

RELIANCE

MUTUAL
FUND

Markets for You

29 Jan 2019

Indices Performance

Global Indices	28-Jan	Prev_Day	Abs. Change	% Change [#]
Dow Jones	24,528	24,737	-209	-0.84
Nasdaq	7,086	7,165	-79	-1.11
FTSE	6,747	6,809	-62	-0.91
Nikkei	20,649	20,774	-125	-0.60
Hang Seng	27,577	27,569	8	0.03
Indian Indices	28-Jan	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	35,657	36,026	-369	-1.02
Nifty 50	10,662	10,781	-119	-1.10
Nifty 100	10,837	10,968	-132	-1.20
Nifty Bank	26,653	27,115	-462	-1.70
SGX Nifty	10,675	10,800	-125	-1.15
S&P BSE Power	1,857	1,883	-26	-1.38
S&P BSE Small Cap	13,722	14,000	-279	-1.99
S&P BSE HC	13,658	13,948	-290	-2.08

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
28-Jan	23.30	1.18	25.85	1.27
Month Ago	23.69	1.16	26.16	1.24
Year Ago	26.24	1.08	27.61	1.02

Nifty 50 Top 3 Gainers

Company	28-Jan	Prev_Day	% Change [#]
Zee Ente.	373	318	17.24
Bharti Infratel	287	280	2.70
Coal India	225	221	1.92

Nifty 50 Top 3 Losers

Company	28-Jan	Prev_Day	% Change [#]
Adani Ports & SEZ	326	374	-12.77
Indiabulls HFC	699	745	-6.07
Yes Bank	208	220	-5.51

Advance Decline Ratio

	BSE	NSE
Advances	552	352
Declines	2003	1481
Unchanged	160	71

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	735	-4142
MF Flows**	55	6723

*28th Jan 2019; **25th Jan 2019

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	2.19% (Dec-18)	3.70% (Sep-18)	5.21% (Dec-17)
IIP	0.50% (Nov-18)	6.50% (Jul-18)	8.50% (Nov-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 ended subdued after the U.S. President agreed to only a temporary halt to the 35-day government shutdown. He could not get his way to the \$5.7 billion from Congress for the planned border wall. Investors looked forward to the next round of U.S.-China trade talks and the Brexit debate. Also, the Federal Open Market Committee's two-day meeting starts on Jan 29, 2019, and expectations are that the U.S. Fed will take a dovish stance. Today (as of Jan 29), Asian markets opened lower amid fresh concerns over a slowing Chinese economy and renewed trade tensions between the U.S. and China. Both Nikkei and Hangseng were trading down 0.93% and 0.65%, respectively (as at 8.a.m. IST).

• As per the last close, European markets closed lower following Brexit concerns and ahead of new trade talks between the U.S. and China. Losses in the Wall Street further led to decline in European market.

• As per the last close, U.S markets closed lower after weaker than expected quarterly earnings and guidance from an industrial giant and big revenue forecast cut from a chipmaker major amid growth concerns in China.

Indian Equity Market

• Indian equity markets started the week on a feeble note as investors took stock of disappointing earnings by an auto major and braced themselves for the upcoming budget. Markets are anticipating the government could announce populist measures in the budget to appease voters ahead of the elections. Fears are that such measures could put undue pressure on the country's fiscal deficit. Also, the non-banking financial services sector's exposure to the company that defaulted on its debt payment in 2018 is still a cause of concern.

• Key benchmark indices S&P BSE Sensex and Nifty 50 lost 1.02% and 1.10% to close at 35,656.70 and 10,661.55, respectively. S&P BSE Mid-Cap and S&P BSE Small Cap lost 1.84% and 1.99%, respectively.

• The overall market breadth on BSE was weak with 552 scrips advancing and 2003 scrips declining. A total of 160 scrips remained unchanged.

• On the BSE sectoral front, only two sectors gained. S&P BSE Teck was the major gainer, up 0.8%, followed by S&P BSE Information Technology, up 0.42%. S&P BSE Basic Materials was the major loser, down 2.09%.

Domestic News

• According to media reports, the government has empowered public-sector banks (PSBs) to request lookout circulars (LOCs) against wilful defaulters and fraudsters. This is being done to prevent big economic offenders from escaping India. The Serious Fraud Investigation Office (SFIO) has also been authorised to request LOCs if it feels the suspect may flee from the country. Thus, CMDs and CEOs of PSBs can now ask the Home Ministry, Ministry of External Affairs, Customs and Income Tax Departments, Directorate of Revenue Intelligence, CBI, regional passport officers and police to issue an LOC to alert immigration check posts to stop a defaulter from leaving India, the report said.

• Central public sector enterprises (CPSEs) will implement the 10% reservation quota announced recently for economically weaker sections in all direct recruitment vacancies from Feb 1. There are 339 CPSEs employing 10.88 lakh people, excluding casual and contractual workers, in 2017-18 compared with 11.55 lakh in the previous fiscal. An order regarding the implementation of the reservation was issued by the Department of Public Sector Enterprises.

