

**RELIANCE**

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# Markets for You

15 Mar 2018

**Indices Performance**

| Global Indices    | 14-Mar | Prev_Day | Abs. Change | % Change <sup>#</sup> |
|-------------------|--------|----------|-------------|-----------------------|
| Dow Jones         | 24,758 | 25,007   | -249        | -1.00                 |
| Nasdaq            | 7,497  | 7,511    | -14         | -0.19                 |
| FTSE              | 7,133  | 7,139    | -6          | -0.09                 |
| Nikkei            | 21,777 | 21,968   | -191        | -0.87                 |
| Hang Seng         | 31,435 | 31,601   | -166        | -0.53                 |
| Indian Indices    | 14-Mar | Prev_Day | Abs. Change | % Change <sup>#</sup> |
| S&P BSE Sensex    | 33,836 | 33,857   | -21         | -0.06                 |
| Nifty 50          | 10,411 | 10,427   | -16         | -0.15                 |
| Nifty 100         | 10,760 | 10,772   | -12         | -0.11                 |
| Nifty Bank        | 24,852 | 24,739   | 113         | 0.46                  |
| SGX Nifty         | 10,439 | 10,444   | -5          | -0.05                 |
| S&P BSE Power     | 2,173  | 2,177    | -4          | -0.17                 |
| S&P BSE Small Cap | 17,613 | 17,602   | 11          | 0.06                  |
| S&P BSE HC        | 13,700 | 13,682   | 17          | 0.13                  |

**P/E Dividend Yield**

| Date      | Sensex |            | Nifty |            |
|-----------|--------|------------|-------|------------|
|           | P/E    | Div. Yield | P/E   | Div. Yield |
| 14-Mar    | 23.40  | 1.16       | 25.41 | 1.25       |
| Month Ago | 24.27  | 1.15       | 25.37 | 1.08       |
| Year Ago  | 22.54  | 1.39       | 23.59 | 1.22       |

**Nifty 50 Top 3 Gainers**

| Company       | 14-Mar | Prev_Day | % Change <sup>#</sup> |
|---------------|--------|----------|-----------------------|
| Tech Mahindra | 639    | 619      | 3.22                  |
| Ambuja Cem    | 244    | 239      | 2.14                  |
| Yes Bank      | 319    | 313      | 1.93                  |

**Nifty 50 Top 3 Losers**

| Company         | 14-Mar | Prev_Day | % Change <sup>#</sup> |
|-----------------|--------|----------|-----------------------|
| Indian Oil      | 395    | 408      | -3.14                 |
| Bharti Infratel | 339    | 349      | -2.82                 |
| HPCL            | 375    | 383      | -1.97                 |

**Advance Decline Ratio**

|           | BSE  | NSE |
|-----------|------|-----|
| Advances  | 1267 | 868 |
| Declines  | 1416 | 896 |
| Unchanged | 158  | 76  |

**Institutional Flows (Equity)**

| Description (Cr) | Inflow/Outflow | YTD   |
|------------------|----------------|-------|
| FII Flows*       | 4935           | 9366  |
| MF Flows**       | -273           | 24750 |

\*14<sup>th</sup> Mar 2018; \*\*12<sup>th</sup> Mar 2018

**Economic Indicator**

| YoY(%) | Current           | Quarter Ago       | Year Ago          |
|--------|-------------------|-------------------|-------------------|
| WPI    | 2.48%<br>(Feb-18) | 4.02%<br>(Nov-17) | 5.51%<br>(Feb-17) |
| IIP    | 7.50%<br>(Jan-18) | 1.80%<br>(Oct-17) | 3.00%<br>(Jan-17) |
| 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 & WPI from 2004-05 to 2011-12, and for CPI from 2010 to 2012

**Global Indices**

• Asian markets fell after the U.S. President decided to replace U.S. Secretary of State over some political issues. Concerns over heavy tariffs plans by the U.S. on Chinese imports also weighed on sentiment. However, the downside was limited on upbeat China's industrial production in the first two months of 2018. Today (As of Mar 15), Asian markets opened lower following losses in the Wall Street amid concerns of trade tensions. Nikkei and Hang Seng fell 0.80% and 0.66%, respectively (as at 8.a.m. IST).

• As per the last close, European markets ended lower following losses in the Wall Street amid trade war tension and weaker than expected U.S. retail sales report in Feb 2018. However, upbeat China's industrial production in Jan 2018 and comments from ECB President to end the asset purchase programme only when inflation makes sufficient progress restricted the losses.

• As per the last close, U.S markets ended lower as concerns that trade tensions between the U.S. and China could increase and fall in crude oil prices continued to weigh on investor's sentiments.

