

**RELIANCE**

MUTUAL  
FUND

# Markets for You

22 Mar 2018

Indices Performance

Global Indices	21-Mar	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	24,682	24,727	-45	-0.18
Nasdaq	7,345	7,364	-19	-0.26
FTSE	7,039	7,061	-22	-0.32
Nikkei	Closed	21,381	NA	NA
Hang Seng	31,415	31,550	-135	-0.43
Indian Indices	21-Mar	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	33,136	32,997	139	0.42
Nifty 50	10,155	10,124	31	0.31
Nifty 100	10,512	10,478	34	0.32
Nifty Bank	24,256	24,168	87	0.36
SGX Nifty	10,171	10,164	7	0.07
S&P BSE Power	2,146	2,137	9	0.42
S&P BSE Small Cap	17,244	17,192	52	0.31
S&P BSE HC	13,382	13,444	-62	-0.46

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
21-Mar	22.80	1.19	24.76	1.28
Month Ago	23.44	1.17	25.18	1.09
Year Ago	22.54	1.40	23.68	1.22

Nifty 50 Top 3 Gainers

Company	21-Mar	Prev_Day	% Change <sup>#</sup>
Bharti Airtel	418	400	4.45
Bajaj Finance Limited	1705	1657	2.85
NTPC	170	166	2.37

Nifty 50 Top 3 Losers

Company	21-Mar	Prev_Day	% Change <sup>#</sup>
Tata Steel	582	593	-1.81
Adani Ports & SEZ	364	370	-1.70
Bosch	17586	17877	-1.63

Advance Decline Ratio

	BSE	NSE
Advances	1289	868
Declines	1427	904
Unchanged	144	89

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	494	11183
MF Flows**	887	28315

\*21<sup>st</sup> Mar 2018; \*\*20<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

- Most of the Asian markets traded in low as investors preferred to be on sidelines ahead of the U.S. Federal Reserve (Fed) Policy review. However, positive cues from overnight U.S. markets provided some respite. Japanese market remained closed on account of public holiday. Today (As of Mar 22), Asian markets opened higher post increase in interest rates by Fed as per expectations. Gains in mining and oil sectors also boosted the indices. Nikkei and Hang seng grew 0.67% and 0.26%, respectively (as at 8.a.m. IST).
- As per the last close, European markets ended mixed as investors remained cautious ahead of the policy decisions by Fed and the Bank of England. Reports that U.K. jobless rate in three months to Jan 2018 was the joint lowest since 1975 boosted investor sentiment.
- As per the last close, U.S markets ended modestly lower post volatile session. As widely expected, Fed raised interest rates by 25 bps on strength in the broader economy. Also, it continued to expect three rate hikes in 2018. Energy, gold and steel stocks saw gains; however, weakness was visible among telecom and tobacco stocks.

Indian Equity Market

- Indian equity markets closed modestly higher amid gains in realty and banking stocks. However, investors remained cautious ahead of the U.S. Federal Reserve's (Fed) policy decision wherein Fed is expected to raise interest rates, and thereafter may likely make two more rate hikes this year.
- Key benchmark indices S&P BSE Sensex and Nifty 50 grew 0.42% and 0.31%, respectively to close at 33,136.18 and 10,155.25. S&P BSE Mid-Cap and S&P BSE Small-Cap grew 0.22% and 0.31%.
- The overall market breadth on BSE was weak with 1,427 scrips declining and 1,289 scrips advancing. A total of 144 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Telecom was the major gainer, up 2.36%, followed by S&P BSE Realty that grew 0.75%. S&P BSE Finance and S&P BSE Capital Goods grew 0.56% each. S&P BSE Energy and S&P BSE Utilities grew 0.54% and 0.48%, respectively. Among the losers, S&P BSE Metal was the major loser, down 0.54%, followed by S&P BSE Healthcare that fell 0.46%. S&P BSE Basic Materials and S&P BSE Auto fell 0.15% and 0.12%, respectively.

Domestic News

- The government has extended the facility of hiring workers on fixed-term employment to all sectors to improve the ease of doing business, thereby meeting the announcement made in the Union Budget. Amid major demand of the trade unions, no permanent employee will be moved to fixed term employment. According to the Industrial Establishment (Standing Order) 1946, the facility for hiring on fixed-term contract was initially available only for the apparel manufacturing sector.
- The Securities and Exchange Board of India (SEBI) has permitted bourses to provide spread benefit in initial margin across futures contracts in commodities. The bourses can charge higher margins depending upon their risk perception. Margin benefit on spread positions shall be entirely withdrawn latest by the start of tender period or the start of the expiry day, whichever is earlier. However, the benefit can be provided if minimum coefficient of correlation between futures prices of the two commodities is 0.90. Additionally, back testing for adequacy of spread margin to cover MTM has been carried out for a minimum period of one year and initial margin after spread benefit has been able to cover MTM on at least 99% of the days as per back testing.
- As per media reports, government has no plans to increase the retirement age of central government employees from existing 60 years to 62 years. There are about 48.41 lakh central government employees.
- The Road Transport and Highways Ministry aims to collect 50% of total daily toll charges through FASTag and other electronic means. The government receives around Rs 51 crore as toll on an average per day on national highways. As of now, only 20% of this is collected through RFID (radio frequency identification) card or FASTag, which enables automatic deduction of toll charges.

