

RELIANCE

MUTUAL
FUND

Markets for You

03 Nov 2017

Indices Performance

Global Indices	2-Nov	Prev_Day	Abs. Change	% Change [#]
Dow Jones	23,516	23,435	81	0.35
Nasdaq	6,715	6,717	-2	-0.02
FTSE	7,555	7,488	67	0.90
Nikkei	22,539	22,420	119	0.53
Hang Seng	28,519	28,594	-75	-0.26
Indian Indices	2-Nov	Prev_Day	Abs. Change	% Change [#]
S&P BSE Sensex	33,573	33,600	-27	-0.08
Nifty 50	10,424	10,441	-17	-0.16
Nifty 100	10,839	10,848	-9	-0.08
Nifty Bank	25,427	25,490	-63	-0.25
SGX Nifty	10,474	10,487	-13	-0.12
S&P BSE Power	2,355	2,347	8	0.34
S&P BSE Small Cap	17,769	17,697	72	0.41
S&P BSE HC	14,612	14,259	353	2.48

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
2-Nov	24.82	1.15	26.63	1.07
Month Ago	23.41	1.23	25.43	1.17
Year Ago	20.81	1.42	23.01	1.30

Nifty 50 Top 3 Gainers

Company	2-Nov	Prev_Day	% Change [#]
Aurobindo Pharma	789	761	3.67
Lupin	1061	1028	3.22
Sun Pharma	563	549	2.69

Nifty 50 Top 3 Losers

Company	2-Nov	Prev_Day	% Change [#]
Tech Mahindra	468	489	-4.21
Hero Moto	3736	3819	-2.19
Bharti Infratel	419	427	-1.85

Advance Decline Ratio

	BSE	NSE
Advances	1311	855
Declines	1451	888
Unchanged	137	58

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	1043	38396
MF Flows**	446	97438

*2nd Nov 2017; **30th Oct 2017

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
WPI	2.60% (Sep-17)	0.90% (Jun-17)	1.36% (Sep-16)
IIP	4.30% (Aug-17)	2.90% (May-17)	4.00% (Aug-16)
GDP	5.70% (Jun-17)	6.10% (Mar-17)	7.90% (Jun-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 market closed mostly lower as investors waited for the announcement of next U.S. Federal Reserve chief as well as the monthly U.S. jobs data. Sentiment remained muted on concerns over slowing growth and tight liquidity in China. Today (As of Nov 3), Asian markets opened higher as investors absorbed the details of House Republican tax reform bill and announcement of U.S. President's nominee as the next Federal Reserve Chair. Hang seng grew 0.22% as at (8.a.m. IST). Nikkei remained closed.
- As per the last close, European market ended on a mixed note. Bank of England raised its key rate, however, indicated only gradual easing in the future. This dovish hike led to sharp fall in sterling and weighed on U.K. stocks. Investors absorbed mixed economic data and corporate earnings.
- As per the last close, U.S markets ended on a mixed note. Investors absorbed the details of House Republican tax reform bill and announcement of U.S. President's nominee as the next Federal Reserve Chair. Meanwhile, traders looked ahead to monthly jobs report to be released on Friday.

Indian Equity Market

- Indian equity markets closed marginally lower after witnessing substantial volatility during the session. Disappointing earning numbers from major companies acted as spoilsport for the markets. Investors also took cues from the outcome of U.S. Federal Reserve (Fed)'s latest policy meeting. The U.S. Fed kept interest rates unchanged on the expected line, but its commentary on the U.S. economy has virtually confirmed a rate hike in Dec 2017. The market focus now shifts to the announcement of the next Fed chair.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.08% and 0.16% to close at 33,573.22 and 10,423.80, respectively. However, broader indices bucked the trend with S&P BSE Mid-Cap and S&P BSE Small-Cap rising by 0.47% and 0.41%, respectively.
- On the BSE sectoral front, the indices witnessed a mixed trend. S&P BSE Healthcare was the top gainer, up 2.48%, followed by S&P BSE Consumer Durables and S&P BSE Telecom, which fell 1.26% and 0.75%, respectively. S&P BSE Utilities and S&P BSE Power rose 0.67% and 0.34%, respectively. Meanwhile, S&P BSE FMCG was the major loser, down 0.93%, followed by S&P BSE Auto which slipped 0.61%.

Domestic News

- The government has announced that the Alternative Mechanism, headed by the finance minister, may suggest banks to examine merger proposals. This comes amid government's push towards consolidation among state-run lenders. The final schemes that will be framed will be approved by the Central government and laid in both the houses of Parliament.
- According to a data from the Reserve Bank of India (RBI), presence of domestic banks in the overseas markets has increased marginally in 2016-17. The number of branches grew to 192 from 189 in 2015-16. However, the employee strength of the domestic banks operating abroad fell marginally to 3,984 in 2016-17 from 4,040 in 2015-16. Meanwhile, number of branches of foreign banks operating in India fell to 286 in 2016-17 from 317 in 2015-16. Also, the headcount fell to 24,766 in 2016-17 from 26,642 in 2015-16.
- As per media reports, government is planning to seek Rs. 43,000 crore from RBI. The government wants the central bank to pay its entire surplus as dividend amid increase in bad loans. This is being done as part of government's massive bank recapitalisation plan.
- State Bank of India (SBI) has lowered interest rates on home and automobile loans by five basis points (bps) to 8.30% and 8.70%, respectively. The new rates will be effective from Nov 1, 2017.
- Vedanta reported a net profit of Rs. 2,036 crore in the quarter ended Sep 17, up 43% from the same period in the previous year. Revenue stood at Rs. 21,590 crore, up 37% from a year before. However, the net profit came less than market expectations.
- U.S. Food and Drug Administration have lifted the import alert on Divi's Laboratories' Vizag plant in record seven months. This is unprecedented for Indian drug makers. Earlier, the import alert issued to Aurobindo Pharma's unit VI in Hyderabad was removed in 2013, two years after the issue while import bans on plants of Ipca Labs, Wockhardt and Sun Pharmaceutical Industries are still in place.