**Indian Equity Market**

• Indian equity markets ended on a lower note amid weak cues from global markets after U.S. President fired his secretary of state over some political issues. Also, trade war fears weighed on the market sentiment.

• However, losses were capped after wholesale price inflation eased in Feb 2018 for the third consecutive month. Meanwhile, the Reserve Bank of India barred banks from issuing guarantees in the form of letters of undertaking (LoU).

• Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.06% and 0.15%, respectively to close at 33,835.74 and 10,410.90. S&P BSE Mid-Cap and S&P BSE Small-Cap grew 0.28% and 0.06%, respectively.

• On the BSE sectoral front, S&P BSE Information Bankex was the major gainer, up 0.56%, followed by S&P BSE Consumer Durables that grew 0.32%. S&P BSE Finance and S&P BSE Information Technology witnessed growth of 0.25% each. S&P BSE Basic Materials and S&P BSE Healthcare grew 0.21% and 0.13%, respectively. Among the losers, S&P BSE Oil & Gas was the major loser, down 0.94% followed by S&P BSE Telecom, down 0.92%. S&P BSE Energy and S&P BSE Realty fell 0.63% and 0.52%, respectively.

**Domestic News**

• Government data showed that India's Wholesale Price Index-based inflation (WPI) slowed to a seven-month low of 2.48% in Feb 2018 from 2.84% in the previous month and 5.51% in the same month of the previous year. Wholesale inflation grew at a slower pace due to softer rise in food and fuel prices. The WPI Food Index also decreased from 1.65% in Jan 2018 to 0.07% in Feb 2018.

• The Reserve Bank of India (RBI) has decided to scrap quasi bank guarantee instruments like the Letter of Undertaking (LoU) and Letter of Comfort, etc. This is expected to improve banks' due diligence in trade credit. However, it can continue to issue guarantees and letter of credit for trade purposes which are the international norm, and also have features that makes the claim on the issuer strong.

• According to the World Bank, Indian economy is projected to grow 7.3% and 7.5% in FY19 and FY20, respectively. In the current financial year, India is expected to grow 6.7% according to the World Bank's biannual publication, India Development Update: India's Growth Story. The report also stated if India needs to grow over 8%, it will require continued reform and a widening of their scope aimed at resolving issues related to credit and investment, and enhancing competitiveness of exports.

• Google is updating its financial services-related advertisement policies by banning any advertising about cryptocurrency-related content, including initial coin offerings (ICOs), wallets, and trading advice.

• As per media reports, Torrent Pharmaceuticals may raise Rs. 15 billion through the qualified institutional placement (QIP) route as it readies to bid for Sanofi assets.

• Bharti Airtel announced that its Board of Directors has approved allotment of 30,000 debentures to raise around Rs. 3,000 crore on private placement basis. The raised fund will be used for general corporate purpose including routine treasury activities and refinancing of existing debt and spectrum liabilities.

| FII Derivative Trade Statistics | 14-Mar    |           |           |
|---------------------------------|-----------|-----------|-----------|
| (Rs Cr)                         | Buy       | Sell      | Open Int. |
| Index Futures                   | 3000.31   | 3242.74   | 19283.25  |
| Index Options                   | 117999.24 | 118295.00 | 71464.74  |
| Stock Futures                   | 10388.65  | 10223.45  | 78125.00  |
| Stock Options                   | 7827.29   | 7975.75   | 7327.76   |
| Total                           | 139215.49 | 139736.94 | 176200.75 |

| Derivative Statistics- Nifty Options | 14-Mar | Prev_Day | Change |
|--------------------------------------|--------|----------|--------|
| Put Call Ratio (OI)                  | 1.27   | 1.27     | 0.00   |
| Put Call Ratio(Vol)                  | 1.02   | 1.02     | 0.00   |

| Debt Watch         | 14-Mar | Wk. Ago | Mth. Ago | Year Ago |
|--------------------|--------|---------|----------|----------|
| Call Rate          | 5.83%  | 5.89%   | 5.98%    | 5.91%    |
| CBLO               | 5.73%  | 5.85%   | 6.04%    | 5.98%    |
| Repo               | 6.00%  | 6.00%   | 6.00%    | 6.25%    |
| Reverse Repo       | 5.75%  | 5.75%   | 5.75%    | 5.75%    |
| 91 Day T-Bill      | 6.15%  | 6.25%   | 6.36%    | 5.88%    |
| 364 Day T-Bill     | 6.52%  | 6.65%   | 6.58%    | 6.15%    |
| 10 Year Gilt       | 7.68%  | 7.68%   | 7.49%    | 6.90%    |
| G-Sec Vol. (Rs.Cr) | 20102  | 29746   | 38319    | 18949    |
| 1 Month CP Rate    | 7.81%  | 7.85%   | 6.88%    | 6.72%    |
| 3 Month CP Rate    | 7.74%  | 7.92%   | 7.90%    | 6.79%    |
| 5 Year Corp Bond   | 8.03%  | 8.11%   | 7.83%    | 7.68%    |
| 1 Month CD Rate    | 7.10%  | 7.11%   | 6.22%    | 6.23%    |
| 3 Month CD Rate    | 7.04%  | 7.19%   | 7.22%    | 6.28%    |
| 1 Year CD Rate     | 7.41%  | 7.47%   | 7.48%    | 6.64%    |

