

RELIANCE

MUTUAL
FUND

Markets for You

01 Nov 2018

Indices Performance

Global Indices	31-Oct	Prev_Day	Abs. Change	% Change [#]
Dow Jones	25,116	24,875	241	0.97
Nasdaq	7,306	7,162	144	2.01
FTSE	7,128	7,036	92	1.31
Nikkei	21,920	21,457	463	2.16
Hang Seng	24,980	24,586	394	1.60
Indian Indices	31-Oct	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	34,442	33,891	551	1.63
Nifty 50	10,387	10,198	188	1.85
Nifty 100	10,605	10,414	191	1.83
Nifty Bank	25,153	24,808	346	1.39
SGX Nifty	10,391	10,203	188	1.84
S&P BSE Power	1,958	1,945	13	0.69
S&P BSE Small Cap	14,201	14,008	193	1.38
S&P BSE HC	14,727	14,436	291	2.01

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
31-Oct	22.01	1.30	25.00	1.27
Month Ago	23.37	1.23	26.44	1.23
Year Ago	24.76	1.17	26.38	1.08

Nifty 50 Top 3 Gainers

Company	31-Oct	Prev_Day	% Change [#]
Tech Mahindra	744	685	8.58
Indiabulls HFC	835	769	8.51
United Phos	674	637	5.90

Nifty 50 Top 3 Losers

Company	31-Oct	Prev_Day	% Change [#]
Coal India	266	276	-3.52
Dr.Reddy	2542	2594	-2.00
Tata Steel	554	565	-1.89

Advance Decline Ratio

	BSE	NSE
Advances	1619	1196
Declines	943	607
Unchanged	136	96

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-1536	-41751
MF Flows**	1311	110236

*31st Oct 2018; **30th Oct 2018

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	3.77% (Sep-18)	4.92% (Jun-18)	3.28% (Sep-17)
IIP	4.30% (Aug-18)	3.80% (May-18)	4.80% (Aug-17)
GDP	8.20% (Jun-18)	7.70% (Mar-18)	5.60% (Jun-17)

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 equity markets gained on economic data and corporate earnings. Even weak Chinese economic data didn't sour the sentiment. The Chinese security regulator's steps to support the economy buoyed the markets. Today (as of Nov 1), Asian markets opened almost higher amid positive trade following gains in Wall Street in the last session. Technology stocks remained in focus. Hangseng grew 1.40%, however, Nikkei fell 0.51% (as at 8.a.m. IST).
- As per the last close, European markets closed higher amid a strong batch of corporate earnings reports. Gains in basic resources stocks boosted the indices. Strength in Wall Street also led to the gains.
- As per the last close, U.S markets closed higher following positive reaction to strong earnings news from several U.S. majors. Stronger than expected private sector job growth in Oct 2018 further improved market sentiment.

Indian Equity Market

- Domestic equity markets gained after the government cleared air over the differences with the Reserve Bank of India (RBI), saying RBI's independence was "an essential and accepted governance requirement". This calmed investors worried over the exchange of strong words between the government and the central bank in the past few days. The government has been trying to change certain rules that come under RBI's purview, which hasn't gone down well with the central bank's officials.
- Key benchmark indices S&P BSE Sensex and Nifty 50 gained 1.63% and 1.85% to close at 34,444.05 and 10,386.60, respectively. S&P BSE Mid-Cap gained 1.56%, while S&P BSE Small Cap increased 1.38%.
- The overall market breadth on BSE was strong with 1619 scrips advancing and 943 scrips declining. A total of 136 scrips remained unchanged.
- On the BSE sectoral front, all the sectors but one gained. S&P BSE Information Technology was the major gainer, up 3.53%, followed by S&P BSE Teck and S&P BSE Consumer Durables, up 3.18% and 2.32%, respectively. S&P BSE Finance and S&P BSE Healthcare gained 2.23% and 2.01%, respectively. S&P BSE Metal was the loser, down 1.4%.

Domestic News

- The government is planning to carry out at least two mergers of central public sector enterprises (CPSEs) in the power sector. This is being done to fasten the disinvestment process and meet targets. This may lead to NTPC acquiring hydropower firm SJVN as the former has shown interest. The government holds 63.79% stake in SJVN. A merger of Power Finance Corporation (PFC) and REC Ltd is also on the cards. The government's stake in PFC is 65.64% and REC is 57.99%.
- According to The Unique Identification Authority of India (UIDAI) chief executive officer, the planned 'Aadhaar Seva Kendras', which will be similar to Passport Seva Kendras, will give "hassle-free" enrolment and update facilities. This will ensure ease in Aadhaar-related services to residents. UIDAI is planning to set up Aadhaar Seva Kendras under a mega project involving opening of facilitation centres for enrolment and update services in 53 cities and towns pan India.
- The Reserve Bank of India (RBI) has announced it will inject Rs. 12,000 crore into the system through purchase of government securities on Nov 1, 2018, ahead of the Diwali festival. The central bank had announced last week that it will inject Rs. 40,000 crore in Nov through purchase of government securities. This is being done to meet festive season demand for funds. The result of the auction will be announced on the same day and successful participants will get payment the following day.
- India will need around USD 4.5 trillion till 2040 for development of infrastructure sector in the country, Niti Aayog CEO. He further said that there is an urgent need to restructure entire existing public private partnership (PPP) framework as there are delays in completion of infrastructure projects due to disputes.

