

**RELIANCE**

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FUND

# Markets for You

12 Mar 2018

## Indices Performance

| Global Indices    | 09-Mar | Prev_Day | Abs. Change | % Change <sup>#</sup> |
|-------------------|--------|----------|-------------|-----------------------|
| Dow Jones         | 25,336 | 24,895   | 441         | 1.77                  |
| Nasdaq            | 7,561  | 7,428    | 133         | 1.79                  |
| FTSE              | 7,225  | 7,203    | 21          | 0.30                  |
| Nikkei            | 21,469 | 21,368   | 101         | 0.47                  |
| Hang Seng         | 30,996 | 30,655   | 342         | 1.11                  |
| Indian Indices    | 09-Mar | Prev_Day | Abs. Change | % Change <sup>#</sup> |
| S&P BSE Sensex    | 33,307 | 33,352   | -44         | -0.13                 |
| Nifty 50          | 10,227 | 10,243   | -16         | -0.15                 |
| Nifty 100         | 10,565 | 10,578   | -13         | -0.13                 |
| Nifty Bank        | 24,296 | 24,478   | -181        | -0.74                 |
| SGX Nifty         | 10,229 | 10,244   | -15         | -0.15                 |
| S&P BSE Power     | 2,137  | 2,149    | -13         | -0.59                 |
| S&P BSE Small Cap | 17,306 | 17,357   | -51         | -0.30                 |
| S&P BSE HC        | 13,450 | 13,532   | -82         | -0.61                 |

## P/E Dividend Yield

| Date      | Sensex |            | Nifty |            |
|-----------|--------|------------|-------|------------|
|           | P/E    | Div. Yield | P/E   | Div. Yield |
| 9-Mar     | 22.91  | 1.18       | 24.97 | 1.28       |
| Month Ago | 23.88  | 1.16       | 25.27 | 1.08       |
| Year Ago  | 21.95  | 1.43       | 23.18 | 1.24       |

## Nifty 50 Top 3 Gainers

| Company               | 09-Mar | Prev_Day | % Change <sup>#</sup> |
|-----------------------|--------|----------|-----------------------|
| Tech Mahindra         | 619    | 607      | 1.98                  |
| Bajaj Finance Limited | 1654   | 1628     | 1.61                  |
| HDFC Ltd.             | 1819   | 1799     | 1.10                  |

## Nifty 50 Top 3 Losers

| Company           | 09-Mar | Prev_Day | % Change <sup>#</sup> |
|-------------------|--------|----------|-----------------------|
| Tata Steel        | 607    | 636      | -4.58                 |
| Axis Bank         | 505    | 521      | -2.92                 |
| Adani Ports & SEZ | 378    | 388      | -2.59                 |

## Advance Decline Ratio

|           | BSE  | NSE  |
|-----------|------|------|
| Advances  | 1082 | 689  |
| Declines  | 1638 | 1101 |
| Unchanged | 151  | 52   |

## Institutional Flows (Equity)

| Description (Cr) | Inflow/Outflow | YTD   |
|------------------|----------------|-------|
| FII Flows*       | 1160           | 2410  |
| MF Flows**       | 94             | 24514 |

\*9<sup>th</sup> Mar 2018; \*\*7<sup>th</sup> Mar 2018

## Economic Indicator

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

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 markets largely closed on a positive note amid easing geo political concern after North Korean leader offered to halt nuclear and missile tests and agreed to meet the U.S. President through South Korean national security advisor. Market participants heaved a sigh of relief after U.S. trade tariffs turned out to be less severe than originally feared. Today (As of March 12), Asian markets opened higher tracking rise on the Wall Street overnight. Nikkei and Hang Seng rose 2.12% and 1.28%, respectively (as at 8 a.m. IST).
- As per the last close, European markets mostly ended higher on better than expected U.S. non-farm payroll data for Feb 2018. However, gains were limited as weak economic data from Germany, France and the U.K. weighed on investor sentiment.
- As per the last close, U.S markets rose on better than expected U.S. non-farm payroll data for Feb 2018. However, the unemployment rate came lower than expected at 4.1% in Feb 2018. Also the annual rate of growth in average hourly employee earnings fell to 2.6% in Feb from 2.8% in Jan.

