

RELIANCE

MUTUAL
FUND

Markets for You

06 Mar 2018

Indices Performance

Global Indices	05-Mar	Prev_Day	Abs. Change	% Change [#]
Dow Jones	24,875	24,538	337	1.37
Nasdaq	7,331	7,258	73	1.00
FTSE	7,116	7,070	46	0.65
Nikkei	21,042	21,182	-140	-0.66
Hang Seng	29,886	30,583	-697	-2.28
Indian Indices	05-Mar	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	33,747	34,047	-300	-0.88
Nifty 50	10,359	10,458	-100	-0.95
Nifty 100	10,715	10,820	-105	-0.97
Nifty Bank	24,819	24,903	-84	-0.34
SGX Nifty	10,363	10,428	-65	-0.62
S&P BSE Power	2,196	2,213	-17	-0.77
S&P BSE Small Cap	17,888	18,085	-197	-1.09
S&P BSE HC	13,948	14,032	-83	-0.59

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
5-Mar	23.34	1.16	25.40	1.20
Month Ago	24.51	1.12	25.78	1.06
Year Ago	21.92	1.43	23.10	1.25

Nifty 50 Top 3 Gainers

Company	05-Mar	Prev_Day	% Change [#]
Tech Mahindra	631	612	3.10
Sun Pharma	549	535	2.46
TCS	3106	3038	2.24

Nifty 50 Top 3 Losers

Company	05-Mar	Prev_Day	% Change [#]
Tata Motors	352	371	-5.04
Hindalco	230	241	-4.65
Aurobindo Pharma	601	624	-3.74

Advance Decline Ratio

	BSE	NSE
Advances	701	404
Declines	2041	1415
Unchanged	173	55

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	424	1449
MF Flows**	1673	22284

*5th Mar 2018; **26th Feb 2018

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	2.84% (Jan-18)	3.68% (Oct-17)	4.26% (Jan-17)
IIP	7.10% (Dec-17)	4.10% (Sep-17)	1.90% (Dec-16)
GDP	7.20% (Dec-17)	6.50% (Sep-17)	6.80% (Dec-16)

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 markets largely remained low amid persisting concerns over a global trade war following U.S. President's announcement of hefty tariffs on imports of steel and aluminum products last week. Chinese markets remained flat as Chinese leaders headed into an annual parliament meeting and a survey showed activity in China's services sector eased slightly in Feb 2018. Today (As of Mar 6), Asian markets opened higher as worries over global trade war eased after the U.S. President opened the door for negotiations on tariffs on steel and aluminum imports. Both Nikkei and Hang Seng were trading up 2.31% and 1.44% (as at 8.a.m. IST).
- As per the last close, European market ended higher as worries over global trade war eased after the U.S. President opened the door for negotiations on tariffs on steel and aluminum imports. However, political uncertainty in Italy weighed on investor's sentiments.
- As per the last close, U.S markets recovered from initial decline and ended higher as global trade war worries eased after the U.S. President announced opening the door for negotiations on tariffs on steel and aluminum imports.

Indian Equity Market

- Indian equity witnessed selling pressure, defying the ruling party's favorable outcome in the recently-held elections in three North Eastern states. Contraction in the domestic service sector in Feb 2018 weighed on investor sentiments. Additionally, weak cues from Wall Street continued to be a spoilsport. Last week, U.S. President announced imposition of hefty tariffs on imports of steel and aluminum products, in a move to protect U.S. industry. Such a move is expected to result in widespread fears of an ugly trade war with China as well as key American allies.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.88% and 0.95% to close at 33,746.78 and 10,358.85, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap fell 0.95% and 1.09%, respectively.
- On the BSE sectoral front, barring, S&P BSE IT (0.37%) stood as the major gainer followed by S&P BSE Consumer Durables (0.26%) and S&P BSE TECK (0.08%) all the major indices closed in the red. S&P BSE Metal (-3.3%) was the major loser followed by S&P BSE Energy (-2.16%) and S&P BSE Basic Materials (-2.14%).

Domestic News

- Nikkei India Services Business Activity Index fell to 47.8 in Feb from 51.7 in Jan 2018, lowest since Aug 2017. Service activity contracted as rise in prices led to a decline in new businesses orders. Meanwhile, the contraction in services activity offset an expansion in manufacturing activity and composite Purchasing Managers' Index (PMI) that plunged to 49.7 from 52.5 in Jan.
- The Reserve Bank of India has further tightened the priority sector lending (PSL) norms for foreign banks. RBI has directed them to compulsorily create sub-targets so that they lend a portion of their loans to small and marginal farmers as well as micro enterprises from Apr 2020. RBI however has provided relief by removing the credit limit, which means all loans given to MSMEs will now qualify under priority sector lending. The PSL norms mandate foreign banks to lend 40% of their total loan book to the priority sector, such as agriculture, rural infra, and MSMEs among others from Apr 2020.
- The Reserve Bank of India (RBI) has imposed a penalty of Rs. 3 crore on Axis Bank for not complying with income recognition and asset classification (IRAC) norms.
- RBI has imposed a fine of Rs 20 million on Indian Overseas Bank for not complying with the directions issued by the RBI on Know Your Customer (KYC) norms. The fine was imposed on Feb 27, 2018.
- According to media reports, the U.S. drug regulator has issued Form 483 with nine observations to Aurobindo Pharma's unit in Hyderabad. The U.S. drug regulator cited deficiencies in maintaining manufacturing standards.
- According to media reports, the Indian government has given in-principle approval to 26% stake sale in Bharat Earth Movers Limited. The government holds 54.03% stake in the firm.
- According to media reports, Axa SA has agreed to buy XL Group Ltd. for \$15.3 billion in cash. As per reports, this is the the biggest-ever European acquisition of a US insurer.

