

RELIANCE

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# Markets for You

20 Mar 2018

**Indices Performance**

Global Indices	19-Mar	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	24,611	24,947	-336	-1.35
Nasdaq	7,344	7,482	-138	-1.84
FTSE	7,043	7,164	-121	-1.69
Nikkei	21,481	21,677	-196	-0.90
Hang Seng	31,514	31,502	12	0.04
Indian Indices	19-Mar	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	32,923	33,176	-253	-0.76
Nifty 50	10,094	10,195	-101	-0.99
Nifty 100	10,444	10,556	-112	-1.06
Nifty Bank	24,245	24,490	-244	-1.00
SGX Nifty	10,109	10,244	-135	-1.32
S&P BSE Power	2,127	2,140	-13	-0.59
S&P BSE Small Cap	17,228	17,576	-348	-1.98
S&P BSE HC	13,385	13,506	-121	-0.90

**P/E Dividend Yield**

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
19-Mar	22.71	1.19	24.61	1.29
Month Ago	23.60	1.16	25.14	1.09
Year Ago	22.90	1.37	23.78	1.21

**Nifty 50 Top 3 Gainers**

Company	19-Mar	Prev_Day	% Change <sup>#</sup>
NTPC	167	165	1.30
Maruti	8774	8677	1.12
Power Grid	194	192	1.01

**Nifty 50 Top 3 Losers**

Company	19-Mar	Prev_Day	% Change <sup>#</sup>
HCL Tech	927	968	-4.25
Tata Steel	575	600	-4.21
Bharti Airtel	400	417	-4.10

**Advance Decline Ratio**

	BSE	NSE
Advances	514	285
Declines	2235	1546
Unchanged	162	52

**Institutional Flows (Equity)**

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	1051	10176
MF Flows**	-1076	27291

\*19<sup>th</sup> Mar 2018; \*\*16<sup>th</sup> Mar 2018

**Economic Indicator**

YoY(%)	Current	Quarter Ago	Year Ago
WPI	2.48% (Feb-18)	4.02% (Nov-17)	5.51% (Feb-17)
IIP	7.50% (Jan-18)	1.80% (Oct-17)	3.00% (Jan-17)
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 witnessed a mixed trend ahead of the highly anticipated monetary policy decision by U.S. Federal Reserve, scheduled later during the week. Market participants also awaited new Fed Chairman's first press conference for near term directional cues. Today (As of Mar 20), Asian markets opened lower amid soft lead from Wall Street in the last session. Also, an ongoing political scandal that is hurting public support for Japan's Prime Minister weighed on the market sentiment. Nikkei and Hang seng fell 0.68% and 0.52%, respectively (as at 8.a.m. IST).
- As per the last close, European markets ended lower amid concerns over potential trade war. Also, investors remained cautious ahead of policy decisions by U.S. Federal Reserve (Fed) and the Bank of England later this week.
- As per the last close, U.S markets ended lower amid lingering concerns about a potential trade war and political uncertainty. Decline in a U.S. technology major amid some allegations negatively impacted the indices. Also, investors remained cautious ahead of the Fed's monetary policy decisions later this week.

**Indian Equity Market**

- Indian equity markets closed in the red amid concerns after India's current account deficit data for the third quarter FY18 widened to 2% of gross domestic product, or \$13.5 billion driven by higher imports. Also, investors remained cautious ahead of the U.S. Federal Reserve's and Bank of England's policy meeting later in the week. Meanwhile, investors are closely watching developments in the parliament this week following the no-confidence motion moved by regional political party against the ruling government.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.76% and 0.99%, respectively to close at 32,923.12 and 10,094.25. S&P BSE Mid-Cap and S&P BSE Small-Cap fell 1.58% and 1.98%, respectively.
- On the BSE sectoral front, S&P BSE Telecom was the major loser, down 3.40%, followed by S&P BSE Realty that fell 3.01% and S&P BSE Metal that declined 2.65%. S&P BSE Teck and S&P BSE Basic Materials fell 2.08% and 2.00%, respectively. S&P BSE Information Technology and S&P BSE Oil & Gas fell 1.98% and 1.70%, respectively. None of the BSE sectors ended in the green.

**Domestic News**

- According to media reports, procurement of wheat may cross the target of 32 million tonnes for 2018-19. Meanwhile the state governments are taking steps to ensure that farmers get minimum support price (MSP) of Rs 1,735 per quintal.
- According to the minister of state for finance, bad loans in the banking sector have gone up steadily for the past eight years. At the end of Dec 2017, non-performing assets in state run banks have surpassed Rs 7.77 lakh crore. On a separate note, the minister added that corporate lending by banks have increased from Rs. 31.12 lakh crore in Mar 2013 to Rs. 40.66 lakh crore at the end of Dec 2017.
- According to media reports, the Indian government is considering approaching the World Trade Organization's (WTO) dispute settlement body against the U.S. President's move to raise import duty on aluminum and steel. It needs to be noted that trade tensions have increased recently after the U.S. approached WTO dispute settlement body to hold discussions with India. U.S. is of the view that there are multiple export promotion schemes which has impacted the U.S. business activity and workers.
- According to media reports, Binani Industries may sell 98.47% stake in cement arm to UltraTech to pay off the debtors to the company
- According to media reports, Suzlon Group has won two wind power projects of 300 MW and 200 MW. The two projects will be located at Kutch district in Gujarat.
- According to media reports, BHEL has commissioned first unit of 110 MW of the Kishanganga hydro-electric project (HEP) of NHPC in Jammu and Kashmir.
- According to media reports, state owned Indian Oil Corp. and Bharat Petroleum Corp Ltd. may buy 26% stake each in gas utility GAIL India Ltd. Thereby paying the government over Rs. 20,000 crore each to become integrated energy firms.

