Gas and S&P BSE Energy gained 0.41% and 0.08%, respectively. S&P BSE Metal was the major loser, down 2.31%.

## Domestic News

- According to a report, 12 of the 17 states that the Reserve Bank of India (RBI) categorises as 'non-special' have grown faster than the national economic growth rate of 6.7% in fiscal 2018. However, these states have not excelled in job creation. In most of the states, growth was low in 'employment-intensive' sectors such as manufacturing, construction and trade, and hotels transport and communication services compared with the national level.
- The Reserve Bank of India (RBI) has proposed to relax rules for entry of new players in the retail payment systems. RBI is doing this to give a boost to innovation and competition. RBI grants authorisation to non-banks for setting up and operating payment systems. By the end of 2018, there were 89 authorised non-bank Payment System Operators (PSOs).
- The committee on special economic zones (SEZ) has suggested that certain sectors such as electronics are showing high domestic demand and should have a plan for import substitution. For SEZs focussed on services including information technology, medical tourism and financial services, the panel said the government may not have to completely change the existing policies but design measures to make them more attractive for investors.
- Exporters could get incentives based on criteria such as research and development, product-specific clusters and production pattern under a five-year foreign trade policy (FTP). The FTP will be released later in 2019, according to media reports. The commerce ministry is working on recasting the existing export incentive schemes in line with the global trade rules of the World Trade Organisation.

FII Derivative Trade Statistics		22-Jan		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	2390.13	1904.75	38727.87	
Index Options	68389.40	67744.03	64955.74	
Stock Futures	12408.28	12019.51	86225.63	
Stock Options	10850.12	11012.46	10815.89	
Total	94037.93	92680.75	200725.13	

Derivative Statistics- Nifty Options			
	22-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.53	1.59	-0.06
Put Call Ratio(Vol)	0.96	0.95	0.01

Debt Watch				
	22-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.43%	6.42%	6.45%	5.92%
T-Repo	6.52%	6.44%	6.48%	--
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
91 Day T-Bill	6.54%	6.58%	6.65%	6.34%
364 Day T-Bill	6.80%	6.81%	6.95%	6.31%
10 Year Gilt	7.53%	7.47%	7.28%	7.26%
G-Sec Vol. (Rs.Cr)	30725	22219	34307	32334
FBIL MIBOR*	6.55%	6.50%	6.59%	6.01%
3 Month CP Rate	7.60%	7.65%	7.20%	7.58%
5 Year Corp Bond	8.44%	8.46%	8.21%	8.03%
1 Month CD Rate	6.75%	6.66%	6.97%	6.23%
3 Month CD Rate	7.09%	7.13%	6.95%	7.15%
1 Year CD Rate	7.95%	8.13%	8.16%	7.41%

Currency Market			
Currency	22-Jan	Prev_Day	Change
USD/INR	71.38	71.38	0.00
GBP/INR	91.90	91.89	0.01
EURO/INR	81.04	81.23	-0.19
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	22-Jan	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	52.54	51.75	45.33	63.61
Brent Crude(\$/bl)	61.24	58.29	51.87	69.56
Gold(\$/oz)	1285	1289	1256	1334
Gold(Rs./10 gm)	32324	32117	31114	29965

Source: Thomson Reuters Eikon

\*As on 21-Jan-19

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**Derivatives Market**

- Nifty Jan 2019 Futures were at 10,936.20, a premium of 13.45 points, over the spot closing of 10,922.75. The turnover on NSE's Futures and Options segment increased to Rs. 5,55,380.73 crore on Jan 22, 2019, compared with Rs. 5,47,130.74 crore on Jan 21, 2019.
- The Put-Call ratio stood at 0.88 compared with the previous session's close of 0.82.
- The Nifty Put-Call ratio stood at 1.53 compared with the previous session's close of 1.59.
- Open interest on Nifty Futures stood at 27.95 million as against the previous session's close at 28.42 million.

**Indian Debt Market**

- Bond yield fell as concerns over widening fiscal deficit eased following the farm package news, which is not expected to bear major impact on the fiscal consolidation program. In addition, fall in crude oil prices also lifted the bond market sentiment.
- Yield on the 10-year benchmark paper (7.17% GS 2028) decreased 4 bps to close at 7.53% as compared with 7.57% in the previous session after trading in the range of 7.51% to 7.55%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 9,072 crore (gross) on Jan 22, 2019 compared with a borrowing of Rs. 18,973 crore (gross) on Jan 21, 2019. Sale of securities under RBI's reverse repo window stood at Rs. 10,268 crore on Jan 21, 2019.
- Banks borrowed Rs. 400 crore under the central bank's Marginal Standing Facility on Jan 21, 2019 compared with borrowing of Rs. 504 crore on Jan 18, 2019.

**Currency Market Update**

- The Indian rupee continued to depreciate against the greenback as investor sentiments remain subdued for risk assets ahead of the general elections, tension over fiscal deficit and global growth concerns. The rupee closed at 71.44 a dollar, down 0.22% compared with the previous close of 71.28.
- The euro declined against the greenback as investor sentiments were dampened by poor eurozone growth outlook, stalling inflation and the ongoing political unrest.

**Commodity Market Update**

- Gold prices were steady to slightly higher amid rising concerns over global economic slowdown. Investors' risk-taking appetite was dampened after IMF trimmed its global growth forecast.
- Brent crude prices edged lower after IMF cautioned of sluggish global economic growth.

**International News**

- Office for National Statistics data showed, U.K. budget deficit for Dec 2018 came in more than expectations and was the second lowest figure for the month in 18 years. The public sector net borrowing was GBP 3 billion in Dec, which is GBP 0.3 billion more than a year ago.
- Data from the ZEW - Leibniz Centre for European Economic Research Germany's showed investor confidence improved further at the start of the year to its highest level in four months. This came despite expectations for a weakening. The ZEW Indicator of Economic Sentiment for Germany increased to -15.0 points from -17.5 in Dec 2018.

Thank you for  
your time.