• Media reports suggest tax officials could examine the high usage of input tax credit (ITC) to set off tax liability by businesses. This is being done as authorities are concerned over a decline in GST revenues. The issue of high ITC was raised at the meeting of the Group of Ministers, which was set up by the GST Council to look into the reasons for revenue shortfall.

• The Reserve Bank of India governor will meet Singapore and Hong Kong's top global funds in the coming week to discuss investments. The aim is to increase foreign fund inflows, media reports said. There could be have 40-50 participants and it will be a closed-door meeting, which probably the first of its kind, said the report. The governor will try and understand what stops global investors from bringing in long-term money into India. There are expectations that RBI could ease investment rules for foreign portfolio investors.

FII Derivative Trade Statistics	28-Jan		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	4502.89	3294.51	37663.78
Index Options	89961.96	89527.28	71790.27
Stock Futures	17952.60	18246.79	87346.21
Stock Options	11403.17	11728.69	11648.17
Total	123820.62	122797.27	208448.43

Derivative Statistics- Nifty Options	28-Jan	Prev_Day	Change
Put Call Ratio (OI)	1.23	1.37	-0.14
Put Call Ratio(Vol)	0.89	1.02	-0.13

Debt Watch	28-Jan	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.43%	6.49%	6.57%	5.91%
T-Repo	6.40%	6.52%	6.52%	--
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%	6.54%	6.52%	6.40%
364 Day T-Bill	6.75%	6.79%	6.93%	6.51%
10 Year Gilt	7.54%	7.57%	7.39%	7.31%
G-Sec Vol. (Rs.Cr)	18601	41537	29338	39866
FBIL MIBOR*	6.54%	6.55%	6.68%	6.05%
3 Month CP Rate	7.60%	7.60%	7.25%	7.75%
5 Year Corp Bond	8.47%	8.45%	8.26%	8.00%
1 Month CD Rate	6.60%	6.71%	7.09%	6.24%
3 Month CD Rate	7.36%	7.11%	7.01%	7.21%
1 Year CD Rate	8.18%	7.95%	8.05%	7.45%

Currency Market	28-Jan	Prev_Day	Change
Currency			
USD/INR	71.13	71.11	0.03
GBP/INR	93.82	93.24	0.58
EURO/INR	81.15	80.50	0.65
JPY/INR	0.65	0.65	0.00

Commodity Prices	28-Jan	Wk Ago	Mth. Ago	Year Ago
Commodity				
NYMEX Crude(\$/bl)	51.74	53.67	45.10	66.26
Brent Crude(\$/bl)	60.15	62.19	50.51	69.92
Gold(\$/oz)	1303	1280	1281	1350
Gold(Rs./10 gm)	32691	32154	31547	30489

Source: Thomson Reuters Eikon *As on 25 Jan 2019

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Derivatives Market

- Nifty Jan 2019 Futures were at 10,676.8, a premium of 15.25 points, over the spot closing of 10,661.55. The turnover on NSE's Futures and Options segment rose to Rs. 8,98,683.35 crore on Jan 28, 2019, compared with Rs. 7,24,056.94 crore on Jan 25, 2019.
- The Put-Call ratio stood at 0.96 compared with the previous session's close of 0.94.
- The Nifty Put-Call ratio stood at 1.23 compared with the previous session's close of 1.37.
- Open interest on Nifty Futures stood at 28.45 million as against the previous session's close at 27.95 million.

Indian Debt Market

- Bond yields were nearly steady as market participants are awaiting the interim budget announcement due on Feb 1, 2019 to get clarity on the country's fiscal consolidation program. The government is expected to announce and give details of the farm relief package in the budget.
- Yield on the 10-year benchmark paper (7.17% GS 2028) decreased 1 bps to close at 7.54% as compared with 7.55% in the previous session after trading in the range of 7.53% to 7.56%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 8,017 crore (gross) on Jan 28, 2019 compared with a borrowing of Rs. 3,156 crore (gross) on Jan 25, 2019. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 24,151 crore on Jan 25, 2019.

Currency Market Update

- The Indian rupee rose against the greenback ahead of the U.S. Federal Reserve policy meeting and the domestic interim budget due on Feb 1, 2019. However, the upside was restricted by the fall in the local equity market.
- The euro was nearly steady against the greenback ahead of the U.S.-China trade talks scheduled for Jan 29-30. Investors are also keeping tabs on the U.S. Federal Reserve policy meeting to get cues on the interest rate cycle and rising risks in U.S.

Commodity Market Update

- Gold prices edged lower ahead of the U.S.-China trade talks scheduled for this week.
- Brent crude prices lowered following reports showing a decrease in Chinese industrial profits for the second consecutive month in Dec 2018.

International News

- Ifo Institute data showed Germany's business confidence fell for a fifth consecutive month in Jan 2019. This is the lowest level in almost three years as companies grew more worried about the impact of an uncertain no-deal Brexit and further escalation of global trade tensions.
- European Central Bank data showed euro zone lending growth maintained its momentum in Dec 2018. A measure of broad money increased at the fastest pace in six months. Lending to households increased 3.3% YoY in Dec 2018, same as in Nov 2018. Loans to non-financial corporations increased 4% annually in Dec 2018, again unchanged from Nov 2018.



Thank you for
your time.