## Indian Equity Market

- Indian equity markets closed on a lower note amid decline in banking stocks after one of the government-owned banks of India disclosed that it has direct credit exposure in the jewellery retailer that has been exposed under the recent major banking scam.
- However, gains were capped after taking positive cues from regional peers as geopolitical tensions eased after North Korea hinted to stop nuclear and missile tests. Also, the positive impact of conditional exemptions for tariff on Canada and Mexico supported buying interest.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.13% and 0.15% to close at 33,307.14 and 10,226.85, respectively. S&P BSE Mid-Cap and S&P BSE Small-Cap grew 0.35% and 0.30%, respectively.
- On the BSE sectoral front, S&P BSE Metal was the top loser, down 1.94%, followed by S&P BSE Basic Materials and S&P BSE Bankex which fell 1.09% and 0.77%, respectively. S&P BSE Healthcare and S&P BSE Power fell 0.61% and 0.59%, respectively.

## Domestic News

- The Union Cabinet has increased the dearness allowance (DA) to 7% from 5% with effect from Jan 1, 2018 for its 11 million employees and pensioners. The hike is expected to benefit approximately 48.41 lakh central government employees and 61.17 lakh pensioners.
- The Minister of state for finance announced that as of Mar 2, 2018 1,03,99,305 taxpayers are registered under Goods and Services Tax (GST). It included 64.42 lakh taxpayers who have migrated from the erstwhile tax regimes and 39.56 lakh who have taken new registration under GST. Also, it informed that the implementation of the indirect tax reform has been smooth so far.
- According to Engineering Export Promotion Council (EEPC), U.S.' move to impose tariffs on certain steel and aluminium imports is likely to impact India's shipments of engineering items to the country. According to EEPC, protectionist measures taken by countries like the U.S. would provoke other regions such as Europe and China to take retaliatory steps, thereby further denting the exports from India.
- The government announced that number of wilful defaulters who did not repay loans to public sector banks (PSBs) grew 1.66% to 9,063 in the period Apr-Dec 2017 of the current fiscal. The amount involved is reported as Rs. 1.1 trillion.
- According to media reports, Bharti Airtel plans to raise up to Rs. 3,000 crore through non-convertible debentures.
- The Competition Commission of India has approved the acquisition of Reliance Communications' infrastructure assets by Reliance Jio.
- According to media reports, the U.S. Food and Drug Administration has issued Form 483 with five observations to an active pharmaceutical ingredients plant of Dr Reddy's Laboratories Limited.
- According to media reports, State-owned power equipment major Bharat Heavy Electricals Limited (BHEL) has won Rs. 117-billion order for setting up a 3x800 Mw thermal power plant in Jharkhand.

| FII Derivative Trade Statistics |           |           |           |
|---------------------------------|-----------|-----------|-----------|
|                                 | 09-Mar    |           |           |
| (Rs Cr)                         | Buy       | Sell      | Open Int. |
| Index Futures                   | 2791.02   | 2466.31   | 17728.68  |
| Index Options                   | 142446.71 | 141906.54 | 63450.22  |
| Stock Futures                   | 9477.75   | 9103.97   | 75306.11  |
| Stock Options                   | 6632.71   | 6920.53   | 6130.98   |
| Total                           | 161348.19 | 160397.35 | 162615.99 |

| Derivative Statistics- Nifty Options |        |          |        |
|--------------------------------------|--------|----------|--------|
|                                      | 09-Mar | Prev_Day | Change |
| Put Call Ratio (OI)                  | 1.14   | 1.15     | 0.00   |
| Put Call Ratio(Vol)                  | 0.84   | 0.84     | 0.00   |

| Debt Watch         |        |         |          |          |
|--------------------|--------|---------|----------|----------|
|                    | 09-Mar | Wk. Ago | Mth. Ago | Year Ago |
| Call Rate          | 5.89%  | 5.91%   | 5.89%    | 5.99%    |
| CBLO               | 5.85%  | 4.84%   | 5.90%    | 5.93%    |
| Repo               | 6.00%  | 6.00%   | 6.00%    | 6.25%    |
| Reverse Repo       | 5.75%  | 5.75%   | 5.75%    | 5.75%    |
| 91 Day T-Bill      | 6.22%  | 6.23%   | 6.33%    | 5.85%    |
| 364 Day T-Bill     | 6.62%  | 6.64%   | 6.54%    | 6.16%    |
| 10 Year Gilt       | 7.67%  | 7.74%   | 7.49%    | 6.85%    |
| G-Sec Vol. (Rs.Cr) | 29326  | 16436   | 46487    | 16222    |
| 1 Month CP Rate    | 7.80%  | 7.15%   | 6.85%    | 6.66%    |
| 3 Month CP Rate    | 7.83%  | 7.88%   | 7.79%    | 6.86%    |
| 5 Year Corp Bond   | 8.11%  | 8.09%   | 7.84%    | 7.63%    |
| 1 Month CD Rate    | 7.09%  | 7.24%   | 6.25%    | 6.15%    |
| 3 Month CD Rate    | 7.13%  | 7.28%   | 7.24%    | 6.25%    |
| 1 Year CD Rate     | 7.44%  | 7.62%   | 7.50%    | 6.63%    |