FII Derivative Trade Statistics		2-Nov	
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	1864.56	1913.86	23536.62
Index Options	51747.41	51532.19	76516.13
Stock Futures	7517.23	7292.68	66071.49
Stock Options	6881.47	6881.48	6044.15
Total	68010.67	67620.21	172168.39

Derivative Statistics- Nifty Options			
	2-Nov	Prev_Day	Change
Put Call Ratio (OI)	1.52	1.50	0.02
Put Call Ratio(Vol)	1.06	1.21	-0.15

Debt Watch				
	2-Nov	Wk. Ago	Mth. Ago	Year Ago
Call Rate	5.84%	5.85%	5.98%	6.13%
CBLO	5.80%	5.83%	5.55%	6.17%
Repo	6.00%	6.00%	6.00%	6.25%
Reverse Repo	5.75%	5.75%	5.75%	5.75%
91 Day T-Bill	6.10%	6.10%	6.07%	6.36%
364 Day T-Bill	6.23%	6.20%	6.23%	6.43%
10 Year Gilt	6.86%	6.80%	6.66%	6.82%
G-Sec Vol. (Rs.Cr)	41821	17048	68046	46783
1 Month CP Rate	6.53%	6.53%	6.56%	6.83%
3 Month CP Rate	6.77%	6.76%	6.64%	7.00%
5 Year Corp Bond	7.24%	7.15%	7.22%	7.39%
1 Month CD Rate	6.08%	6.07%	6.09%	6.43%
3 Month CD Rate	6.21%	6.20%	6.14%	6.62%
1 Year CD Rate	6.57%	6.58%	6.57%	6.94%

Currency Market			
Currency	2-Nov	Prev_Day	Change
USD/INR	64.59	64.53	0.07
GBP/INR	85.79	85.67	0.12
EURO/INR	75.28	75.08	0.21
JPY/INR	0.57	0.57	0.00

Commodity Prices				
Commodity	2-Nov	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	54.50	52.39	51.62	45.27
Brent Crude(\$/bl)	60.98	59.04	57.26	43.65
Gold(\$/oz)	1276	1267	1279	1297
Gold(Rs./10 gm)	29206	29393	29692	30551

Source: ICRON Research

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Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.

Derivatives Market

- Nifty Nov 2017 Futures were at 10,455.00, a premium of 31.20 points above the spot closing of 10,423.80. The turnover on NSE's Futures and Options segment went up from Rs. 6,93,998.18 crore on Nov 1 to Rs. 10,64,879.79 crore on Nov 2.
- The Put-Call ratio stood at 0.83 against the previous session's close of 1.01.
- The Nifty Put-Call ratio stood at 1.52 against the previous session's close of 1.50.
- Open interest on Nifty Futures stood at 26.50 million as against the previous session's close of 25.42 million.

Indian Debt Market

- Bond yields fell as market participants bought bonds at lower prices ahead of the possible announcement of the next U.S. Federal Reserve's chair later during the day.
- Yield on the 10-year benchmark paper (6.79% GS 2027) fell 3 bps to close at 6.86% from the previous close of 6.89%. During the session, bond yields traded in the range of 6.86% and 6.89%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 3,355 crore (gross) on Nov 2 compared with borrowings of Rs. 2,910 crore (gross) on Nov 1. Sale of securities under Reserve Bank of India's (RBI) reverse repo window stood at Rs. 14,405 crore on Nov 1.
- Banks borrowed Rs. 50 crore under the central bank's Marginal Standing Facility on Nov 1 as against no borrowing on Oct 31.

Currency Market Update

- The Indian rupee inched down against the greenback on dollar demand from importers. The rupee inched down 0.03% to close at 64.61 per dollar from the previous close of 64.59.
- The euro rose against the greenback as market participants booked profits after the U.S. Fed left interest rates unchanged in its monetary policy review but left open the door for a rate hike in Dec 2017. Euro rose 0.16% and was trading at \$1.1636 from the previous close of 1.1617.

Commodity Market Update

- Gold prices inched up amid speculation over the nomination of the next U.S. Federal Reserve chair.
- Brent crude prices fell as U.S. oil production grew by 46,000 barrels a day (bpd) to 9.55 million barrels a day while weekly U.S. crude oil exports rose to an all-time high of 2.13 million bpd.

International News

- The U.S. Federal Reserve (Fed) kept interest rates on hold in its monetary policy review on Nov 1, 2017, in line with market expectations. The U.S. Fed also announced that it was proceeding with the reduction in \$4.2 trillion holdings of Treasury bonds and mortgage-backed securities.
- The Bank of England has raised its benchmark rates by 25 bps to 0.50% as inflation continues to rise due to weaker pound. This was the first rate hike since Jul 2007. The Monetary Policy Committee has maintained the quantitative easing at GBP 435 billion. The bank predicts inflation to rise further in the near term to 3.2% in Oct 2017, before starting to slow down to 2.4% in the fourth quarter of 2018.

Thank you for
your time.