| Currency Market | 14-Mar | Prev_Day | Change |
|-----------------|--------|----------|--------|
| USD/INR         | 64.99  | 64.96    | 0.03   |
| GBP/INR         | 90.83  | 90.23    | 0.60   |
| EURO/INR        | 80.58  | 80.09    | 0.49   |
| JPY/INR         | 0.61   | 0.61     | 0.00   |

| Commodity Prices   | 14-Mar | Wk Ago | Mth. Ago | Year Ago |
|--------------------|--------|--------|----------|----------|
| NYMEX Crude(\$/bl) | 60.88  | 61.08  | 60.68    | 47.19    |
| Brent Crude(\$/bl) | 63.60  | 65.18  | 61.88    | 48.89    |
| Gold( \$/oz)       | 1325   | 1325   | 1351     | 1198     |
| Gold(Rs./10 gm)    | 30375  | 30565  | 30200    | 28333    |

Source: Thomson Reuters Eikon

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**Derivatives Market**

- Nifty Mar 2018 Futures were at 10,425.35 points, a premium of 14.45 points, above the spot closing of 10,410.90. The turnover on NSE's Futures and Options segment went down from Rs. 8,95,731.16 crore on Mar 13 to Rs. 8,00,356.04 crore on Mar 14.
- The Put-Call ratio stood at 0.82 against previous session's close of 0.87.
- The Nifty Put-Call ratio remained unchanged at 1.27 against previous session's close.
- Open interest on Nifty Futures stood at 26.08 million as against the previous session's close of 25.62 million.

**Indian Debt Market**

- Bond yields rose as investor risk appetite for debt remained subdued. Concerns over higher global interest rates also weighed on market sentiment.
- Yield on the 10-year benchmark paper (7.17% GS 2028) rose 3 bps to close at 7.68% as against previous session's close of 7.65%.
- RBI conducted the auction of 91-, 182- and 364-days Treasury Bills for the notified amount of Rs. 7,000 crore, Rs. 4,000 crore and Rs. 3,000 crore, respectively. The cut-off for 91-, 182- and 364-days Treasury Bill stood at Rs. 98.47 (6.23%), Rs. 96.89 (6.44%) and Rs. 93.83 (6.59%), respectively.
- Data from RBI showed that reserve money increased at an annualised rate of 32.5% in the week to Mar 9, compared with a decrease of 16.0% a year earlier. India's money supply grew 10.4% on a yearly basis in the fortnight ending Mar 2 against a growth of 6.6% a year earlier.

**Currency Market Update**

- The Indian rupee rose against the greenback as the latter remained under pressure after U.S. retail inflation slowed in Feb 2018 from the previous month, which suggested that the U.S. Federal Reserve could stick to its projections of three interest rate increases this year.
- Euro fell against the greenback after the European Central Bank president stated that it will wait for more evidence to confirm that inflation dynamics in the euro zone are rising and moving in the correct direction.

**Commodity Market Update**

- Gold prices traded lower as the U.S. dollar gained against the euro.
- Brent crude prices traded lower after the Organization of the Petroleum Exporting Countries raised its forecast for non-member oil supply in 2018 to almost double the growth predicted four months ago.

**International News**

- According to data from National Bureau of Statistics, China's industrial production rose 7.2% YoY in Jan 2018 compared with 6.2% growth in Dec 2017. Also, retail sales grew to 9.7% in Jan after climbing 9.4% in Dec 2017.
- According to the Cabinet Office, the value of core machine orders in Japan grew 8.2% MoM to 872.3 billion yen in Jan 2018 compared with 9.3% in Dec 2017. On a yearly basis, core machine orders rose 2.9% following 5.0% decline in the previous month.
- Germany's consumer price inflation slowed for the third consecutive month to 1.4% YoY in Feb 2018 from 1.6% in Jan 2018. On monthly basis, consumer prices rose 0.5% mainly due to higher prices of package holidays.



Thank you for  
your time.