| Currency Market |        |          |        |
|-----------------|--------|----------|--------|
| Currency        | 09-Mar | Prev_Day | Change |
| USD/INR         | 65.08  | 64.92    | 0.16   |
| GBP/INR         | 89.85  | 90.23    | -0.37  |
| EURO/INR        | 80.16  | 80.54    | -0.38  |
| JPY/INR         | 0.61   | 0.61     | 0.00   |

| Commodity Prices   |        |        |          |          |
|--------------------|--------|--------|----------|----------|
| Commodity          | 09-Mar | Wk Ago | Mth. Ago | Year Ago |
| NYMEX Crude(\$/bl) | 62.01  | 60.97  | 59.18    | 48.70    |
| Brent Crude(\$/bl) | 65.28  | 64.87  | 62.98    | 50.44    |
| Gold(\$/oz)        | 1324   | 1316   | 1317     | 1201     |
| Gold(Rs./10 gm)    | 30369  | 30269  | 30007    | 28662    |

Source: Thomson Reuters Eikon

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#### Derivatives Market

- Nifty Mar 2018 Futures were at 10216.45 points, a discount of -10.40 points, over the spot closing of 10,226.85. The turnover on NSE's Futures and Options segment went down from Rs. 16,78,923.04 crore on Mar 8 to Rs. 4,81,492.44 crore on Mar 9.
- The Put-Call ratio stood at 0.78 against previous session's close of 0.80.
- The Nifty Put-Call ratio stood at 1.14 against previous session's • Open interest on Nifty Futures stood at 25.94 million as against the previous session's close of 25.97 million.

#### Indian Debt Market

- Bond yields rose as investors were cautious ahead of India's inflation data due next week and U.S. jobs report due on Mar 9.
- Yield on the 10-year benchmark paper (7.17% GS 2028) rose 1 bps to close at 7.67% as against previous session's close of 7.66%. During the session, bond yields traded in the range of 7.63% and 7.73%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,565 crore (gross) on Mar 9 compared with Rs. 3,550 crore on Mar 8. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 9,207 crore on Mar 8.
- Banks did not borrow under the central bank's Marginal Standing Facility on Mar 8 as compared to borrowing of Rs. 467 crore on Mar 7.

#### Currency Market Update

- The Indian rupee inched down against the greenback as market participants remained on the sidelines ahead of the U.S. non-farm payroll data for Feb 2018. The rupee fell 0.04% to close at 65.17 per dollar from the previous close of 65.14.
- The euro inched down against the greenback after U.S. non-farm payroll employment in Feb 2018 came better than market expectations. Euro was trading at \$1.2301, down 0.07% compared with the previous close of \$1.2310.

#### Commodity Market Update

- Gold prices moved down after non-farm payroll employment data came in more than expected in Feb 2018.
- Brent crude prices gained amid optimism over a meeting between North Korean leaders and U.S. However, concerns over rising U.S. crude output limited the gains.

#### International News

- A report from the labour department showed that U.S. non-farm payroll employment surged by 313,000 jobs in Feb 2018 as against an upwardly revised increase of 239,000 jobs (200,000 jobs originally reported) in Jan 2018. Job growth came in higher than market expectations driven by notable increases in employment in the construction and retail sectors that added 61,000 jobs and 50,300 jobs, respectively. Despite the substantial job growth, the unemployment rate held at 4.1% in Feb.
- According to the U.S. labour department, initial jobless claims came in at 231,000 for the week ended Mar 3, up 21,000 from the previous week's level of 210,000. Continuing claims fell by 64,000 to 1.870 million for the week ended Feb 24.



Thank you for  
your time.