FII Derivative Trade Statistics		19-Mar	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	2473.66	4695.23	22864.94
Index Options	76038.22	76099.70	69142.89
Stock Futures	11248.95	11518.51	78972.95
Stock Options	6299.29	6226.28	7628.77
Total	96060.12	98539.72	178609.55

Derivative Statistics- Nifty Options			
	19-Mar	Prev_Day	Change
Put Call Ratio (OI)	1.04	1.09	-0.05
Put Call Ratio(Vol)	0.83	0.89	-0.06

Debt Watch				
	19-Mar	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.91%	5.86%	5.96%	6.03%
CBLO	5.96%	5.77%	4.96%	4.88%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.13%	6.24%	6.32%	5.91%
364 Day T-Bill	6.50%	6.57%	6.56%	6.14%
10 Year Gilt	7.61%	7.63%	7.58%	6.86%
G-Sec Vol. (Rs.Cr)	34854	29752	23303	23600
1 Month CP Rate	7.69%	7.79%	6.87%	6.70%
3 Month CP Rate	7.24%	7.79%	7.89%	6.77%
5 Year Corp Bond	7.95%	8.07%	7.88%	7.62%
1 Month CD Rate	6.83%	7.08%	6.23%	6.24%
3 Month CD Rate	6.79%	7.04%	7.22%	6.28%
1 Year CD Rate	7.26%	7.41%	7.48%	6.66%

Currency Market			
Currency	19-Mar	Prev_Day	Change
USD/INR	65.04	64.87	0.16
GBP/INR	90.56	90.49	0.07
EURO/INR	79.78	79.91	-0.14
JPY/INR	0.62	0.61	0.00

Commodity Prices				
Commodity	19-Mar	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	62.00	61.34	61.87	48.29
Brent Crude(\$/bl)	64.36	64.52	64.19	50.07
Gold( \$/oz)	1317	1323	1346	1228
Gold(Rs./10 gm)	30154	30271	30635	28487

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 10,122.80 points, a premium of 28.55 points, above the spot closing of 10,094.25. The turnover on NSE's Futures and Options segment went up from Rs. 5,88,936.11 crore on Mar 16 to Rs. 6,25,236.27 crore on Mar 19.
- The Put-Call ratio stood at 0.81 against previous session's close of 0.86.
- The Nifty Put-Call ratio stood at 1.04 against the previous session's close at 1.09.
- Open interest on Nifty Futures stood at 27.68 million as against the previous session's close of 28.14 million.

#### Indian Debt Market

- Bond yields grew as investors were cautious ahead of the U.S. Federal Reserve's meeting starting from Mar 20 wherein a rate hike is expected. Investors also resorted to profit booking thereby further leading to fall in bond prices.
- Yield on the 10-year benchmark paper (7.17% GS 2028) grew 5 bps to close at 7.61% as against previous session's close of 7.56%. During the session, bond yields traded in the range of 7.54% and 7.61%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 5,497 crore (gross) on Mar 19 compared with Rs. 10,297 crore on Mar 16. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 19,721 crore on Mar 16.
- Banks borrowed Rs. 390 crore under the central bank's Marginal Standing Facility on Mar 16 compared with that of Rs. 1,340 crore borrowed on Mar 15.

#### Currency Market Update

- The Indian rupee fell against the U.S. dollar following rise in U.S. industrial production in Feb 2018 and consumer sentiment in Mar 2018.
- After falling in the last three consecutive days, the euro rose marginally against the greenback ahead of the U.S. Federal Reserve policy meeting, which is expected to see its first rate hike of 2018.

#### Commodity Market Update

- Gold prices traded slightly lower as investors preferred to remain on the sidelines ahead of the U.S. Federal Reserve monetary policy meeting this week.
- Brent crude prices traded lower after the number of active U.S. oil rigs increased by four in the week ending Mar 16.

#### International News

- A preliminary report from the University of Michigan showed an unexpected improvement in U.S. consumer sentiment in Mar 2018. The preliminary reading on the consumer sentiment index for Mar 2018 came in at 102.0, up from the final Feb reading of 99.7.
- A report from the U.S. Federal Reserve showed a modest decrease in U.S. industrial production in Feb 2018. Industrial production grew 1.1% in Feb 2018 after falling by a revised 0.3% in Jan 2018 (0.1% fall originally reported).
- According to the British Chambers of Commerce, the U.K. economy is expected to grow 1.4% this year up from 1.1% projected earlier. The growth projection for 2019 was increased to 1.5% from 1.3%. For 2020, the U.K. economy is expected to grow 1.6% in 2020.

Thank you for  
your time.