

**RELIANCE**

MUTUAL  
FUND

# Markets for You

21 Nov 2018

Indices Performance

Global Indices	20-Nov	Prev_Day	Abs. Change	% Change <sup>#</sup>
Dow Jones	24,466	25,017	-552	-2.21
Nasdaq	6,909	7,028	-120	-1.70
FTSE	6,948	7,001	-53	-0.76
Nikkei	21,583	21,821	-238	-1.09
Hang Seng	25,840	26,372	-532	-2.02
Indian Indices	20-Nov	Prev_Day	Abs. Change	% Change <sup>#</sup>
S&P BSE Sensex	35,475	35,775	-300	-0.84
Nifty 50	10,656	10,763	-107	-1.00
Nifty 100	10,875	10,988	-113	-1.03
Nifty Bank	26,113	26,301	-187	-0.71
SGX Nifty	10,670	10,762	-92	-0.85
S&P BSE Power	1,956	1,976	-20	-1.00
S&P BSE Small Cap	14,406	14,539	-133	-0.92
S&P BSE HC	14,234	14,461	-226	-1.57

P/E Dividend Yield

Date	Sensex		Nifty	
	P/E	Div. Yield	P/E	Div. Yield
20-Nov	23.41	1.23	25.62	1.25
Month Ago	22.03	1.30	24.83	1.30
Year Ago	24.57	1.17	26.18	1.08

Nifty 50 Top 3 Gainers

Company	20-Nov	Prev_Day	% Change <sup>#</sup>
GAIL	344	335	2.79
Adani Ports & SEZ	355	351	1.34
IndusInd Bank	1558	1538	1.29

Nifty 50 Top 3 Losers

Company	20-Nov	Prev_Day	% Change <sup>#</sup>
Yes Bank	192	205	-6.20
Hindalco	222	234	-5.33
Indiabulls HFC	707	734	-3.71

Advance Decline Ratio

	BSE	NSE
Advances	829	490
Declines	1762	1327
Unchanged	150	79

Institutional Flows (Equity)

Description (Cr)	Inflow/Outflow	YTD
FII Flows*	1054	-36914
MF Flows**	65	112453

\*20<sup>th</sup> Nov 2018; \*\*19<sup>th</sup> Nov 2018

Economic Indicator

YoY(%)	Current	Quarter Ago	Year Ago
CPI	3.31%	4.17%	3.58%
	(Oct-18)	(Jul-18)	(Oct-17)
IIP	4.50%	7.00%	4.10%
	(Sep-18)	(Jun-18)	(Sep-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 because of global growth worries and weakness in multinational technology stocks. China was at its lowest in three weeks after investors turned pessimistic about chances of a resolution of the trade dispute at the G20 summit later in Nov 2018. Today (as of Nov 21), Asian markets opened on a negative note following decline on Wall Street overnight. Both Nikkei and Hang Seng fell 0.88% and 0.87%, respectively (as at 8.a.m. IST).
- As per the last close, European markets closed firmly lower on continued worries over global economic growth. Market remained cautious ahead of a meeting between the U.S. President and Chinese President at the G20 summit in Argentina later during the month.
- As per the last close, U.S markets dropped notably following weaker than expected earnings from a major U.S. departmental store in the Sep quarter of 2018. Moreover, some of the most popular technology shares also dropped. Energy stocks fell due to plunge in crude oil prices.

Indian Equity Market

- Indian equity markets lost their three-day winning ways as a global meltdown in technology stocks came to haunt bourses in Asia as well. Technology and internet behemoths saw their stocks decline on the Wall Street, which led to tech companies in Asia falling. Apart from this, the emergence of misconduct charges against a major Japan-based automaker's chairman and pessimism over U.S.-China trade talks at the upcoming G20 summit marred sentiment.
- Domestically, although the cues were strong, they couldn't do much to dispel the gloom. Crude oil prices were down, rupee was strong and the Reserve Bank of India (RBI) board's nine-hour meeting the day before gave mixed signals as investors seemed divided on the outcome – the board has advised the bank to support small businesses and give banks more time to fulfil capital regulations. It also decided to form an expert committee to advice on whether RBI reserves are adequate since there have been requests from the government for access to surplus reserves.
- Key benchmark indices S&P BSE Sensex and Nifty 50 declined 0.84% and 1% to close at 35,474.51 and 10,656.20, respectively.

Domestic News

- RBI's board has advised the bank to support small businesses and give banks more time to fulfil capital regulations. The board had a nine-hour meeting on Nov 19, 2018, wherein it also decided to form an expert committee to advice on whether RBI reserves are adequate since there have been requests from the government for access to surplus reserves.
- India has asked the World Trade Organisation (WTO) to set up a panel against the U.S. for imposing high import duties on certain steel and aluminium products, according to media reports. This happened after both the countries failed to resolve the issue in a bilateral consultation process under the dispute settlement mechanism of WTO. Imposition of high import duties on these items by the U.S. has hurt exports by Indian businesses. The U.S. move also does not comply with global trade rules. Other than India, Russia, Norway, Canada, Mexico, Switzerland, and European Union have taken the U.S. in the WTO for imposing 25% and 10% import duties on certain steel and aluminium products, respectively, which has led to global trade tensions.
- India According to media reports, the civil aviation minister has ordered a safety audit of all domestic airlines. The Directorate General of Civil Aviation will conduct the audit. The biggest domestic airline is cutting costs and looking for funds to stay afloat as it owes money to vendors and employees. The company has reported third straight quarterly loss in the second quarter ended Sep 2018.
- The Prime Minister has discussed with industry leaders and policymakers how to further improve government processes by using cutting-edge technology. The Prime Minister wants India's position in the World Bank's ease of doing business ranking to further improve and come in the top 50. India came in at the 77th position in 2018, an improvement of 23 places. He sought input based on areas such as artificial intelligence, internet of things, big data analytics and blockchain. He launched the Ease of Doing Business Grand Challenge on the Startup India Portal.

