

**RELIANCE**

MUTUAL  
FUND

# Markets for You

06 Nov 2018

Indices Performance

Global Indices	05-Nov	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	25,462	25,271	191	0.76
Nasdaq	7,329	7,357	-28	-0.38
FTSE	7,104	7,094	10	0.14
Nikkei	21,899	22,244	-345	-1.55
Hang Seng	25,934	26,486	-552	-2.08
Indian Indices	05-Nov	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	34,951	35,012	-61	-0.17
Nifty 50	10,524	10,553	-29	-0.27
Nifty 100	10,761	10,782	-21	-0.20
Nifty Bank	25,732	25,702	31	0.12
SGX Nifty	10,578	10,563	15	0.14
S&P BSE Power	1,958	1,989	-32	-1.59
S&P BSE Small Cap	14,424	14,465	-41	-0.28
S&P BSE HC	14,470	14,563	-93	-0.64

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
5-Nov	22.72	1.26	25.33	1.26
Month Ago	21.96	1.31	24.95	1.30
Year Ago	24.92	1.15	26.87	1.07

Nifty 50 Top 3 Gainers

Company	05-Nov	Prev_Day	% Change <sup>#</sup>
SBI	295	285	3.36
Axis Bank	624	611	2.25
United Phos	724	711	1.81

Nifty 50 Top 3 Losers

Company	05-Nov	Prev_Day	% Change <sup>#</sup>
Cipla	563	607	-7.26
Indian Oil	140	148	-5.36
Indiabulls HFC	834	871	-4.23

Advance Decline Ratio

	BSE	NSE
Advances	1290	869
Declines	1308	913
Unchanged	194	92

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	-136	-41347
MF Flows**	649	112599

\*5<sup>th</sup> Nov 2018; \*\*2<sup>nd</sup> Nov 2018

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	3.77%	4.92%	3.28%
	(Sep-18)	(Jun-18)	(Sep-17)
IIP	4.30%	3.80%	4.80%
	(Aug-18)	(May-18)	(Aug-17)
GDP	8.20%	7.70%	5.60%
	(Jun-18)	(Mar-18)	(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 declined as chances of a U.S.-China trade agreement seemed distant. Investors awaited U.S. midterm elections and U.S. Federal Reserve's for future cues. Chinese markets declined on weak services and manufacturing data. Encouraging remarks on globalisation and free trade by its President could not support sentiment. Today (as of Nov 06), Asian markets opened mostly higher following rise on Dow Jones index. Both Nikkei and Hang Seng were trading lower 0.83% and 0.03%, respectively (as at 8 a.m. IST).
- As per the last close, European markets closed on a mixed note as market participants remained cautious ahead of Tuesday's U.S. midterm elections along with U.S. Federal Reserve policy statement this week.
- As per the last close, U.S. markets mostly rose as a major U.S. multinational conglomerate holding company's share prices increased. Upside was limited as a U.S. technology major and an online retail giant share prices fell. Market participants remained cautious ahead of the ahead of Tuesday's highly anticipated midterm elections, which will decide control of both the House and Senate.

Indian Equity Market

- Indian equity markets fell marginally on the back of weak global cues. Global markets declined as investors turned pessimistic on fading chances of a China-U.S. trade deal. U.S. President's recent remarks had fuelled expectations of a successful agreement between the two trading partners. Also, the rupee weakened against the U.S. dollar. The losses were limited by the State Bank of India posting higher than expected earnings.
- Key benchmark indices S&P BSE Sensex and Nifty 50 fell 0.17% and 0.27% to close at 34,950.92 and 10,524.00, respectively. S&P BSE Mid-Cap lost 0.47%, while S&P BSE Small Cap fell 0.28%.
- The overall market breadth on BSE was weak with 1267 scrips advancing and 1340 scrips declining. A total of 185 scrips remained unchanged.
- On the BSE sectoral front, S&P BSE Realty was the major gainer, up 1.55%, followed by S&P BSE Basic Materials and S&P BSE Metal, up 0.47% and 0.15%, respectively. The major loser was S&P BSE Power, down 1.59%, followed by S&P BSE Oil & Gas and S&P BSE Utilities, down 1.42% and 1.04%, respectively.

Domestic News

- The Nikkei India Services Purchasing Managers' Index (PMI) lifted up to 52.2 in Oct 2018 from 50.9 in Sep 2018 on the back of improved new orders and robust jobs growth. The rise is the highest pace of growth since Jul 2018 and fifth month of consecutive growth. Nikkei India Composite PMI Output Index grew to 53.0 in Oct as against 51.6 in Sep.
- The RBI has allowed banks to be partial guarantors for some of their existing debt. The central bank has done this to ease the credit crunch affecting non-banking financial companies (NBFCs). The step will make refinancing easier.
- According to the finance minister, excessive competition can sometimes result in stress in a particular sector. He said a growing economy can have challenges because of which role of regulators may have to expand. Indian economy's expansion is going to be exponential if the present growth rate continues for ten years and more, he said.
- The Competition Commission of India is working on a system that will detect possible cartelisation in public procurement tenders. The system would be "digital screen-based". This comes as the fair trade regulator is working on ways to limit anti-competitive practices across sectors. Public procurement is a key area in this regard as it accounts for about 20% of India's gross domestic product.
- Axis Bank's second quarter profit increased 82.6% to Rs. 7.90 billion compared with Rs. 4.32 billion in the year-ago period. The bank beat expectations. The good show came on the back of higher interest income and improved asset quality.
- Oil and Natural Gas Corp (ONGC) registered 61% increase in profit to Rs. 82.65 billion in second-quarter profit compared with the year-ago period's Rs. 51.3 billion and beat expectations. The good performance came on the back of higher crude oil prices.
- Reliance Communications quarterly profit increased sharply on a one-time gain. Net profit for the quarter ended Sep 2018 came in at Rs. 67.98 billion compared with Rs. 420 million rupees in the year-ago period. Revenue from operations decreased 41.7% to Rs. 3.34 billion.