FII Derivative Trade Statistics		05-Mar	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1540.66	2208.36	13686.25
Index Options	101093.92	100142.72	58923.49
Stock Futures	7941.64	8210.07	74200.43
Stock Options	4835.38	4829.03	4367.61
Total	115411.60	115390.18	151177.78

Derivative Statistics- Nifty Options			
	05-Mar	Prev_Day	Change
Put Call Ratio (OI)	1.22	1.29	-0.07
Put Call Ratio(Vol)	0.84	0.89	-0.05

Debt Watch				
	05-Mar	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.88%	5.97%	5.86%	5.90%
CBLO	5.75%	5.91%	5.80%	3.99%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.27%	6.28%	6.37%	6.00%
364 Day T-Bill	6.62%	6.62%	6.56%	6.14%
10 Year Gilt	7.78%	7.69%	7.60%	6.77%
G-Sec Vol. (Rs.Cr)	9664	22590	18355	49488
1 Month CP Rate	7.90%	6.88%	6.94%	6.59%
3 Month CP Rate	7.88%	7.90%	7.76%	6.76%
5 Year Corp Bond	8.11%	8.00%	7.93%	7.52%
1 Month CD Rate	7.24%	6.25%	6.24%	6.21%
3 Month CD Rate	7.28%	7.26%	7.25%	6.31%
1 Year CD Rate	7.59%	7.53%	7.56%	6.66%

Currency Market			
Currency	05-Mar	Prev_Day	Change
USD/INR	65.05	65.23	-0.17
GBP/INR	89.70	89.71	-0.01
EURO/INR	80.03	79.50	0.53
JPY/INR	0.62	0.61	0.01

Commodity Prices				
Commodity	05-Mar	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	62.48	63.80	64.16	53.28
Brent Crude(\$/bl)	66.57	68.30	67.37	53.91
Gold (\$/oz)	1320	1333	1339	1234
Gold(Rs./10 gm)	30488	30573	30267	29126

Source: Thomson Reuters Eikon

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Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.

Derivatives Market

- Nifty Mar 2018 Futures were at 10365.6 points, a premium of 6.75 points, over the spot closing of 10,358.85. The turnover on NSE's Futures and Options segment went up from Rs. 13,18,649.24 crore on Mar 1 to Rs. 4,77,603.56 crore on Mar 5.
- The Put-Call ratio stood at 0.77 against previous session's close of 0.80.
- The Nifty Put-Call ratio stood at 1.22 against previous session's close of 1.29.
- Open interest on Nifty Futures stood at 24.80 million as against the previous session's close of 24.12 million.

Indian Debt Market

- Bond yields rose after the Reserve Bank of India announced infusing one trillion rupees in the banking system through term repos in Mar 2018 that ruled out the possibility of any open market purchase of bonds. Gains in U.S. Treasury yields also hurt appetite for the domestic bond market.
- Yield on the 10-year benchmark paper (7.17% GS 2028) rose 4 bps to close at 7.78% as against previous session's close of 7.74%. During the session, bond yields traded in the range of 7.73% and 7.78%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,640 crore (gross) on Mar 5 compared with Rs. 7,475 crore on Mar 1. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 25,068 crore on Mar 1.

Currency Market Update

- The Indian rupee rose against the greenback after the ruling party came out victorious in the state assembly elections of Tripura and Nagaland while it consolidated its base in Meghalaya as well. The rupee rose 0.10% to close at 65.11 per dollar from the previous close of 65.17.
- Euro weakened against the greenback on concerns of a possible prolonged political uncertainty in Italy following the outcome of its election results. Euro was trading at \$1.2302, down 0.12% compared with the previous close of \$1.2317.

Commodity Market Update

- Gold prices inched up on fears of a potential trade war after U.S. President announced plans to impose tariffs of 25% on imported steel and 10% on aluminum.
- Brent Crude prices rose ahead of a meeting between oil ministers from the OPEC and U.S. shale firms.

International News

- According to a report from the University of Michigan, U.S. consumer sentiment index for Feb 2018 came in at 99.7 down from the initial expectation of 99.9. However, it was well above the consumer sentiment index of 95.7 in Jan 2018.
- According to the International Monetary fund (IMF), the import restrictions announced by the U.S. President are likely to cause damage not only outside the U.S., but also to the U.S. economy itself. Also, it would include manufacturing and construction sectors that are major users of aluminum and steel.
- A report from the Society of Motor Manufacturers and Traders showed that U.K. car registrations fell 2.8% YoY to 80,805 units in Feb 2018. Year-to-date market for new cars fell 5.1%, with 244,420 units registered nationwide.



Thank you for
your time.