FII Derivative Trade Statistics		31-Oct	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	3355.18	3154.42	24136.73
Index Options	102477.59	101973.62	55116.90
Stock Futures	15535.84	15401.63	79409.70
Stock Options	6379.86	6211.58	5103.46
Total	127748.47	126741.25	163766.79

Derivative Statistics- Nifty Options			
	31-Oct	Prev_Day	Change
Put Call Ratio (OI)	1.56	1.49	0.06
Put Call Ratio(Vol)	0.93	0.73	0.19

Debt Watch				
	31-Oct	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.43%	6.50%	6.51%	5.88%
CBLO	6.42%	6.47%	4.36%	5.97%
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
91 Day T-Bill	6.93%	6.94%	6.95%	6.10%
364 Day T-Bill	7.47%	7.45%	7.64%	6.20%
10 Year Gilt	7.85%	7.87%	8.02%	6.86%
G-Sec Vol. (Rs.Cr)	31470	41414	30033	38712
FBIL MIBOR	6.60%	6.60%	6.60%	6.00%
3 Month CP Rate	8.65%	8.25%	8.15%	6.79%
5 Year Corp Bond	8.75%	8.81%	9.02%	7.55%
1 Month CD Rate	6.99%	7.20%	6.62%	6.06%
3 Month CD Rate	7.51%	8.38%	7.43%	6.20%
1 Year CD Rate	8.39%	8.37%	8.40%	6.57%

Currency Market			
Currency	31-Oct	Prev_Day	Change
USD/INR	73.99	73.57	0.42
GBP/INR	94.10	94.18	-0.08
EURO/INR	83.93	83.71	0.21
JPY/INR	0.65	0.65	0.00

Commodity Prices				
Commodity	31-Oct	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	65.26	66.46	73.11	54.31
Brent Crude(\$/bl)	74.98	78.23	83.21	61.79
Gold(\$/oz)	1214	1234	1192	1271
Gold(Rs./10 gm)	31735	31692	30296	29333

Source: Thomson Reuters Eikon

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Derivatives Market

- Nifty Nov 2018 Futures settled at 10,398.4, a premium of 11.80 points, above the spot closing of 10,386.60. The turnover on NSE's Futures and Options segment increased to Rs. 10,53,926.14 on Oct 31 compared with Rs. 7,19,557.92 on Oct 30.
- The Put-Call ratio stood at 0.88, compared with previous close of 0.80.
- The Nifty Put-Call ratio stood at 1.56 compared with previous close of 1.49.
- India VIX declined 2.81% to 19.9250 from 20.5025 in previous trading session.
- Open interest on Nifty Futures stood at 23.98 million as against previous close at 22.75 million.

Indian Debt Market

- Bond yield increased following news that the RBI's governor is considering various options including stepping down from his position after the government's reported intervention under the RBI Act.
- Yield on the 10-year benchmark paper (7.17% GS 2028) rose 2 bps to 7.85% compared with the previous close of 7.83% after trading in the range of 7.84% to 7.89%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,976 crore (gross) on Oct 31 compared with a borrowing of Rs. 3,876 crore (gross) on Oct 30. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 13,918 crore on Oct 30.
- Banks did not borrow under the central bank's Marginal Standing Facility on Oct 30 compared with borrowing of Rs. 4 crore on Oct 29.

Currency Market Update

- The Indian rupee declined on reports that the central bank chief is considering various options including stepping down from his position following the finance minister's critical comments and intervention under the RBI Act on the RBI's functioning. The rupee closed at 73.95 down 0.40% compared with the previous close of 73.68.
- The euro edged down against dollar as the latter strengthened from strong U.S. consumer confidence data, which added to its safe-haven appeal. The euro was last seen trading at 1.1338, down 0.05% compared with the previous close of 1.1344.

Commodity Market Update

- Gold prices edged lower with the rebound in the global equity market.
- Brent Crude prices marginally moved up with the impending U.S. sanction on Iran which kicks in Nov.

International News

- National Bureau of Statistics data showed manufacturing sector in China continued to expand in Oct 2018 with a manufacturing PMI score of 50.2. This missed expectations for 50.6 and was lower than 50.8 in Sep 2018.
- According to payroll processor ADP's report, employment in the U.S. private sector grew significantly in Oct 2018. ADP said private employment increased by 227,000 jobs in Oct after rising by 218,000 jobs in Sep 2018.

Thank you for
your time.