FII Derivative Trade Statistics			
	05-Nov		
(Rs Cr)	Buy	Sell	Open Int.
Index Futures	6299.43	4918.58	29017.32
Index Options	81599.98	79367.76	63380.55
Stock Futures	19424.97	18979.09	82048.14
Stock Options	8719.11	8447.91	7412.04
Total	116043.49	111713.34	181858.05

Derivative Statistics- Nifty Options			
	05-Nov	Prev_Day	Change
Put Call Ratio (OI)	1.58	1.63	-0.05
Put Call Ratio(Vol)	0.93	1.03	-0.10

Debt Watch				
	05-Nov	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.41%	6.44%	6.41%	5.85%
CBLO	6.17%	6.46%	6.12%	5.81%
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
91 Day T-Bill	6.90%	6.91%	6.85%	6.10%
364 Day T-Bill	7.43%	7.41%	7.55%	6.23%
10 Year Gilt	7.81%	7.81%	8.02%	6.86%
G-Sec Vol. (Rs.Cr)	11970	35716	42133	45485
FBIL MIBOR	6.54%	6.60%	6.50%	5.99%
3 Month CP Rate	8.50%	8.65%	8.35%	6.74%
5 Year Corp Bond	8.64%	8.78%	8.91%	7.55%
1 Month CD Rate	6.91%	7.07%	7.11%	6.08%
3 Month CD Rate	7.49%	7.73%	7.42%	6.22%
1 Year CD Rate	8.32%	8.35%	8.52%	6.57%

Currency Market			
Currency	05-Nov	Prev_Day	Change
USD/INR	73.07	72.88	0.19
GBP/INR	94.98	94.75	0.23
EURO/INR	83.26	83.23	0.03
JPY/INR	0.65	0.64	0.00

Commodity Prices				
Commodity	05-Nov	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	63.07	66.95	74.21	55.58
Brent Crude(\$/bl)	71.77	78.45	85.16	61.61
Gold( \$/oz)	1231	1229	1202	1269
Gold(Rs./10 gm)	31739	31784	31216	29167

Source: Thomson Reuters Eikon

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#### Derivatives Market

- Nifty Nov 2018 Futures settled at 10,550.95, a premium of 26.95 points, above the spot closing of 10,524.00. The turnover on NSE's Futures and Options segment decreased to Rs. 6,91,105.27 on Nov 5 compared with Rs. 7,00,968.41 on Nov 2.
- The Put-Call ratio stood at 0.90 compared with the previous session's close of 0.92.
- The Nifty Put-Call ratio stood at 1.58 compared with the previous session's close of 1.63.
- Open interest on Nifty Futures stood at 24.77 million as against the previous session's close at 24.62 million.

#### Indian Debt Market

- Bond yield increased as rupee depreciated on better-than-expected U.S. job data. The rise in the U.S. Treasury yield also pulled the yield higher.
- Yield on the 10-year benchmark paper (7.17% GS 2028) increased 3 bps to 7.81% compared with the previous close of 7.78% after trading in the range of 7.76% to 7.81%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 4,173 crore (gross) on Nov 5 compared with a borrowing of Rs. 3,846 crore (gross) on Nov 2. Sale of securities under the Reserve Bank of India's (RBI) reverse repo window stood at Rs. 15,182 crore on Nov 2.
- Banks borrowed Rs. 15 crore under the central bank's Marginal Standing Facility on Nov 2 compared with borrowing of Rs. 103 crore on Nov 1.

#### Currency Market Update

- The Indian rupee declined following better-than-expected U.S. employment data for Oct 2018 and rise in U.S. Treasury yield. The rupee closed at 73.12 a dollar, down 0.95% compared with the previous close of 72.44.
- The euro moved down against the greenback following stronger-than-expected U.S. employment data for Oct 2018. However, further downside was capped by the uncertainty surrounding the impending U.S. midterm elections.

#### Commodity Market Update

- Gold prices remained steady as market participants preferred to keep a cautious stance ahead of the U.S. midterm elections.
- Brent Crude prices remained close to the \$70 per barrel after U.S. softened its sanction on Iran oil exports by allowing some countries to continue Iranian crude imports.

#### International News

- A Commerce Department report showed U.S. new orders for manufactured goods increased by more than expected in Sep 2018. Factory orders increased 0.7% in Sep after rising 2.6% in Aug 2018. Expectations were for factory orders to increase 0.5%.
- Sentix survey data showed eurozone's investor sentiment eroded for a third straight month in Nov 2018 to its lowest level in two years. The Sentix investor confidence indicator dipped to 8.8 from 11.4 in Oct 2018. It matched expectations and was the lowest since Oct 2016.
- Survey from Nikkei showed services sector in Japan continued to expand in Oct 2018. The PMI score came in at 52.4, an increase from 50.2 in Sep 2018. The Oct 2018 reading touched a six-month index high.



Thank you for  
your time.