FII Derivative Trade Statistics		20-Nov		
(Rs Cr)	Buy	Sell	Open Int.	
Index Futures	3257.69	2396.99	34946.50	
Index Options	56145.68	57891.22	78536.88	
Stock Futures	11275.75	11241.50	84408.07	
Stock Options	7210.86	7316.45	10141.53	
Total	77889.98	78846.16	208032.98	

Derivative Statistics- Nifty Options			
	20-Nov	Prev_Day	Change
Put Call Ratio (OI)	1.64	1.73	-0.09
Put Call Ratio(Vol)	1.06	1.08	-0.03

Debt Watch				
	20-Nov	Wk. Ago	Mth. Ago	Year Ago
Call Rate	6.43%	6.42%	6.55%	5.88%
T-Repo	6.46%	6.38%	--	--
Repo	6.50%	6.50%	6.50%	6.00%
Reverse Repo	6.25%	6.25%	6.25%	5.75%
91 Day T-Bill	6.77%	6.90%	6.87%	6.10%
364 Day T-Bill	7.26%	7.37%	7.46%	6.23%
10 Year Gilt	7.79%	7.76%	7.92%	6.89%
G-Sec Vol. (Rs.Cr)	29111	36494	20275	78971
FBI MIBOR	6.50%	6.60%	6.60%	6.00%
3 Month CP Rate	8.35%	8.45%	7.90%	6.80%
5 Year Corp Bond	8.59%	8.54%	8.87%	7.61%
1 Month CD Rate	6.89%	6.99%	7.19%	6.07%
3 Month CD Rate	7.45%	7.69%	8.33%	6.23%
1 Year CD Rate	8.17%	8.29%	8.38%	6.61%

Currency Market			
Currency	20-Nov	Prev_Day	Change
USD/INR	71.33	71.90	-0.57
GBP/INR	91.72	92.20	-0.48
EURO/INR	81.69	81.94	-0.26
JPY/INR	0.63	0.64	0.00

Commodity Prices				
Commodity	20-Nov	Wk Ago	Mth. Ago	Year Ago
NYMEX Crude(\$/bl)	53.34	55.58	69.11	56.16
Brent Crude(\$/bl)	60.64	64.54	81.17	61.38
Gold(\$/oz)	1221	1202	1226	1277
Gold(Rs./10 gm)	30913	30898	31706	29634

Source: Thomson Reuters Eikon

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#### Derivatives Market

- Nifty Nov 2018 Futures settled at 10,671.95, a premium of 15.75 points, above the spot closing of 10,656.20. The turnover on NSE's Futures and Options segment increased to Rs. 6,59,232.08 crore on Nov 20 compared with Rs. 5,08,453.47 crore on Nov 19.
- The Put-Call ratio stood at 0.96 compared with the previous session's close of 1.08.
- The Nifty Put-Call ratio stood at 1.64 compared with the previous session's close of 1.73.
- India VIX remained unchanged at 19.2550 compared with the previous trading session.

#### Indian Debt Market

- Bond yield fell initially following gains in the rupee against the greenback and after the outcome of the meeting between the Reserve Bank of India and the government eased market concerns over tight liquidity to some extent. However, gains were wiped out as market participants resorted to profit booking.
- Yield on the 10-year benchmark paper (7.17% GS 2028) remained unchanged at 7.79% compared with the previous close after trading in the range of 7.75% to 7.79%.
- Banks' borrowings under the repo window of the Liquidity Adjustment Facility (LAF) stood at Rs. 7,411 crore (gross) on Nov 20 compared with a borrowing of Rs. 3,861 crore (gross) on Nov 19. Sale of securities under the RBI's reverse repo window stood at Rs. 29,313 crore on Nov 19.

#### Currency Market Update

- The Indian rupee edged higher following the positive outcome of the RBI's board meeting, indicating that the monetary authority and the central government reached an accommodation. The rupee rose 0.27% to close at 71.45 a dollar compared with the previous close of 71.64.
- The euro declined against the greenback on concerns over the Italian financial sector and its highly debatable 2019 budget which continues to be a drag on the single currency.

#### Commodity Market Update

- Gold prices inched down on concerns over more rate hikes by Federal Reserve (Fed) moving forward.
- Brent crude prices moved up on expectations that Organization of the Petroleum Exporting Countries (OPEC) might introduce new measures to reduce its output.

#### International News

- Bank of England (BoE) governor announced that the bank will bring forward the publication of the latest Financial Stability Report and the results of the bank stress tests to Nov 28 from Dec 5.
- A National Association of Home Builders report showed a sharp drop in U.S. homebuilder confidence in Nov 2018. The report said the NAHB/Wells Fargo Housing Market Index declined to 60 in Nov against a one-point increase to 68 in Oct 2018. Expectations were for the index to drop to 67. This is the lowest level since the index touched 59 in Aug 2016.

Thank you for  
your time.