FII Derivative Trade Statistics		21-Mar	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1800.06	3316.53	23125.23
Index Options	80332.71	81504.16	73950.78
Stock Futures	8794.37	7997.15	78316.33
Stock Options	5930.79	6079.69	7996.64
Total	96857.93	98897.53	183388.98

Derivative Statistics- Nifty Options			
	21-Mar	Prev_Day	Change
Put Call Ratio (OI)	1.07	1.06	0.01
Put Call Ratio(Vol)	0.93	0.92	0.00

Debt Watch				
	21-Mar	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.94%	5.83%	5.95%	5.92%
CBLO	5.95%	5.73%	5.96%	5.88%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.07%	6.15%	6.32%	5.78%
364 Day T-Bill	6.50%	6.52%	6.61%	5.87%
10 Year Gilt	7.58%	7.68%	7.71%	6.89%
G-Sec Vol. (Rs.Cr)	38439	20102	12976	32896
1 Month CP Rate	7.75%	7.81%	6.90%	6.65%
3 Month CP Rate	7.26%	7.74%	7.89%	6.68%
5 Year Corp Bond	7.93%	8.03%	7.97%	7.60%
1 Month CD Rate	6.90%	7.10%	6.24%	6.25%
3 Month CD Rate	6.82%	7.04%	7.22%	6.29%
1 Year CD Rate	7.30%	7.41%	7.50%	6.68%

Currency Market			
Currency	21-Mar	Prev_Day	Change
USD/INR	65.22	65.20	0.02
GBP/INR	91.33	91.49	-0.17
EURO/INR	79.96	80.46	-0.50
JPY/INR	0.61	0.61	0.00

Commodity Prices				
Commodity	21-Mar	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	65.09	60.88	61.71	46.97
Brent Crude(\$/bl)	67.64	63.60	64.55	49.69
Gold( \$/oz)	1332	1325	1324	1245
Gold(Rs./10 gm)	30300	30375	30393	28423

Source: Thomson Reuters Eikon

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#### Derivatives Market

- Nifty Mar 2018 Futures were at 10,180.15 points, a premium of 24.90 points, above the spot closing of 10,155.25. The turnover on NSE's Futures and Options segment went up from Rs. 6,44,894.77 crore on Mar 20 to Rs. 8,14,332.32 crore on Mar 21.
- The Put-Call ratio, stood at 0.87 against previous close of 0.79.
- The Nifty Put-Call ratio stood at 1.07 against the previous session's close at 1.06.
- India VIX moved down 3.20% to 15.1075 from 15.6075 in the previous trading session.
- Open interest on Nifty Futures stood at 28.47 million as against the previous session's close of 28.23 million.

#### Indian Debt Market

- Bond yields fell amid indications that the government may take few steps to lessen supply burden of FY19 and borrow more next year through shorter tenure bonds. Also, reports that the government is working on a strategy to bring down bond yields, while the government may attempt another round of buyback before the end of the fiscal further boosted market sentiments.
- Yield on the 10-year benchmark paper (7.17% GS 2028) fell 4 bps to close at 7.58% as against previous session's close of 7.62%. During the session, bond yields traded in the range of 7.58% and 7.68%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 6,017 crore (gross) on Mar 21 compared with Rs. 3,460 crore on Mar 20. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 20,367 crore on Mar 20.

#### Currency Market Update

- The Indian rupee closed steady against the greenback as market participants preferred to remain on the sidelines ahead of the outcome of Fed's monetary policy review due Mar 21. The rupee inched down 0.02% to close at 65.21 from previous close of 65.19.
- The euro rose against the greenback as market participants preferred to remain on the sidelines ahead of the outcome of the U.S. Federal Reserve monetary policy review due Mar 21. Euro was last seen trading at \$1.2312 compared with the previous close of \$1.2287.

#### Commodity Market Update

- Gold prices traded higher as weakness in U.S. dollar against euro underpinned demand for dollar-denominated commodity.
- Brent Crude prices remained supported by the potential supply disruptions owing to geo political tensions in the Middle East.

#### International News

- A report from the Ifo Institute showed that Germany's gross domestic product is expected to grow 2.6% in 2018 as against an increase of 2.2% in 2017. The pace of growth is expected to be 2.1% in 2019.
- A report from the Office for National Statistics showed that U.K. ILO unemployment rate eased to 4.3% in three months to Jan 2018 as against 4.4% in three months to Dec 2017. This marked the lowest jobless rate since 1975. The employment rate was 75.3% during the period Nov-Jan 2018 as against 74.6% in the year-ago period.

Thank you for  
your time.